

**ANNUAL REPORT 2020-21**

**L&T FINANCIAL CONSULTANTS LIMITED**

# Board's Report

Dear Members,

The Directors of your Company have the pleasure in presenting the Tenth Annual Report together with the audited financial statements for the financial year ("FY") ended March 31, 2021

## FINANCIAL HIGHLIGHTS

The summary of the Company's financial performance for FY 2020-21 as compared to the previous FY 2019-20 is given below:

	(₹ in Lakh)	
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Income	19,468.139	13,980.67
<b>Profit before Tax/ (Loss)</b>	<b>13,635.00</b>	<b>7,430.30</b>
Provision for Tax including Deferred Tax	4,104.47	2,155.29
<b>Profit after Tax/ (Loss)</b>	<b>9,530.53</b>	<b>5,275.01</b>
Add: Other Comprehensive Income	(1.14)	(2.91)
<b>Total Comprehensive Income for the year</b>	<b>9,529.39</b>	<b>5,272.10</b>
Add: Balance brought forward from previous year (Deficit)/Surplus	2,972.47	1,486.56
<b>Total</b>	<b>12,501.86</b>	<b>6,758.66</b>
Less: Interim dividend paid (including dividend distribution tax)	-	(3,786.19)
<b>Surplus / (Deficit) in the statement of Profit and Loss</b>	<b>12,501.86</b>	<b>2,972.47</b>

## APPROPRIATIONS

During the year under review, the Company has not transferred any amount to General Reserve. During the year under review, the Board of Directors declared and paid an interim dividend of ₹ NIL per Equity Share on 1,87,50,000 Equity Shares of face value of ₹ 10 each, aggregating to ₹ NIL (excluding Dividend Distribution Tax).

## INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY

### FINANCIAL PERFORMANCE OF THE COMPANY

Despite the headwinds caused due to COVID-19 situation during the year under review, the Company earned a gross income of ₹ 19,468.13 Lakh as against ₹ 13,980.67 Lakh earned by it in the previous year. The gross income mainly represents income from lease rentals, marketing activities and advisory fees.

The expenditure incurred by the Company during the year under review mainly comprises finance costs of ₹ 2,533.70 Lakh as against ₹ 3,551.80 Lakh in the previous year.

The profit reported by the Company for FY ended March 31, 2021 is ₹ 9,530.53 Lakh.

The Net Worth of the Company as at March 31, 2021 is ₹ 17,745.23 Lakh as against ₹ 8,215.84 Lakh as at March 31, 2020.

### MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which these financial statements relate and the date of this Report.

### DIVIDEND

During the year under review, the Company has not declared any interim dividend or final dividend as it is considered financially prudent in the long-term interests of the Company to reinvest the profits into the business of the Company to build a strong reserve base and grow the business of the Company.

### SHARE CAPITAL

As on March 31, 2021, the paid-up capital of the Company stood at ₹ 18,75,00,000 (Rupees Eighteen Crore Seventy Five Lakh Only) divided into 1,87,50,000 (One Crore Eighty Seven Lakh and Fifty thousand) Equity Shares of ₹ 10 (Rupees Ten Only) each.

### FIXED DEPOSITS

The Company has not accepted any deposits from the public since inception.

### DIRECTORS

The composition of the Board is in accordance with the provisions of the Companies Act, 2013 ("the Act").

During the year under review, Mr. S. Anantharaman,

Non-Executive Director, resigned from the Board with effect from April 17, 2020, to devote time to other commitments.

The Board places on record its appreciation for the valuable services rendered by the aforesaid Director during his tenure as the Director of the Company.

During the year under review, Dr. Rupa Rege Nitsure was appointed as a Non-Executive Director, liable to retire by rotation, pursuant to the provisions of Sections 152, 160 and 161 of the Act with effect from May 11, 2020. The said appointment was approved by the Members at the Ninth Annual General Meeting (“AGM”) held on July 28, 2020.

As on the date of this Report, the Board comprises the following Directors:

Name of Directors	Designation
Mr. Sunil Prabhune	Non-Executive Director
Mr. Raju Dodti	Non-Executive Director
Dr. Rupa Rege Nitsure <sup>(1)</sup>	Non-Executive Director

**Note:**

<sup>(1)</sup> Appointed as a Non-Executive Director with effect from May 11, 2020.

Section 152 of the Act, provides that unless the Articles of Association provide for the retirement of all Directors at every AGM, not less than two-thirds of the total number of Directors of a public company (excluding Independent Directors) shall be persons whose period of office is liable to determination by retirement of Directors by rotation, of which one-third are liable to retire by rotation. Accordingly, Mr Raju Dodti, Non-Executive Director will retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

**KEY MANAGERIAL PERSONNEL (“KMPs”)**

During the year, Mr. Vinay Pandey resigned from the position of the Company Secretary of the Company with effect from June 24, 2020.

Further, Ms. Hiteshi Rajyaguru who was appointed as the Company Secretary of the Company and designated as KMP under the Act by the Board of Directors at its meeting held on July 14, 2020, resigned as the Company Secretary of the Company with effect from October 19, 2020. Thereafter, the Board of Directors of the Company at its meeting held on October 19, 2020,

appointed Ms. Juhi Jadhav as the Company Secretary of the Company and designated her as a KMP of the Company.

During the year under review, Mr. Sudeep Banerjee resigned from the position of the Manager of the Company with effect from August 03, 2020 and consequently, Mr. Nilesh Dange was appointed as the Manager of the Company and was designated as KMP under the Act with effect from January 13, 2021.

Accordingly, as on the date of this report, the Company had the following KMPs:

- Mr. Nilesh Dange - Manager
- Mr. Hitesh Bhadada - Head-Accounts (discharging functions of the Chief Financial Officer)
- Ms. Juhi Jadhav - Company Secretary

**STATUTORY AUDITORS**

Pursuant to the provisions of Section 139(2) of the Act and the rules made thereunder, the Members at their Fifth Annual General Meeting (“AGM”), held on August 31, 2016 had appointed M/s. Sharp & Tannan, Chartered Accountants (ICAI Firm’s Registration Number 109982W) as the Statutory Auditors of the Company for a term of five years i.e., from the conclusion of the Fifth AGM till the conclusion of the Tenth AGM of the Company.

Since the tenure of M/s. Sharp & Tannan, Chartered Accountants would end at the ensuing AGM, the Board of Directors of the Company have recommended the appointment of M/s. B.K. Khare, Chartered Accountants (ICAI Registration No. 105102W) as the Statutory Auditors of the Company for a period of five consecutive years, to hold office from the conclusion of the ensuing AGM i.e. Tenth AGM till the conclusion of the Fifteenth AGM, subject to the approval of the Members at the ensuing AGM of the Company.

M/s. B.K. Khare, Chartered Accountants have confirmed that their appointment, if made, will comply with the eligibility criteria in terms of Section 141(3) of the Act. Further, the Auditors have confirmed that they have subjected themselves to Peer Review process by the Institute of Chartered Accountants of India (ICAI) and hold valid certificate Issued by the Peer Review Board of ICAI.

## **AUDITORS' REPORT**

The Auditors' Report to the Members during the year under review, is unmodified and does not contain any qualification. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Act.

## **PARTICULARS OF EMPLOYEES**

The information required pursuant to the provisions of Section 197 of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, has been appended as **Annexure A** to this Report.

## **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

The particulars relating to conservation of energy and technology absorption in terms of

Section 134(3)(m) of the Act and Rule 8 (3) of the Companies (Accounts) Rules, 2014 are given as under:

### **(A) Conservation of Energy**

The steps taken or impact on conservation of energy:

The operations of your Company are not energy intensive. However, following measures have been initiated to reduce energy consumption:

- Efficient building envelope achieved by use of flash blocks and double-glazed glass units
- Ample day light and views for all office spaces ensured
- Use of treated wastewater for landscape and cooling tower make up water there by reducing portable water use
- Use of materials with low content of volatile organic compounds
- Electric car charging facilities in basement parking area

The steps taken by the Company for utilizing alternate sources of energy:

- Incorporated solar panels for external lighting in owned office premises.

## **(B) TECHNOLOGY ABSORPTION: Not Applicable FOREIGN EXCHANGE EARNINGS AND OUTGO**

There were no foreign exchange earnings and expenditure during the year under review.

## **DISCLOSURE RELATING TO HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES**

The Company is a wholly owned subsidiary of L&T Finance Holdings Limited.

Mudit Cement Private Limited is the wholly owned subsidiary of the Company. The Company has no joint venture or associate company.

As required under Rule 5 and Rule 8(1) of the Companies (Accounts) Rules, 2014, a report on the performance, financial position and contribution of the subsidiary of the Company has been appended as **Annexure B** to this Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors, based on the representations received from the operational management, confirm in pursuance to provisions of Section 134(5) of the Act, that:

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 2) the Directors 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 at March 31, 2021 and of the profit of the Company for that period;
- 3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) the Directors have prepared the annual accounts on a going concern basis; and
- 5) the Directors have devised proper systems to ensure compliance with the provisions of all laws, including applicable Secretarial Standards and that such systems were adequate and operating effectively.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. Testing of such systems forms a part of review by the Internal Audit (“IA”) function. The scope and authority of the IA function is defined in the IA Charter.

The IA function of L&T Financial Services (“LTFS”) monitors and evaluates the efficacy and adequacy of internal control system in the Company to ensure that financial reports are reliable, operations are effective and efficient and activities comply with applicable laws and regulations. Based on the report of IA function, process owners undertake corrective action, if any, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Board of Directors from time to time.

## BOARD MEETINGS

During the year under review, the Board of Directors of the Company met 4 (four) times i.e., on May 12, 2020, July 14, 2020, October 19, 2020 and January 13, 2021.

The Agenda of the meetings were circulated to the Directors well in advance. The Minutes of the meetings of the Board of Directors were circulated amongst the members of the Board for their perusal within the prescribed timelines.

The details of the attendance of the members of the Board at the meetings held during the year under review are as follows:

Name of the Director	DIN	Nature of Directorship	No. of Board Meetings held / conducted during the tenure of Director / year	No. of Board Meetings Attended
Mr. Sunil Prabhune	07517824	NED	4	4
Mr. Raju Dodti	06550896	NED	4	4
Dr. Rupa Rege Nitsure <sup>(1)</sup>	07503719	NED	4	3
Mr. S Anantharaman <sup>(2)</sup>	08215410	NED	-	-

### Notes:

(1) Appointed as a Non-Executive Director with effect from May 11, 2020.

(2) Ceased to be a Non-Executive Director with effect from April 17, 2020.

NED - Non-Executive Director

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with the requirements of the provisions of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility (“CSR”) Committee.

As on the date of this Report, the CSR Committee comprises Mr. Sunil Prabhune, Mr. Raju Dodti and Dr. Rupa Rege Nitsure. During the year under review, the Committee met once i.e., on October 19, 2020 and leave of absence was granted to Ms. Rupa Rege Nitsure from attending the meeting.

The Committee has formulated a CSR Policy (“Policy”) in accordance with the requirements of the Act and containing details specified therein which is available on the website of the Company at <https://www.lfs.com/csr.html>.

The Policy of the Company is a clear alignment with the United Nations’ global development agenda of Sustainable Development Goals (SDG) particularly ‘No Poverty’ (SDG -1), ‘Gender equality’ (SDG -5), Sustainable cities and Communities (SDG 11), ‘Climate Action’ (SDG 13) and ‘Partnership for the Goals’ (SDG 17). The inclusion of all stakeholders based on a priority matrix is clearly articulated in the Policy and all the programmes are passed through this matrix before being implemented on the ground for creating maximum stakeholder value. Our key initiatives are woven around Sustainable Livelihoods of Rural communities facilitated by focused areas of intervention – Digital Financial Inclusion, Disaster Management and other programmes.

During the year under review, the Policy has been updated as below:

- Revision in Thrust Areas based on company strategy
- Changes as a result of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021

An annual report on activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **Annexure C** to this Report

## PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY

Details of loans given, investments made, guarantees given and securities provided, if any, are covered under the provisions of Section 186 of the Act and are given in the Notes to the Financial Statements as applicable.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Board of Directors has approved a policy on transactions with related parties (“RPT Policy”).

The RPT Policy is also available on the website of the Company viz. [www.ltfs.com](http://www.ltfs.com). The RPT Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and the related parties.

### **Key features of the RPT Policy are as under:**

- All transactions with related parties (“RPTs”) are referred to the Board of the Company for approval, irrespective of its materiality. The Board shall also approve any subsequent modification in the RPTs. The process of approval of RPTs by the Board and Shareholders is as under:

#### **a) Board:**

Generally all RPTs are in the ordinary course of business and at arm’s length price.

RPTs which are not at arm’s length price and which are not in the ordinary course of business are approved by the Board.

#### **b) Shareholders:**

All Material RPTs requires prior approval of the shareholders, based on recommendation of the Board, through ordinary resolution passed at the general meeting. Where any contract or arrangement is entered into by a Director or any other employee without obtaining the consent of the Board or approval by an ordinary resolution in the general meeting, it is to be ratified by the Board or by the shareholders at a meeting, as the case may be, within three months from the date on which such contract or arrangement was entered into.

- All RPTs that were entered into during the FY 2020-21 were on an arm’s length basis and were in the ordinary course of business and disclosed in the Financial Statement. There were no materially significant RPTs made by the Company with Promoters, Directors, Key Managerial Personnel or body corporate(s), which had a potential conflict with the interest of the Company at large. Accordingly, the disclosure of RPT as required under

the provisions of Section 134(3)(h) of the Act in Form AOC-2 is not applicable. The Directors draw attention to Notes to the Financial Statements which sets out related party disclosures.

## **RISK MANAGEMENT FRAMEWORK**

The Company has in place a mechanism to inform the Board about risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework.

## **POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has in place a policy for prevention, prohibition and redressal of sexual harassment at workplace. Further, the Company has constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, where employees can register their complaints against sexual harassment. Appropriate reporting mechanisms are in place for ensuring protection against sexual harassment and the right to work with dignity.

During the year under review, the Company had not received any complaints in this regard.

## **ANNUAL RETURN AS PRESCRIBED UNDER THE ACT AND RULES MADE THEREUNDER**

The Annual Return in Form MGT-7 as required under Section 92(3) of the Act shall be hosted on the website of the Company viz. [www.ltfs.com](http://www.ltfs.com).

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Further, no penalties have been levied by any Regulators or Courts during the year ended review.

## **ACKNOWLEDGEMENTS**

The Directors express their sincere gratitude to the Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions and the Company’s bankers for the ongoing support extended by them. The Directors also place on record their sincere appreciation for

the continued support extended by the Company's stakeholders and trust reposed by them in in the Company during such a difficult time of the world-wide pandemic. The Directors sincerely appreciate the commitment displayed by the employees of the Company resulting in successful performance during the year.

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

**Sunil Prabhune**  
Director  
DIN: 07517824

**Raju Dodti**  
Director  
DIN: 06550896

**Place:** Mumbai  
**Date:** April 9, 2021

## ANNUAL REPORT 2020-21 - ANNEXURE 'B' TO BOARD'S REPORT

### FORM AOC-1

(Statement pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries, associate companies and joint ventures

#### Part - A: Subsidiaries

₹ in Lakhs

Sr. No.	1
Name of the subsidiaries	Mudit Cement Private Limited
Date of acquisition	December 27, 2013
Share capital	210.48
Reserves & surplus	(5,556.34)
Total assets	<b>2,018.88</b>
Total Liabilities	7,364.74
Investments	NIL
Turnover	NIL
Profit / (loss) before taxation	(1,176.50)
Provision for taxation	(46.25)
Profit/ (loss) after taxation	(1,130.25)
Proposed Dividend (Including dividend paid)	NIL
% of shareholding	100%

**Name of Subsidiaries which are yet to commence operations:** Mudit Cement Private Limited.

#### Part - B: Associates and Joint Ventures

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

**Names of associates or joint ventures which have been liquidated or sold during the year:** Nil

**For and on behalf of the Board of Directors of  
L&T Financial Consultants Limited**

**Sunil Prabhune**  
Director  
DIN: 07517824

**Raju Dodti**  
Director  
DIN: 06550896

**Hitesh Bhadada**  
Head Accounts

**Juhi Jadhav**  
Company Secretary

**Place:** Mumbai

**Date:** April 9, 2021

## ANNUAL REPORT 2020-21 ANNEXURE C TO BOARD'S REPORT

Annual Report on Corporate Social Responsibility ("CSR") Activities  
[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

### 1. Brief outline on CSR Policy of the Company.

#### CSR Vision

We aspire for an inclusive social transformation of the rural communities we serve by nurturing and creating opportunities for sustainable livelihoods for them.

#### CSR Mission:

To reach marginalized farmers and women micro entrepreneurs in the rural communities that we serve and work towards rejuvenating their ecosystems thereby creating sustainable livelihoods and enabling financial inclusion.

#### Commitment:

Creating value for rural indigent communities which desire a secure future. We align our social responsibility theme and commitment with the United Nation's global development agenda of Sustainable Development Goals (SDG) particularly 'No Poverty' (SDG -1), 'Gender equality' (SDG -5), 'Sustainable Cities and Communities' (SDG 11) 'Climate Action' (SDG 13) and 'Partnership for the goals' (SDG 17).

Our key initiatives are woven around Sustainable Livelihoods of rural communities facilitated by focused areas of intervention – Digital Financial Inclusion, Disaster Management and other programmes.

We implement the CSR programmes as a collaborative effort between various companies within L&T Financial Services. Company undertakes the CSR activities through partnership with the organization registered under public trust or a society, section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961).

#### CSR Approach:

Programme-based accountability approach is adopted to emphasize the long-term sustainability of CSR programmes. For each programme, we conduct baseline and end line assessments with clearly defined measurable results for presentation to the CSR Committee and Board of Directors. We conduct and share the impact assessment reports and investigations at the CSR section of the website of the Company viz <https://www.ltf.com/csr.html>.

#### Monitoring & Evaluation:

The CSR Committee formulates & recommend annual action plan to the Board consisting the list of CSR programmes, implementation methods, fund disbursement plan, monitoring and evaluation plan and strategy study/research undertaken in line with the greater CSR vision of the Company. The Board verifies that CSR funds have been utilised for the earmarked programmes and monitors implementation as per the action plan.

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sunil Prabhune - Chairperson	Non-Executive Director and Chairperson of the CSR Committee	1	1
2	Mr. Raju Dodti	Non-Executive Director	1	1
3	Dr. Rupa Rege Nitsure	Non-Executive Director	1	0

3. Provide the web-link where composition of CSR committee, CSR Policy and CSR programmes approved by the board are disclosed on the website of the Company.

The composition of CSR committee, CSR Policy and CSR programmes approved by the board can be accessed on the website at the following link - <https://www.ltf.com/csr.html>

4. Provide the details of Impact assessment of CSR programmes carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

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 Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial year	Amount available for set-off from preceding financial years (₹ in Crore)	Amount required to be set-off for the financial year, if any (₹ in Crore)
1	2020-21	Nil	Nil

6. Average net profit of the Company as per section 135(5) - ₹ 38.29 Crore

7. (a) Two percent of average net profit of the Company as per section 135(5) - ₹ 0.77 Crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil

(c) Amount required to be set off for the financial year, if any - ₹ Nil

(d) Total CSR obligation for the financial year (7a+7b- 7c) - ₹ 0.77 Crore

8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (₹ in Crore)	Amount Unspent (₹ in Crore)				
	Total amount transferred to unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
0.77	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent against **ongoing programmes** for the financial year:

(1) Sl. No.	(2) Name of the programme	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes / No)	(5) Location of the programme		(6) Programme duration	(7) Amount allocated for the programme (₹ in Crore)	(8) Amount spent in the current financial year (₹ in Crore)	(9) Amount transferred to Unspent CSR account for the programme as per Section 135 (6) (₹ in Crore)	(10) Mode of implementation - Direct (Yes/No)	(11) Mode of Implementation - through implementing agency	
				State	District						Name	CSR
1	Digital Sakhi –Odisha Interventions of Digital Financial Literacy & Entrepreneurship Development by 100 Digital Sakhis and inclusion of 1000 women (micro entrepreneurs) in digital payments space	iii) Promoting gender equality, empowering women for reducing inequalities faced by socially and economically backward groups x) Rural Development programme	No	Odisha	Balangir and Boudh	3 to 4 years	5.21	0.15	Nil	No	SEWA Bharat	CSR00001733
2	Digital Sakhi West Bengal Interventions of Digital Financial Literacy & Entrepreneurship Development by 450 Digital Sakhis and inclusion of 1000 women (micro-entrepreneurs) in digital payments space	iii) Promoting gender equality, empowering women for reducing inequalities faced by socially and economically backward groups x) Rural Development programme	No	West Bengal	East Medinipur	3 to 4 years	10.17	0.47	Nil	No	Sabuj Sangha	CSR00000299
TOTAL							15.38	0.63				

Note: The CSR programmes are implemented as a collaborative effort between various companies within L&T Financial Services and the amount allocated for the programme disclosed herein is the amount pertaining to all companies within L&T Financial Services.

(c) Details of CSR amount spent against **other than ongoing programmes** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the programme	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the programme		Amount spent for the programme (₹ in Crore)	Mode of implementation on - Direct (Yes/No)	Mode of implementation – through implementing agency.	
				State	District			Name	CSR registration number
1.	<b>Disaster Management</b>	(xii) disaster management, including relief, rehabilitation and reconstruction activities	No	Assam, Bihar	Multiple - across states	0.12	No	Habitat for Humanity	CSR00000402
2.	<b>Disaster Relief</b> (Covid-19 relief efforts (distribution of N95 masks, PPE kits for health/ frontline workers; provision of hospital equipment (ventilators, dialysis machines etc.) & Covid testing facility)	(i) promoting health care including preventive health care” and sanitation (xii) disaster management, including relief, rehabilitation	Yes	Maharashtra, Tamil Nadu, Gujarat, Telangana, Uttarakhand, Andhra Pradesh, West Bengal, Uttar Pradesh, Uttarakhand, Bihar, Madhya Pradesh, Assam	Multiple - across states	0.02	Yes		
	TOTAL					0.14			

(d) Amount spent in Administrative Overheads – Nil

(e) Amount spent on Impact Assessment, if applicable - Nil

(f) Total amount spent for the financial year (8b+8c+8d+8e) – ₹ 0.77 Crore

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Crore)
(i)	Two percent of average net profit of the Company as per section 135(5)	0.77
(ii)	Total amount spent for the financial year	0.77
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding financial year	Amount transferred to unspent CSR account under section 135 (6) (₹ in Crore)	Amount spent in the reporting financial year (₹ in Crore)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in Crore)
				Name of the fund	Amount (₹ in Crore)	Date of transfer	
1.	FY2017-18	Nil	Nil	Nil	Nil	Nil	Nil
2.	FY2018-19	Nil	Nil	Nil	Nil	Nil	Nil
3.	FY2019-20	Nil	Nil	Nil	Nil	Nil	Nil
	TOTAL	Nil	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent in the financial year for **ongoing programmes** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Programme ID	Name of the programme	Financial year in which the programme was commenced	Programme duration	Total amount allocated for the programme (₹ in Crore)	Amount spent on the programme in the reporting financial year (₹ in Crore)	Cumulative amount spent at the end of reporting financial year (₹ in Crore)	Status of the programme - Completed
1.	Digital Sakhi Odisha	<b>Digital Sakhi – Odisha</b> Interventions of Digital Financial Literacy & Entrepreneurship Development by 100 Digital Sakhis and inclusion of 1000 women (micro-entrepreneurs) in digital payments space	FY 2018-19	3 to 4 years	5.21	0.15	2.67	On-going
2	Digital Sakhi West Bengal	<b>Digital Sakhi – West Bengal</b> Interventions of Digital Financial Literacy & Entrepreneurship Development by 450 Digital Sakhis and inclusion of 1000 women (micro-entrepreneurs) in digital payments space	FY 2019-20	3 to 4 years	10.17	0.48	3.64	On-going
					15.38	0.63	6.31	

**Note:** The CSR programmes are implemented as a collaborative effort between various companies within L&T Financial Services and the amount allocated for the programme disclosed herein is the amount pertaining to all companies within L&T Financial Services

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 financial year **(asset-wise details)**.

<b>Programme ID</b>	<b>(a) Date of creation or acquisition of the capital asset(s)</b>	<b>(b) Amount of CSR spent for creation or acquisition of capital asset (₹ in Crore)</b>	<b>(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.</b>	<b>(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)</b>
Nil	Nil	Nil	Nil	Nil

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

**Sunil Prabhune**  
Chairman CSR Committee  
DIN: 07517824

**Raju Dodti**  
Director  
DIN: 06550896



## INDEPENDENT AUDITOR'S REPORT

To the Members of L&T Financial Consultants Limited

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of L&T Financial Consultants Limited ('the Company'), which comprise the balance sheet as at 31 March 2021, the statement of profit and loss (including other comprehensive income), statement of cash flows and statement of changes in equity for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ('the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for opinion

We conducted our audit of the financial statements 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 financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the board's report including annexures thereto, but does not include the financial statements and our auditor's report thereon.

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

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

Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachha Road, Mumbai - 400 020, India.  
Tel. (22) 2204 7722/23, 2286 9900 Fax (22) 2286 9949 E-mail : [admin.mumbai@sharpandtannan.in](mailto:admin.mumbai@sharpandtannan.in)

Shreedhar T. Kunte  
Firdosh D. Buchia

Ramnath D. Kare  
Tirtharaj A. Khot

Edwin P. Augustine  
Pavan K. Aggarwal

Raghunath P. Acharya

Also at Pune. Associate Offices : New Delhi, Chennai, Bangalore, Baroda, Goa & Ahmedabad

## **SHARP & TANNAN**

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's responsibility for the financial statements**

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

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

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Report on other legal and regulatory requirements**

- 1 As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the central government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A the 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, based on our audit, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164 (2) of the Act;

## SHARP & TANNAN

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year; and
- (h) With respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer note 35.16 to the financial statements;
  - ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – refer note 35.17 to the financial statements; and
  - iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – refer note 35.18 to the financial statements.

For Sharp & Tannan  
Chartered Accountants  
Firm's registration No.109982W

Mumbai, 09 April 2021

R.P.Acharya  
Partner  
Membership no. 039920  
UDIN: 21039920AAAADM3144

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

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) We are informed by the Company that, certain fixed assets have been physically verified by management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.  
(c) According to the information and explanations given to us and records of the Company examined by us, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to the information and explanations given to us, the Company is engaged primarily in services related to merchant banking, leasing of properties and its activities do not require it to hold any inventories and hence reporting under paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraphs 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, there are no securities and guarantees granted in respect of which provisions of sections 185 and 186 of the Companies Act 2013 are applicable. The Company has complied with the provisions of section 186 of the Act in respect of investments made and loans granted.
- (v) In our opinion and according to information and explanation given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the central government has not prescribed the maintenance of cost records under section 148(1) of the Act for any of the services rendered by the Company. Accordingly, reporting under paragraph 3(vi) of the Order is not applicable to the Company
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues have been generally regular in depositing during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

## SHARP & TANNAN

- (b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no dues in respect of income tax, value added tax, goods and service tax, sales tax, service tax, duty of excise and duty of custom which have not been deposited with the appropriate authorities on account of any dispute as at 31 March 2021.
- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the records of the Company examined by us and the information and explanation given to us, no managerial remuneration has been paid or provided during the year.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation 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) According to the information and explanation 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 partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Sharp & Tannan  
Chartered Accountants  
Firm's registration No.109982W

Mumbai, 09 April 2021

R.P.Acharya  
Partner  
Membership no. 039920  
UDIN: 21039920AAAADM3144

**ANNEXURE ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(f) of our report of even date)

**Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (‘the Act’)**

We have audited the internal financial controls over financial reporting of L&T Financial Consultants Limited (‘the Company’) as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s responsibility for internal financial controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (‘the Guidance Note’) issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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, both applicable to an audit of internal financial controls and, both issued by the ICAI. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of internal financial controls over financial reporting**

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

**Inherent limitations of internal financial controls over financial reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the ICAI.

For Sharp & Tannan  
Chartered Accountants  
Firm's registration No.109982W

R.P.Acharya  
Partner  
Membership no. 039920  
UDIN: 21039920AAAADM3144

Mumbai, 09 April 2021

(₹ in Lakh)

	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	1,756.58	2,052.80
(b) Investment property	4	30,740.31	31,100.95
(c) Other intangible assets	5	0.43	0.43
(d) Tax assets	10	872.13	1,045.52
(e) Financial assets			
(i) Investments	6	-	426.10
(ii) Others financial assets	8	26.39	26.39
(f) Deferred tax assets	9	5,057.46	5,057.46
<b>Total non-current assets</b>		<b>38,453.30</b>	<b>39,709.65</b>
<b>2 Current assets</b>			
(a) Financial assets			
(i) Trade receivables	12	747.89	537.26
(ii) Cash and cash equivalents	13	47.23	132.52
(iii) Bank Balances other than (ii) above	14	-	67.13
(iv) Others financial assets	8	2,399.22	2,371.20
(v) Loans	7	4,004.46	3,899.27
(b) Other current assets	11	26.11	16.36
(c) Assets classified as held for sale	15	115.02	115.02
<b>Total current assets</b>		<b>7,339.93</b>	<b>7,138.76</b>
<b>Total assets</b>		<b>45,793.23</b>	<b>46,848.41</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	16	1,875.00	1,875.00
(b) Other equity	17	15,870.23	6,340.84
<b>Total equity</b>		<b>17,745.23</b>	<b>8,215.84</b>
<b>2 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Other financial liabilities	18	2,057.30	2,048.75
(b) Provisions	21	25.47	45.17
<b>Total non-current liabilities</b>		<b>2,082.77</b>	<b>2,093.92</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	22,190.25	34,560.75
(ii) Trade payables	20	4.62	0.77
(iii) Other financial liabilities	18	275.11	268.91
(b) Provisions	21	11.61	18.51
(c) Current tax liabilities	22	1,801.35	-
(d) Deferred tax liabilities	23	1,536.89	1,563.48
(e) Other current liabilities	24	145.40	126.23
<b>Total current liabilities</b>		<b>25,965.23</b>	<b>36,538.65</b>
<b>Total equity and liabilities</b>		<b>45,793.23</b>	<b>46,848.41</b>
Significant accounting policies	2		
See accompanying notes to the financial statements	3-35		
<b>As per our report attached</b>		<b>For and on behalf of the Board of Directors of</b>	
<b>SHARP &amp; TANNAN</b>		<b>L&amp;T Financial Consultants Limited</b>	
Chartered Accountants			
Firm's registration no. 109982W			
by the hand of			
<b>R. P. Acharya</b>		<b>Raju Dodti</b>	<b>Sunil Prabhune</b>
Partner		Director	Director
Membership no. 039920		(DIN-06550896)	(DIN-07517824)
		<b>Hitesh Bhadada</b>	<b>Juhi Jadhav</b>
		Head Accounts (CFO)	Company Secretary
Place : Mumbai		Place : Mumbai	
Date : April 09, 2021		Date : April 09, 2021	

**L&T Financial Consultants Limited**  
**Statement of Profit and Loss for the year ended March 31, 2021**

(₹ in Lakh)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
I Revenue from operations	25	13,639.70	8,930.81
II Other income	26	5,828.43	5,049.86
<b>III Total revenue (I + II)</b>		<b>19,468.13</b>	<b>13,980.67</b>
<b>IV EXPENSES</b>			
(a) Employee benefit expense	27	531.20	702.75
(b) Finance costs	28	2,533.70	3,551.80
(c) Fees and commission expense	29	228.00	-
(d) Depreciation and amortisation expense	30	661.28	702.61
(e) Provisions and contingencies	31	1,030.48	585.52
(f) Other expenses	32	848.47	1,007.69
<b>Total expenses (IV)</b>		<b>5,833.13</b>	<b>6,550.37</b>
<b>V Profit before tax (III - IV)</b>		<b>13,635.00</b>	<b>7,430.30</b>
<b>VI Tax Expense</b>			
(1) Current tax	33	4,130.59	1,397.60
(2) Deferred tax	33	(26.12)	2,124.00
(3) Mat Credit Entitlement	33	-	(1,366.31)
<b>Total tax expense (VI)</b>		<b>4,104.47</b>	<b>2,155.29</b>
<b>VII Profit after tax</b>		<b>9,530.53</b>	<b>5,275.01</b>
<b>VIII Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	34	(1.61)	(4.11)
(ii) Income tax relating to items that will not be reclassified to profit or loss	34	0.47	1.20
<b>Other comprehensive income for the year [net of tax]</b>		<b>(1.14)</b>	<b>(2.91)</b>
<b>IX Total comprehensive income for the year</b>		<b>9,529.39</b>	<b>5,272.10</b>
<b>X Earnings per equity share</b>			
(1) Basic (₹)	35.5	50.83	28.13
(2) Diluted (₹)	35.5	50.83	28.13

See accompanying notes and significant accounting policies to the financial statements

**As per our report attached**

**SHARP & TANNAN**

Chartered Accountants

Firm's registration no. 109982W

by the hand of

**R. P. Acharya**

Partner

Membership no. 039920

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

**L&T Financial Consultants Limited**

**Raju Dodti**

Director

(DIN-06550896)

**Sunil Prabhune**

Director

(DIN-07517824)

**Hitesh Bhadada**

Head Accounts (CFO)

**Juhi Jadhav**

Company Secretary

Place : Mumbai

Date : April 09, 2021

Place : Mumbai

Date : April 09, 2021

**L&T Financial Consultants Limited**

Statement of changes in equity for the year ended March 31, 2021

**a. Equity Share Capital**

(₹ in lakh)

Balance as at April 01, 2019	Change during the year	Balance at March 31, 2020
1,875.00	-	1,875.00

(₹ in lakh)

Balance as at April 01, 2020	Change during the year	Balance at March 31, 2021
1,875.00	-	1,875.00

**b. Other Equity**

(₹ in lakh)

Particulars	Reserves and Surplus		
	Retained Earnings	General Reserve	Total
<b>Balance at April 01, 2019</b>	<b>1,486.56</b>	<b>3,368.37</b>	<b>4,854.93</b>
Total Comprehensive Income for the year	5,272.10	-	5,272.10
Interim dividend (including DDT)	(3,786.19)	-	(3,786.19)
<b>Balance at March 31, 2020</b>	<b>2,972.47</b>	<b>3,368.37</b>	<b>6,340.84</b>

(₹ in lakh)

Particulars	Reserves and Surplus		
	Retained Earnings	General Reserve	Total
<b>Balance at April 01, 2020</b>	<b>2,972.47</b>	<b>3,368.37</b>	<b>6,340.84</b>
Total Comprehensive Income for the year	9,529.39	-	9,529.39
<b>Balance at March 31, 2021</b>	<b>12,501.86</b>	<b>3,368.37</b>	<b>15,870.23</b>

As per our report attached  
**SHARP & TANNAN**  
Chartered Accountants  
Firm's registration no. 109982W  
by the hand of

For and on behalf of the Board of Directors of  
**L&T Financial Consultants Limited**

**R. P. Acharya**  
Partner  
Membership no. 039920

**Raju Dodti**  
Director  
(DIN-06550896)

**Sunil Prabhune**  
Director  
(DIN-07517824)

**Hitesh Bhadada**  
Head Accounts(CFO)

**Juhi Jadhav**  
Company Secretary

Place : Mumbai  
Date : April 09, 2021

Place : Mumbai  
Date : April 09, 2021

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b><u>A. Cash flow from operating activities</u></b>		
Profit before tax	13,635.00	7,430.30
<b>Adjustment for:</b>		
Provision for employee benefits	21.00	8.30
Depreciation and amortisation expense	661.28	702.61
Profit on sale of fixed assets	(2.84)	(388.01)
Lease rental income on amortisation of security deposit	-	(13.55)
Interest/Dividend income on ICD and FD	(606.59)	(587.39)
Write back of liability no longer payable	(65.12)	-
Interest expenses	2,533.70	3,551.80
Provisions and Contingencies	1,030.48	585.52
<b>Operating profit before working capital changes</b>	<b>17,206.91</b>	<b>11,289.57</b>
<b>Changes in working capital</b>		
(Increase)/ decrease in other financial assets	-	(0.94)
(Increase)/ decrease in trade receivables	(210.63)	(431.01)
(Increase)/ decrease in current and non current assets	(9.75)	17.90
Increase/ (decrease) in current and non current liabilities and provisions	22.60	(1,229.06)
<b>Cash generated from operations</b>	<b>17,009.13</b>	<b>9,646.46</b>
Direct taxes paid	(2,155.85)	(1,252.32)
<b>Net cash generated from operating activities (A)</b>	<b>14,853.28</b>	<b>8,394.14</b>
<b><u>B. Cash flows from investing activities</u></b>		
<b><u>Add : Inflows from investing activities</u></b>		
Sale of current investments (net)	67.13	-
Inter corporate deposits recovered	6,467.40	547.44
Interest received from investing activities	607.80	-
Sale of fixed assets	11.00	1,972.48
	7,153.33	2,519.92
<b><u>Less : Outflow for investing activities</u></b>		
Inter corporate Deposit given	7,180.41	34.00
Purchase of fixed assets	11.16	4.82
	7,191.57	38.82
<b>Net cash (used in)/generated from investing activities (B)</b>	<b>(38.24)</b>	<b>2,481.10</b>
<b><u>C. Cash flows from financing activities</u></b>		
<b><u>Add : Inflows from financing activities</u></b>		
Proceeds from inter corporate borrowing	2,21,243.63	99,624.52
	2,21,243.63	99,624.52
<b><u>Less : Outflows for financing activities</u></b>		
Dividend paid (including dividend distribution tax)	-	3,786.19
Interest and ancillary borrowing cost paid	2,472.51	5,349.84
Repayment of inter corporate borrowing	2,33,671.47	1,01,463.20
	2,36,143.98	1,10,599.23
<b>Net cash used in financing activities (C)</b>	<b>(14,900.35)</b>	<b>(10,974.71)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(85.29)</b>	<b>(99.48)</b>
Cash and cash equivalents as at beginning of the year	132.52	232.00
<b>Cash and cash equivalents as at end of the year</b>	<b>47.23</b>	<b>132.52</b>

**L&T Financial Consultants Limited**  
**Statements of Cash Flows for the year ended March 31, 2021**

**Notes:**

1. Statement of Cash Flows has been prepared as per Indirect Method as set out in the Indian Accounting Standard (IND AS) 7 "Statement of Cash Flows".
  2. Cash and cash equivalents represent cash and bank balances.
  3. Purchase of fixed assets includes movements of capital work in progress during the period.
  4. Previous year figures have been regrouped/reclassified wherever applicable
- 

**As per our report attached**  
**SHARP & TANNAN**  
Chartered Accountants  
Firm's registration no. 109982W  
by the hand of

**For and on behalf of the Board of Directors of**  
**L&T Financial Consultants Limited**

**R. P. Acharya**  
Partner  
Membership no. 039920

**Raju Dodti**  
Director  
(DIN-06550896)

**Sunil Prabhune**  
Director  
(DIN-07517824)

Place : Mumbai  
Date : April 09, 2021

**Hitesh Bhadada**  
Head Accounts(CFO)

**Juhi Jadhav**  
Company Secretary

Place : Mumbai  
Date : April 09, 2021

## **L&T Financial Consultants Limited**

Notes forming part of the financial statements for the year ended March 31, 2021

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### **1. Background**

L&T Financial Consultants Limited ('the Company') is a company limited by shares incorporated in India. As on 31 March 2021, L&T Finance Holdings Limited, the holding Company along with its nominees hold 100% of its share capital.

### **2. Significant Accounting Policies:**

#### **a. Statement of compliance:**

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as amended from time to time.

#### **b. Basis of accounting:**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

#### **c. Presentation of financial statements:**

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division II of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the balance sheet and statement of profit and loss, as prescribed in the Division II of Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees in lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places.

**d. Operating cycle for current and non-current classification:**

In the absence of the entity's normal operating cycle being clearly identifiable, its duration is assumed to be 12 months.

**e. Revenue recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company's and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

**Rent and Other charges income:**

Rent and other charges income is recognised on a straight-line basis over the lease term..

**Consultancy fees and financial advisory fee:**

Consultancy fees and financial advisory fees are recognized when services are rendered, and related costs are incurred.

**Dividend income:**

Dividend income is recognised when the right to receive payment is established.

**Interest income:**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

**Other operational revenue:**

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

**f. Property, plant and equipment (PPE):**

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation. Cost includes all direct cost related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

## L&T Financial Consultants Limited

Notes forming part of the financial statements for the year ended March 31, 2021

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Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Property, plant and equipment costing up to Rs.5,000 individually are depreciated fully in the year of purchase.

Where cost of a part of the asset (“asset component”) is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Estimated useful lives of items of property, plant and equipment are as follows:

Category	Useful life
Office Equipment	5 Years
Computers	3 Years
Furniture and Fixtures	10 Years
Electrical & Installation	10 Years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

### **g. Intangible assets:**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Direct expenses and administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

## L&T Financial Consultants Limited

Notes forming part of the financial statements for the year ended March 31, 2021

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Category	Useful life
Software	3 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognised in profit or loss when the asset is derecognised.

### h. Investment Property:

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of investment property is replaced, the carrying amount of the replaced part is derecognized. Investment properties are depreciated using the straight line method over their estimated useful lives.

Estimated useful lives of items of Investment Property is as follows:

Category	Useful life
Investment Property	60 Years

### i. Impairment of non-financial assets:

As at the end of each financial year, the Company reviews the carrying amounts of its PPE, investment property and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount, which is the higher of the asset's net selling price or its value in use.

### j. Financial instruments:

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities

## L&T Financial Consultants Limited

Notes forming part of the financial statements for the year ended March 31, 2021

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(other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);
- In all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Financial assets:

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at FVTPL. Transaction costs directly attributable to the acquisition of financial assets classified as at FVTPL are recognised immediately in profit or loss.

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial liabilities and equity :

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds

## **L&T Financial Consultants Limited**

Notes forming part of the financial statements for the year ended March 31, 2021

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received, net of direct issue costs.

### **k. Cash and bank balances:**

Cash and bank balances include balance with scheduled bank in current account.

### **l. Borrowing Costs:**

Borrowing costs include interest expense calculated using the effective interest method.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### **m. Taxation:**

#### *Current Tax*

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

#### *Deferred Tax*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits

## **L&T Financial Consultants Limited**

Notes forming part of the financial statements for the year ended March 31, 2021

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which mainly relate to minimum alternate tax are recognised to the extent it is probable of such unutilised tax credits will get realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

### **n. Provisions, contingent liabilities and contingent assets:**

Provisions are recognised only when:

- (i) an entity has a present obligation (legal or constructive) as a result of a past event; and
- (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

1. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
2. a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligation under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

### **o. Statement of cash flows:**

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation and provisions;
- all other items for which the cash effects are investing or financing cash flows.

## L&T Financial Consultants Limited

Notes forming part of the financial statements for the year ended March 31, 2021

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### p. Earnings per share:

Basic and diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

### q. Employee benefits:

#### (i) Short term employee benefits:

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

#### (ii) Post-employment benefits:

(a) Defined contribution plans: The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service. .

(b) Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the company, the post-retirement medical care plan and the Parent Company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Remeasurement comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

## **L&T Financial Consultants Limited**

Notes forming part of the financial statements for the year ended March 31, 2021

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(iii) Long term employee benefits:

The obligation recognised in respect of long-term benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii) (b) above.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

**r. Accounting and reporting of information for Operating Segments:**

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Company.

**s. Dividend on equity shares:**

The Company recognises a liability to make cash distributions to equity shareholders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders except in case of interim dividend. A corresponding amount is recognised directly in other equity.

**t. Critical Estimates and judgements:**

The preparation of the financial statements in conformity with Ind AS requires that the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The estimates and underlying assumptions are reviewed on an ongoing basis. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

The areas involving critical estimates or judgements are:

Recognition of deferred tax assets for carried forward tax losses: - The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

**L&T Financial Consultants Limited**  
Notes forming part of financial statements

Particulars	Gross Block				Depreciation			Net Block	
	As at April 01, 2020	Additions	Deductions	As at March 31, 2021	As at April 01, 2020	For the Year	Deductions	As at March 31, 2021	As at March 31, 2020
Office equipments	383.06	39.57	-	422.63	289.40	72.43	-	361.83	93.66
Furniture and Fixtures	506.77	61.55	-	568.32	196.50	54.48	-	250.98	310.27
Computers	20.44	-	-	20.44	7.44	5.14	-	12.58	13.00
Electrical & Installation	2,707.34	-	15.78	2,691.56	1,071.47	257.13	7.62	1,320.98	1,635.87
<b>Total</b>	<b>3,617.61</b>	<b>101.12</b>	<b>15.78</b>	<b>3,702.95</b>	<b>1,564.81</b>	<b>389.18</b>	<b>7.62</b>	<b>1,946.37</b>	<b>2,052.80</b>
Previous Year	<b>3,845.11</b>	<b>35.66</b>	<b>263.16</b>	<b>3,617.61</b>	<b>1,385.73</b>	<b>412.33</b>	<b>233.25</b>	<b>1,564.81</b>	

(₹ in lakh)

**L&T Financial Consultants Limited**  
Notes forming part of financial statements

**Note 4: Investment properties**

(₹ In Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Gross carrying amount</b>		
Opening gross carrying amount/ deemed cost	32,073.54	33,863.73
Add: Additions	-	34.36
Less: Sale during the year	-	(1,759.36)
Less: Deletions	(88.54)	(65.19)
<b>Closing gross carrying amount</b>	<b>31,985.00</b>	<b>32,073.54</b>
<b>Accumulated depreciation and impairment</b>		
Opening accumulated depreciation	972.59	872.80
Add: Depreciation and impairment	272.10	290.27
Less: Deduction due to sale	-	(190.48)
Closing accumulated depreciation	<b>1,244.69</b>	<b>972.59</b>
<b>Net Carrying Amount</b>	<b>30,740.31</b>	<b>31,100.95</b>

**(i) Amount recognised in profit or loss for investment properties**

Particulars	As at March 31, 2021	As at March 31, 2020
Rental income	4,134.22	4,263.24
Other charges recovery	1,026.10	1,732.82
Less: Direct expenses from property that generated rental income	3,524.56	5,198.35
<b>Profit from investment properties before depreciation</b>	<b>1,635.76</b>	<b>797.71</b>
Less: Depreciation and impairment	272.10	290.27
<b>Profit from investment properties</b>	<b>1,363.66</b>	<b>507.44</b>

(ii) The fair values of investment properties ₹ 32,144.80 lakhs as at March 31, 2021 ( ₹ 38,625 lakhs as at March 31, 2020).

**L&T Financial Consultants Limited**  
Notes forming part of financial statements

Note 5 : Other Intangible Assets (₹ in lakh)

Particulars	Gross Block				Amortisation				Net Block	
	As at April 01, 2020	Additions	Deductions	As at March 31, 2021	As at April 01, 2020	For the Year	Deductions	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer Software	8.55	-	-	8.55	8.12	-	-	8.12	0.43	0.43
<b>Total</b>	<b>8.55</b>	<b>-</b>	<b>-</b>	<b>8.55</b>	<b>8.12</b>	<b>-</b>	<b>-</b>	<b>8.12</b>	<b>0.43</b>	<b>0.43</b>
<b>Previous Year</b>	<b>8.55</b>	<b>-</b>	<b>-</b>	<b>8.55</b>	<b>8.12</b>	<b>-</b>	<b>-</b>	<b>8.12</b>	<b>0.43</b>	<b>0.43</b>

**L&T Financial Consultants Limited**  
**Notes forming part of financial statements**

**Note 6: Investments**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investment in Subsidiary Companies</b>		
Mudit Cements Private Limited (21,04,800 equity shares of ₹ 10 each fully paid up)	426.10	426.10
Less: Impairment Loss Allowance	(426.10)	-
<b>Total</b>	<b>-</b>	<b>426.10</b>

**Note 7: Loans**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Unsecured Loans and Advances</u>		
Loans and Advances to a related party	7,353.71	6,644.55
Less: Impairment Loss Allowance	(3,349.25)	(2,745.28)
<b>Total</b>	<b>4,004.46</b>	<b>3,899.27</b>

**Note 8: Other Financials Assets**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Non Current :</b>		
Deposit given	26.39	26.39
<b>Total</b>	<b>26.39</b>	<b>26.39</b>
<b>Current</b>		
Other Receivables - Related Parties	45.20	17.18
Other Advances	2,354.02	2,354.02
<b>Total</b>	<b>2,399.22</b>	<b>2,371.20</b>

**Note 9: Deferred Tax**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
MAT Credit Receivable	5,057.46	5,057.46
<b>Total</b>	<b>5,057.46</b>	<b>5,057.46</b>

**L&T Financial Consultants Limited**  
**Notes forming part of financial statements**

**Note 10: Tax Assets**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Income Tax Balance Net of Provisions	872.13	1,045.52
<b>Total</b>	<b>872.13</b>	<b>1,045.52</b>

**Note 11: Other Current Assets**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Assets - Others	26.11	16.36
<b>Total</b>	<b>26.11</b>	<b>16.36</b>

**Note 12 : Receivables**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Trade Receivables - Unsecured considered good</u>		
Receivables from Related Parties	0.89	4.68
Receivables from Others	747.00	532.58
<b>Total</b>	<b>747.89</b>	<b>537.26</b>

**Note 13: Cash and cash equivalents**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with scheduled banks in Current Accounts	47.23	132.52
<b>Total</b>	<b>47.23</b>	<b>132.52</b>

**Note 14: Balances with banks other than cash and cash equivalents**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks to the extent held as margin money or security against borrowings, guarantees, other commitments	-	66.80
Accrued Interest on FD	-	0.33
<b>Total</b>	<b>-</b>	<b>67.13</b>

**Note 15 : Assets held for sale**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment Property held for sale	115.02	115.02
<b>Total</b>	<b>115.02</b>	<b>115.02</b>

## L&T Financial Consultants Limited

### Notes forming part of financial statements

#### Note 16: Equity Share Capital

##### (a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount (₹ in lakh)	No. of Shares	Amount (₹ in lakh)
<b>Authorised</b> Equity shares of ₹ 10 each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
	<b>2,50,00,000</b>	<b>2,500.00</b>	<b>2,50,00,000</b>	<b>2,500.00</b>
<b>Issued, Subscribed and Paid up</b> Equity shares of ₹ 10 each	1,87,50,000	1,875.00	1,87,50,000	1,875.00
	<b>1,87,50,000</b>	<b>1,875.00</b>	<b>1,87,50,000</b>	<b>1,875.00</b>

##### (b) Reconciliation of the number of equity shares and share capital:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount (₹ in lakh)	No. of Shares	Amount (₹ in lakh)
Equity shares at the beginning of the year	1,87,50,000	1,875.00	1,87,50,000	1,875.00
Add: Shares issued during the year	-	-	-	-
Equity shares at the end of the year	<b>1,87,50,000</b>	<b>1,875.00</b>	<b>1,87,50,000</b>	<b>1,875.00</b>

##### (c) Equity shares in the Company held by the holding company

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount (₹ in lakh)	No. of Shares	Amount (₹ in lakh)
Equity Shares of ₹ 10 each fully paid held by L&T Finance Holdings Limited (Holding company) directly or through its beneficially nominees.	1,87,50,000	1,875.00	1,87,50,000	1,875.00
	<b>1,87,50,000</b>	<b>1,875.00</b>	<b>1,87,50,000</b>	<b>1,875.00</b>

##### (d) Details of shareholders holding more than five percent equity shares in the Company are as under:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% holding	No. of Shares	% holding
Equity Shares of ₹ 10 each fully paid held by L&T Finance Holdings Limited (Holding company) directly or through its beneficially nominees.	1,87,50,000	100%	1,87,50,000	100%

e) There is no shares allotted for consideration other than cash during 5 years immediately preceding 31st March, 2021.

f) There are no shares allotted as fully paid up by way of bonus shares during 5 years immediately preceding 31st March, 2021.

g) There are no shares bought back during 5 years immediately preceding 31st March, 2021.

**L&T Financial Consultants Limited**  
**Notes forming part of financial statements**

**Note 17: Other equity**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>General reserve</b>		
Opening balance	3,368.37	3,368.37
Additions during the year	-	-
Closing balance	3,368.37	3,368.37
<b>Retained earnings:</b>		
Opening balance of Profit and Loss Account	2,972.47	1,486.56
Less: Interim dividend paid	-	(3,140.63)
Less: DDT on interim dividend	-	(645.56)
Add: Profit or Loss for current year	9,530.53	5,275.01
Add: Other comprehensive income for the year	(1.14)	(2.91)
Closing balance of Profit and Loss Account	12,501.86	2,972.47
<b>Total</b>	<b>15,870.23</b>	<b>6,340.84</b>

**Note 18: Financial Liabilities**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Non Current</b>		
Security deposit received	2,057.30	2,048.75
<b>Total</b>	<b>2,057.30</b>	<b>2,048.75</b>
<b>Current :</b>		
Other payables	23.12	11.50
Other provisions	168.23	176.91
Other Payables - Related Parties	83.76	80.50
<b>Total</b>	<b>275.11</b>	<b>268.91</b>

**Note 19: Borrowing**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Inter-corporate borrowings	22,190.25	34,560.75
<b>Total</b>	<b>22,190.25</b>	<b>34,560.75</b>

**Note 20 : Trade Payables**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
To micro small and medium enterprises	-	-
To other than micro, small and medium enterprises	4.62	0.77
<b>Total</b>	<b>4.62</b>	<b>0.77</b>

**Note 21: Provision**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Non Current</b>		
Gratuity	25.47	45.17
<b>Total</b>	<b>25.47</b>	<b>45.17</b>
<b>Current</b>		
Compensated absences	10.13	14.87
Gratuity	1.48	3.64
<b>Total</b>	<b>11.61</b>	<b>18.51</b>

**Note 22 : Current Tax Liabilities**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax	1,801.35	-
<b>Total</b>	<b>1,801.35</b>	<b>-</b>

**Note 23 : Deferred Tax Liabilities**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax liabilities	1,536.89	1,563.48
<b>Total</b>	<b>1,536.89</b>	<b>1,563.48</b>

**Note 24: Other Liabilities**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	145.40	125.87
Others	-	0.36
<b>Total</b>	<b>145.40</b>	<b>126.23</b>

**L&T Financial Consultants Limited**  
**Notes forming part of financial statements**

**Note 25: Revenue from operation**

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>Revenue from Operation</b>		
Lease rental income	4,134.22	4,263.24
Other charges recovery	1,026.10	1,732.82
Consultancy fees and financial advisory fee	8,479.38	2,934.75
<b>Total</b>	<b>13,639.70</b>	<b>8,930.81</b>

**Note 26: Other income**

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest income on inter corporate deposit	603.97	583.55
Interest received from fixed deposit	2.62	3.85
Profit on sale of fixed assets	2.84	388.01
Other income	65.12	89.98
Cross sell income	5,153.88	3,984.47
<b>Total</b>	<b>5,828.43</b>	<b>5,049.86</b>

**Note 27: Employee benefits expense**

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	427.19	557.04
<b>Contribution and provision for:</b>		
Contribution to provident fund	17.99	20.89
Contribution to gratuity fund	10.58	6.37
Expenses on employee stock option plans	57.03	88.91
Staff welfare expenses	18.41	29.54
<b>Total</b>	<b>531.20</b>	<b>702.75</b>

# L&T Financial Consultants Limited

## Notes forming part of financial statements

### Note 28: Finance costs

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest paid on inter-corporate borrowing	2,529.85	3,532.82
Interest on security deposits	-	14.19
Interest cost - gratuity	3.10	2.39
Interest cost - compensated absences	0.75	1.38
Ancillary borrowing cost	-	1.02
<b>Total</b>	<b>2,533.70</b>	<b>3,551.80</b>

### Note 29: Fees and commission expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Fees and commission expense	228.00	-
<b>Total</b>	<b>228.00</b>	<b>-</b>

### Note 30: Depreciation & amortisation expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation (Refer Note 3,4,5)	661.28	702.61
<b>Total</b>	<b>661.28</b>	<b>702.61</b>

### Note 31: Provisions and contingencies

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>Provision for standard assets:</b>		
Provision on loans and advances	603.97	583.55
Provision for investment in subsidiary company	426.10	-
Bad debts and advances written off	0.41	1.97
<b>Total</b>	<b>1030.48</b>	<b>585.52</b>

**L&T Financial Consultants Limited**  
**Notes forming part of financial statements**

**Note 32: Other expenses**

(₹ in Lakhs)

<b>Particulars</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
Rates and taxes	89.27	87.88
Travelling and conveyance	4.13	21.21
Sales promotion expenses	0.41	4.11
Telephone and communication	10.17	13.29
Insurance expenses	9.42	5.72
Repairs and maintenance	121.88	160.12
Housekeeping expenses	202.81	233.13
Security Charges	73.33	85.97
Legal and professional charges	26.69	41.51
Electricity charges	146.73	241.33
Other advertising expenses	-	0.23
Brand license fees	68.73	67.90
Auditor's remuneration (Refer note below)	5.11	4.15
Others expenses	10.73	13.89
Donations	-	1.51
Management fees	2.48	4.13
Corporate Social Responsibility	76.58	21.61
<b>Total</b>	<b>848.47</b>	<b>1,007.69</b>

Note: Auditors remuneration comprises the following (net of GST set off)

(₹ in Lakhs)

<b>Particulars</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
Audit fees	1.73	1.73
Tax audit fees	0.58	0.58
Other services (including reimbursement of expenses)	1.07	0.11
Limited review fees	1.73	1.73
<b>Total</b>	<b>5.11</b>	<b>4.15</b>

# L&T Financial Consultants Limited

## Notes forming part of financial statements

### Note 33: Tax expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current Tax	4,130.59	1,397.60
MAT credit entitlement	-	(1,366.31)
Deferred tax	(26.12)	2,124.00
<b>Total</b>	<b>4,104.47</b>	<b>2,155.29</b>

### Note 34: Other comprehensive income

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Remeasurements of the net defined benefit Plans	(1.61)	(4.11)
Income tax relating to Debt instruments through Other Comprehensive Income	0.47	1.20
<b>Total</b>	<b>(1.14)</b>	<b>(2.91)</b>

## L&T Financial Consultants Limited

Notes forming part of financial statement as at March 31, 2021

### 35.1 Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits"

#### (i) Defined Contribution plans :

The Company's state governed provident fund scheme are defined contribution plan for its employees which is permitted under The Employee's Provident Funds and Miscellaneous Provisions Act, 1952. The Contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from company or retirement whichever is earlier. The benefit vest immediately on rendering of services by the employee. The Company recognise charges of Rs 17.99 Lakhs (previous year Rs. 20.89 Lakhs) for provident fund contribution in the Statement of Profit and Loss.

#### (ii) Defined benefit plans:

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

(a) The amounts recognised in Balance Sheet are as follows:

Particulars	(₹ in Lakh)	
	Gratuity Plan	
	As at March 31, 2021	As at March 31, 2020
A) Present Value of Defined Benefit Obligation		
- Wholly funded	-	-
- Wholly unfunded	26.95	48.81
	26.95	48.81
Less : Fair Value of plan assets	-	-
Add : Amount not recognised as an asset	-	-
Amount to be recognised as liability or (asset)	26.95	48.81
B) Amounts reflected in Balance Sheet		
Liabilities	26.95	48.81
Assets	-	-
Net liability/(asset)	26.95	48.81
Net liability/(asset) - current	1.48	3.64
Net liability/(asset) - non-current	25.47	45.17

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	(₹ in Lakh)	
	Gratuity Plan	
	As at March 31, 2021	As at March 31, 2020
1 Current Service Cost	10.58	6.37
2 Interest Cost	3.10	2.39
3 Interest Income on Plan Assets	-	-
4 Actuarial losses/(gains) - others	1.61	4.11
5 Actuarial losses/(gains) - difference between actuarial return on plan assets and interest income	-	-
6 Past Service Cost	-	-
7 Actuarial gain/(loss) not recognised in Books	-	-
8 Translation adjustments	-	-
9 Amount capitalised out of the above/ recoved from S&A	-	-
<b>Total (1 to 9)</b>	<b>15.29</b>	<b>12.87</b>
i Amount included in "employee benefits expenses"	10.58	6.37
ii Amount included in as part of "finance cost"	3.10	2.39
iii Amount included as part of "Other Comprehensive income"	1.61	4.11
<b>Total (i + ii + iii)</b>	<b>15.29</b>	<b>12.87</b>

**L&T Financial Consultants Limited**

Notes forming part of financial statement as at March 31, 2021

- (c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

(₹ in Lakh)

Particulars	Gratuity Plan	
	As at March 31, 2021	As at March 31, 2020
Opening balance of the present value of defined benefit obligation	48.81	33.00
Add : Current Service Cost	10.58	6.37
Add : Interest Cost	3.10	2.39
Add : Actuarial losses/(gains)		
i) Actuarial (gains)/losses arising from changes in financial assumptions	0.81	4.13
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	0.54	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments	0.26	(0.02)
Less : Benefits paid	(35.76)	(0.89)
Add : Past service cost	-	-
Add : Liability assumed/(settled)*	(1.39)	3.83
Add/(less) : Translation adjustments	-	-
<b>Closing balance of the present value of defined benefit obligation</b>	<b>26.95</b>	<b>48.81</b>

\*On account of business combination or inter group transfer

- (d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows :

(₹ in Lakh)

Particulars	Gratuity Plan	
	As at March 31, 2021	As at March 31, 2020
Opening balance of the fair value of the plan assets	-	-
Add : interest income of plan assets	-	-
Add/(less) : Actuarial gains/(losses)	-	-
(Difference between actual return on plan assets and interest income)		
Add : Contribution by the employer	35.76	0.89
Add/(less) : Contribution by plan participants	-	-
Less : Benefits paid	(35.76)	(0.89)
Add: Assets acquired/(settled)*	-	-
<b>Closing balance of plan assets</b>	<b>-</b>	<b>-</b>

## L&T Financial Consultants Limited

Notes forming part of financial statement as at March 31, 2021

(e) The fair value of major categories of plan assets are as follows:

(₹ in Lakh)

Particulars	Gratuity Plan	
	As at March 31, 2021	As at March 31, 2020
1 Government of India Securities	-	-
2 Corporate Bonds	-	-
3 Special Deposit Scheme	-	-
4 Insurer Managed Funds (Unquoted)	-	-
5 Others (quoted)	-	-
6 Others (unquoted)	-	-

(f) Principal actuarial assumptions at the valuation date:

Particulars	Gratuity Plan	
	As at March 31, 2021	As at March 31, 2020
1 Discount rate (per annum)	6.35%	6.60%
2 Salary escalation rate (per annum)	9.00%	9.00%

(A) Discount rate:

Discount rate based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

(B) Salary escalation rate:

The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

(g) Attrition Rate:

The attrition rate varies from 0% to 31% (previous year: 0% to 15%) for various age groups.

(h) Mortality:

Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

(i) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(j) Sensitivity Analysis

One percentage point change in actuarial assumption would have the following effects on the defined benefit obligation:

Particulars	Gratuity Plan			
	Effect of 1% increase		Effect of 1% decrease	
	2020-21	2019-20	2020-21	2019-20
1 Discount rate (per annum)	(3.05)	(4.33)	3.62	5.01
2 Salary escalation rate (per annum)	3.49	4.84	(3.01)	(4.28)

**35.2 Borrowing cost :**

Borrowing costs capitalized during the year is Nil (previous year : Nil)

**35.3 Segment Reporting**

Disclosure pursuant to IND AS 108 "Operating Segment"

(i) The Entity has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108)

(ii) Segment Composition:

a) Lease of Properties - Lease of properties comprises property given on leases.

b) Advisory Services - Advisory fees comprises income from advisory services.

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Gross segment assets</b>		
Lease of properties	35,019.32	35,731.98
Advisory services	-	5.38
<b>Total segment assets</b>	<b>35,019.32</b>	<b>35,737.36</b>
Unallocable corporate assets	10,773.91	11,111.05
<b>Total assets</b>	<b>45,793.23</b>	<b>46,848.41</b>
<b>Gross segment liabilities</b>		
Lease of properties	20,379.28	33,047.64
Advisory services	180.62	122.18
<b>Total segment liabilities</b>	<b>20,559.90</b>	<b>33,169.81</b>
Unallocable corporate liabilities	7,488.10	5,462.75
<b>Total liabilities</b>	<b>28,048.00</b>	<b>38,632.57</b>

(₹ in lakh)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Gross segment revenue from continuing operations</b>		
Lease of properties	5,163.16	6,474.05
Advisory services	8,479.38	2,934.75
<b>Total</b>	<b>13,642.54</b>	<b>9,408.80</b>
<b>Gross segment result</b>		
Lease of properties	1,638.60	1,275.69
Advisory services	7,804.85	2,751.34
<b>Total</b>	<b>9,443.45</b>	<b>4,027.03</b>
Less : Unallocable expenses (net)	(1,030.07)	(585.05)
Add : Other Income	5,825.59	4,571.87
Less : Finance cost	(603.97)	(583.55)
<b>Profit before tax</b>	<b>13,635.00</b>	<b>7,430.30</b>

## 35.4 Related party disclosures: Ind AS - 24

## Related Party Disclosures: Ind AS -24 "Related Party Transaction"

## a) List of Related Parties (with whom transactions were carried out during current or previous year)

**Ultimate Holding Company**

1. Larsen and Toubro Limited

**Holding Company**

1. L&amp;T Finance Holdings Limited

**Subsidiary Company**

1. Mudit Cement Private Limited

**Fellow Subsidiary Companies**

1. L&amp;T Finance Limited

2. L&amp;T Capital Markets Limited (Upto April 23, 2020)

3. L&amp;T Housing Finance Limited

4. L&amp;T Infrastructure Finance Company Limited

5. L&amp;T Investment Management Limited

6. L&amp;T Infra Debt Fund Limited

7. L&amp;T Infra Investment Partners

**Key Management Personnel**

1. Mr. Sudeep Banerjee - (Ceased to be a Manager with effect from August 03, 2020)

2. Mr Suresh Darak - (Ceased to be a Manager with effect from July 11, 2019)

## b) Disclosure of related party transactions :-

		(₹ in Lakh)	
Sr. No.	Nature of Transaction*	2020-21	2019-20
<b>Transactions</b>			
<b>1</b>	<b>Inter Corporate Deposits Borrowed</b>		
	L&T Finance Holdings Limited	2,21,243.63	2,30,067.53
	L&T Infrastructure Finance Company Limited	-	20,000.00
	L&T Finance Limited	-	16,163.70
<b>2</b>	<b>Inter Corporate Deposits Repaid (including interest)</b>		
	L&T Finance Holdings Limited	2,36,143.99	2,37,157.40
	L&T Infrastructure Finance Company Limited	-	20,054.25
	L&T Finance Limited	-	16,207.05
<b>3</b>	<b>Interest expense on Inter Corporate Deposits</b>		
	L&T Finance Holdings Limited	2,529.85	3,435.23
	L&T Infrastructure Finance Company Limited	-	54.25
	L&T Finance Limited	-	43.35
<b>4</b>	<b>Inter Corporate Deposits given</b>		
	Mudit Cement Private Limited	7,180.40	6,467.40
<b>5</b>	<b>Inter Corporate Deposits received back (Including Interest)</b>		
	Mudit Cement Private Limited	7,075.20	6,519.30
<b>6</b>	<b>Interest income on Inter Corporate Deposits</b>		
	Mudit Cement Private Limited	603.97	583.55
<b>7</b>	<b>Lease rental income from</b>		
	L&T Finance Limited	2,696.85	1,724.52
	L&T Capital Markets Limited	-	167.62
	L&T Housing Finance Limited	333.99	239.73
	L&T Infrastructure Finance Company Limited	394.80	1,094.31
	L&T Investment Management Limited	558.47	837.79
	L&T Finance Holdings Limited	22.23	106.53
	L&T Infra Debt Fund Limited	127.88	90.68
	L&T Infra Investment Partners	-	2.06

		(₹ in Lakh)	
Sr. No.	Nature of Transaction*	2020-21	2019-20
<b>8</b>	<b>Expenses recovered from</b>		
	L&T Finance Limited	652.46	695.29
	L&T Capital Markets Limited	-	67.87
	L&T Housing Finance Limited	97.45	113.98
	L&T Infrastructure Finance Company Limited	95.52	435.45
	L&T Investment Management Limited	144.35	342.21
	L&T Finance Holding Limited	5.38	42.57
	L&T Infra Debt Fund Limited	30.94	34.71
	L&T Infra Investment Partners	-	0.75
<b>9</b>	<b>Interest on security deposit</b>		
	L&T Finance Limited	-	5.92
	L&T Infrastructure Finance Company Limited	-	3.81
	L&T Investment Management Limited	-	2.47
	L&T Finance Holdings Limited	-	0.19
	L&T Capital Markets Limited	-	0.48
	L&T Housing Finance Limited	-	0.72
	L&T Infra Debt Fund Limited	-	0.28
	L&T infra Investment Partners	-	**
<b>10</b>	<b>Interim Dividend Paid to</b>		
	L&T Finance Holdings Limited	-	3,140.63
<b>11</b>	<b>Professional fees paid to</b>		
	Larsen & Toubro Limited	2.42	2.93
<b>12</b>	<b>Brand license fees paid to</b>		
	Larsen & Toubro Limited	68.70	67.90
<b>13</b>	<b>ESOP Cost</b>		
	L&T Finance Holdings Limited	57.03	88.91
<b>14</b>	<b>Security Deposit Received</b>		
	L&T Investment Management Limited	-	37.41
	L&T Finance Limited	502.27	78.47
	L&T Housing Finance Limited	47.87	20.36
	L&T Capital Markets Limited	-	6.95
	L&T Infra Debt Fund Limited	20.56	4.02
	L&T Infra Investment Partners	-	0.09
	L&T Infrastructure Finance Company Limited	-	50.47
	L&T Finance Holdings Limited	-	28.27
<b>15</b>	<b>Security Deposit Repaid</b>		
	L&T Infrastructure Finance Company Limited	367.53	-
	L&T Finance Holdings Limited	42.08	-
	L&T Finance Limited	-	27.40
	L&T Capital Markets Limited	-	81.52
	L&T Housing Finance Limited	9.84	2.51
	L&T Investment Management Limited	139.28	-
	L&T Infra Investment Partners	1.03	-
	L&T Infra Debt Fund Limited	2.41	-
<b>16</b>	<b>Reimbursement of Manpower Cost</b>		
	Larsen & Toubro Limited	62.07	-

(c) Amount due to/from Related Parties:

(₹ in Lakh)			
S. No.	Nature of transactions	As at March 31,2021	As at March 31,2020
<b>1</b>	<b>Inter corporate borrowings</b>		
	L&T Finance Holdings Limited	22,190.25	34,560.75
<b>2</b>	<b>Outstanding balance of ICD***</b>		
	Mudit Cement Private Limited	7,353.71	6,644.55
<b>3</b>	<b>Account payable</b>		
	Larsen & Toubro Limited	2.01	7.18
	L&T Finance Limited	13.05	4.95
	L&T Infra Debt Fund Limited	-	0.03
	L&T Investment Management Limited	-	0.44
<b>4</b>	<b>Account receivable</b>		
	Larsen & Toubro Limited	22.35	17.18
	L&T Investment Management Limited	0.89	1.75
	L&T Capital Market Limited	-	0.70
	L&T Housing Finance Limited	-	2.22
	L&T Finance Holdings Limited	22.85	-
<b>5</b>	<b>Security deposit payable</b>		
	L&T Investment Management Limited	275.17	414.45
	L&T Infrastructure Finance Company Limited	197.40	564.92
	L&T Housing Finance Limited	161.25	123.23
	L&T Finance Limited	1,348.43	846.15
	L&T Infra Debt Fund Limited	63.94	45.78
	L&T Finance Holdings Limited	11.12	53.20
	L&T Infra Investment Partners	-	1.03
<b>6</b>	<b>Brand license fees payable</b>		
	Larsen and Toubro Limited	68.70	67.90
<b>7</b>	<b>Equity investment</b>		
	Mudit Cement Private Limited	426.10	426.10

\* Transactions shown above are excluding of GST/Service Tax, if any.

\*\* Amount less than INR 1000

\*\*\* The amount reflected is a gross amount. Provision made on the same amounts to ₹ 3,349.25 lakhs as on 31st March 2021  
(As on 31st March 2020 ₹ 2,745.28 lakhs)

35.5 Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings per Share":

(₹ in Lakh)		
Particulars	2020-21	2019-20
<b>Basic earnings per share</b>		
Profit after tax as per accounts (₹ in lacs)	9,530.53	5,275.01
Weighted average number of equity shares outstanding	1,87,50,000	1,87,50,000
Basic EPS	50.83	28.13
<b>Diluted earnings per share</b>		
Profit after tax as per accounts (₹ in lacs)	9,530.53	5,275.01
Weighted average number of equity shares outstanding	1,87,50,000	1,87,50,000
Diluted EPS	50.83	28.13
Face Value per share	₹ 10	₹ 10

35.6 Disclosure pursuant to Ind AS 12 "Income Taxes"

The major components of tax expense for the year ended March 31, 2021 and March 31, 2020

(₹ in lakh)

Sr no.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a)	<b>i) Profit and Loss section</b>		
	Current Income tax :		
	Current income tax charge	4,130.59	1,397.60
	Deferred Tax:		
	Relating to origination and reversal of temporary difference	(26.12)	2,124.00
	MAT credit recognised	-	(1,366.31)
	<b>Income tax expense / (income) reported in the statement of profit or loss</b>	<b>4,104.47</b>	<b>2,155.29</b>
(b)	<b>Other Comprehensive Income (OCI) Section:</b>		
	(i) Items not to be reclassified to profit or loss in subsequent periods:		
	(A) Current tax expense/(income):		
	On re-measurement of defined benefit plans	-	-
	(B) Deferred tax expense/(income):		
	On re-measurement of defined benefit plans	(0.47)	(1.20)
		<b>(0.47)</b>	<b>(1.20)</b>
	(ii) Items to be reclassified to profit or loss in subsequent periods:		
	(A) Current tax expense/(income):	-	-
	(B) Deferred tax expense/(income):	-	-
		-	-
	<b>Income tax expense reported in the other comprehensive income</b>	<b>(0.47)</b>	<b>(1.20)</b>
	<b>Total tax expense</b>	<b>4,104.00</b>	<b>2,154.09</b>

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2021 and March 31, 2020

(₹ in lakh)

Sr no	Particulars	2020-21	2019-20
1	Profit before tax	13,635.00	7,430.31
2	Applicable Corporate tax rate as per Income tax Act, 1961	29.12%	29.12%
3	PBT*Tax tax rate of 29.12%	3,970.51	2,163.71
4	<b>Tax Adjustments</b>		
	Tax on expense not tax deductible	133.49	3.15
	Effect of origination and reversal of temporary difference	-	41.25
	MAT on Book Profit	-	1,397.60
	MAT Credit Entitlement	-	(1,366.31)
	Other items	-	(85.29)
	<b>Total Effect of Tax Adjustments</b>	<b>133.49</b>	<b>(9.62)</b>
5	Tax expense recognised during the year	4,104.00	2,154.09

Items for which no deferred tax asset is recognised in the balance sheet

(₹ in lakh)

Particulars	As at 31-3-2021		As at 31-3-2020	
	Amt(Rs)	Expiry year	Amt(Rs)	Expiry year
Minimum Alternate Tax Credit	-	-	24.87	AY 2030-31
<b>Total</b>	<b>-</b>	<b>-</b>	<b>24.87</b>	

Components of Deferred Tax Assets and Liabilities recognised in the Balance Sheet and Statement of Profit & Loss

(₹ in lakh)

Sr no.	Particulars	Balance Sheet		Statement of Profit & Loss	
		March 31, 2021	March 31, 2020	2020-21	2019-20
(a)	Difference in Book and Income tax depreciation	2,143.92	2,001.28	142.64	260.96
(b)	Carried forward business loss	-	-	-	879.81
(c)	Unabsorbed Depreciation	-	-	-	1,201.75
(d)	MAT credit receivable	(5,057.46)	(5,057.46)	-	(1,366.31)
(e)	Provision for doubtful debts, advances and non-performing assets debited to Statement of Profit and Loss	(589.41)	(413.53)	(175.88)	(206.04)
(f)	Disallowance under Section 40(7) and Section 43B of IT Act, 1961	(10.33)	(18.54)	8.21	(15.12)
(g)	Disallowance under Section 40a of the IT Act, 1961	(6.84)	(5.74)	(1.10)	1.44
	<b>Deferred tax expense/ (income)</b>	<b>-</b>	<b>-</b>	<b>(26.12)</b>	<b>756.49</b>
	<b>Net deferred tax (assets) / liabilities</b>	<b>(3,520.10)</b>	<b>(3,493.98)</b>	<b>-</b>	<b>-</b>

35.7 Details of Restrictions and hypothecation of Property Plant and Equipment, Investment property, and Intangible Assets

(₹ in lakh)

Sr No.	Particulars	As at March 31, 2021				As at March 31, 2020			
		Useful Life	Restriction on title-Yes	Restriction on title-No	Pledged/Hypothecated	Useful Life	Restriction on title-Yes	Restriction on title-No	Pledged/Hypothecated
1	Office Equipments	5	-	422.63	-	5	-	383.06	-
2	Computers	3	-	20.44	-	3	-	20.44	-
3	Furniture and Fixtures	10	-	568.32	-	10	-	506.77	-
4	Electrical & Installation	10	-	2,691.56	-	10	-	2,707.34	-
5	Computer Software	3	-	8.55	-	3	-	8.55	-
6	Investment Property	60	-	31,985.00	-	60	-	32,073.54	-

35.8 Disclosure pursuant to Ind AS 107 "Financial Instruments"

(₹ in lakh)

Financial instruments by category	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Trade receivables	-	-	747.89	-	-	537.26
Cash and cash equivalents	-	-	47.23	-	-	132.52
Bank Balances other than those kept in Cash and Cash Equivalents	-	-	-	-	-	67.13
Investments	-	-	-	-	-	426.10
Loans and advances	-	-	4,004.46	-	-	3,899.27
Others	-	-	2,425.61	-	-	2,397.59
<b>Total financial assets</b>	-	-	<b>7,225.19</b>	-	-	<b>7,459.88</b>
<b>Financial liabilities</b>						
Short Term Borrowings	-	-	22,190.25	-	-	34,560.75
Trade payable	-	-	4.62	-	-	0.77
Other Financial Liabilities	-	-	2,332.41	-	-	2,317.66
<b>Total financial liabilities</b>	-	-	<b>24,527.28</b>	-	-	<b>36,879.18</b>

(₹ in lakh)

Particulars	F.Y. 2020-21	F.Y. 2019-20
<b>Net gain/ (losses) on financial assets and financial liabilities</b>		
Provision on financial assets	1,030.48	585.52
<b>Interest Revenue</b>		
Financial assets that are measured at amortised cost	603.97	583.55
<b>Interest Expenses</b>		
Financial liabilities that are not measured at fair value through P&L	2,529.85	3,548.03

(₹ in lakh)

Financial instruments by category	As at March 31, 2021			As at March 31, 2020		
	Less than 12 months	More than 12 months	Total	Less than 12 months	More than 12 months	Total
Short Term Borrowings	22,190.25	-	<b>22,190.25</b>	34,560.75	-	<b>34,560.75</b>
Trade payable	4.62	-	<b>4.62</b>	0.77	-	<b>0.77</b>
Other Financial Liabilities	275.11	2,057.30	<b>2,332.41</b>	268.91	2,048.75	<b>2,317.66</b>

(i) Fair value hierarchy

This section explains the estimates and judgements made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in lakh)

Financial assets and liabilities measured at Amortised Cost	Level 1	Level 2	Level 3	Total	Remarks
<b>Financial assets</b>					
Financial assets at Amortised Cost:					
Loans and advances					
At 31.03.2021	-	-	4,004.46	<b>4,004.46</b>	Carrying cost approximates FV
At 31.03.2020	-	-	3,899.27	<b>3,899.27</b>	Carrying cost approximates FV
Trade receivables					
At 31.03.2021	-	-	747.89	<b>747.89</b>	Carrying cost approximates FV
At 31.03.2020	-	-	537.26	<b>537.26</b>	Carrying cost approximates FV
Cash and cash equivalents					
At 31.03.2021	-	-	47.23	<b>47.23</b>	Carrying cost approximates FV
At 31.03.2020	-	-	132.52	<b>132.52</b>	Carrying cost approximates FV
Bank Balances other than those kept in Cash and Cash Equivalents					
At 31.03.2021	-	-	-	-	Carrying cost approximates FV
At 31.03.2020	-	-	67.13	<b>67.13</b>	Carrying cost approximates FV
Investments					
At 31.03.2021	-	-	-	-	Carrying cost approximates FV
At 31.03.2020	-	-	426.10	<b>426.10</b>	Carrying cost approximates FV
Others					
At 31.03.2021	-	-	2,425.61	<b>2,425.61</b>	Carrying cost approximates FV
At 31.03.2020	-	-	2,397.59	<b>2,397.59</b>	Carrying cost approximates FV
<b>Financial Liabilities</b>					
Financial liabilities at Amortised Cost:					
Short Term Borrowings					
At 31.03.2021	-	-	22,190.25	<b>22,190.25</b>	Carrying cost approximates FV
At 31.03.2020	-	-	34,560.75	<b>34,560.75</b>	Carrying cost approximates FV
Trade payable					
At 31.03.2021	-	-	4.62	<b>4.62</b>	Carrying cost approximates FV
At 31.03.2020	-	-	0.77	<b>0.77</b>	Carrying cost approximates FV
Other Financial Liabilities					
At 31.03.2021	-	-	2,332.41	<b>2,332.41</b>	Carrying cost approximates FV
At 31.03.2020	-	-	2,317.66	<b>2,317.66</b>	Carrying cost approximates FV

Level 1 hierarchy- It includes financial instruments measured using quoted prices in active markets for identical assets or liabilities.. This includes mutual funds which are valued using the closing NAV.

Level 2 hierarchy- It includes financial instruments measured using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 hierarchy- It includes financial instruments measured using valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There are no transfers between levels 1 and levels 2 and levels 3 during the year.

**(ii) Fair value of other financial assets and liabilities measured at amortised cost**

The carrying amounts of trade receivables, trade payables, other current liabilities and cash and cash equivalents are considered to be the same as their fair values, due to short-term nature.

**(iii) Interest rate risk**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Interest Rate Risk:</b>		
Borrowings at fixed interest rates	22,190.25	34,560.75

**35.9 Contingent Liabilities and commitment : Ind AS 37**

(₹ in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Contingent Liabilities:</b>		
a) Bank guarantees;	-	63.36

35.10 Disclosure Pursuant to IND AS 115 - Revenue from Contract with Customer

a) Disaggregation of revenue - Following table covers the revenue segregation in to Operating segments and Geographical areas

Particulars	2020-21						2019-20					
	Operating Segment			Geographical Area			Operating Segment			Geographical Area		
	Lease	Advisory Service	Total	Domestic	International	Total	Lease	Advisory Service	Total	Domestic	International	Total
Lease rental income	4,134.22	-	4,134.22	4,134.22	-	4,134.22	4,263.24	-	4,263.24	4,263.24	-	4,263.24
Common cost recovery	1,026.10	-	1,026.10	1,026.10	-	1,026.10	1,732.82	-	1,732.82	1,732.82	-	1,732.82
Advisory fees	-	8,479.38	8,479.38	8,479.38	-	8,479.38	-	2,934.75	2,934.75	2,934.75	-	2,934.75
<b>Total</b>	<b>5,160.32</b>	<b>8,479.38</b>	<b>13,639.70</b>	<b>13,639.70</b>	<b>-</b>	<b>13,639.70</b>	<b>5,996.06</b>	<b>2,934.75</b>	<b>8,930.81</b>	<b>8,930.81</b>	<b>-</b>	<b>8,930.81</b>
Revenue Recognised based on performance obligations satisfied at a point in time	-	8,479.38	8,479.38	8,479.38	-	8,479.38	-	2,934.75	2,934.75	2,934.75	-	2,934.75
Revenue Recognised based on performance obligations satisfied over a period of time	5,160.32	-	5,160.32	5,160.32	-	5,160.32	5,996.06	-	5,996.06	5,996.06	-	5,996.06

b) Reconciliation of contracted price with revenue during the year

Particulars	2020-21			2019-20		
	Inter Company	External	Total	Inter Company	External	Total
	Opening contracted price of orders including full value of partially executed contract	-	-	-	-	-
Changes on account of :						
Contract Price	5,160.32	8,479.38	13,639.70	5,996.06	2,934.75	8,930.81
Revenue recognised during the Year out of orders completed during the Year	5,160.32	8,479.38	13,639.70	5,996.06	2,934.75	8,930.81

c) There are no contract assets and contract liabilities as at 31st March, 2021 and 31st March, 2020

d) The Company has not recognised any assets as on March 31, 2021 and March 31, 2020 from the costs to obtain or fulfill a contract with a customer.

**35.11 Disclosure pursuant to ESOP Cost**

Pursuant to the Employees Stock Options Scheme established by the holding company (i.e. L&T Finance Holdings Limited), stock options have been granted to the employees of the Company. Total cost incurred by the holding company in respect of options granted to employees of the company amounts, recovery of the same and future period expense details are following:

		(₹ in lakh)			
As at	Total cost incurred by Holding company (i.e. (B))	Expense recovered by holding company till end of (C)	Expenses charged to statement of profit and loss (D)	Remaining expenses to be recovered in future periods (E) = (B-C)	
(A)					
March 31, 2021	220.58	203.76	57.03	16.82	
March 31, 2020	262.11	146.73	88.91	115.38	

**35.12 Financial Risk Management**

The Company's activities expose it to liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, Trade receivables, Other financial assets measured at amortised cost	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits
Liquidity risk	Trade payables and Other current liabilities	Rolling cash flow forecasts	Working Capital Management

**(A) Credit risk**

Credit risk arises from investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

**Trade receivable**

The Company renders services to related entities only and as such credit risk of trade receivable is not expected to be significant considering the credit worthiness of the related entities. The Company closely monitors the ageing of its trade receivables to ensure the non-receipt of payment is escalated and recovered.

**Deposits with banks**

The Company performs a qualitative assessment of credit risk on its cash and cash equivalents. The Company maintains its current deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

**(B) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

**Maturities of financial liabilities:**

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

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

		(₹ in lakh)	
Contractual maturities of financial liabilities	Less than one year		
	As at March 31, 2021	As at March 31, 2020	
<b>Non-derivatives</b>			
Borrowings	22,190.25	34,560.75	
Trade payables	4.62	0.77	
Other financial liabilities	275.11	268.91	
<b>Total non-derivative liabilities</b>	<b>22,469.98</b>	<b>34,830.43</b>	

35.13 Disclosures pertaining to Corporate Social Responsibility (CSR) related activities

(₹ in lakh)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
a) Amount required to be spent during the year	76.58	21.61
b) Amount spent during the year (in cash) on :		
(i) Construction/acquisition of any asset	-	-
(ii) For the purpose other than (i) above	76.58	21.61

35.14 Capital management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

35.15 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products.

(₹ in lakh)

Particulars	March 31, 2021			March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Non-current assets</b>						
Property, Plant and Equipment	-	1,756.58	1,756.58	-	2,052.80	2,052.80
Investment Property	-	30,740.31	30,740.31	-	31,100.95	31,100.95
Other Intangible assets	-	0.43	0.43	-	0.43	0.43
Tax assets	-	872.13	872.13	-	1,045.52	1,045.52
Investment	-	-	-	-	426.10	426.10
Other financial assets	-	26.39	26.39	-	26.39	26.39
Deferred tax assets	-	5,057.46	5,057.46	-	5,057.46	5,057.46
<b>Current assets</b>						
Trade Receivables	747.89	-	747.89	537.26	-	537.26
Cash and cash equivalents	47.23	-	47.23	132.52	-	132.52
Bank Balance other than (a) above	-	-	-	67.13	-	67.13
Other financial assets	2,399.22	-	2,399.22	2,371.20	-	2,371.20
Loans	4,004.46	-	4,004.46	3,899.27	-	3,899.27
Other current assets	26.11	-	26.11	16.36	-	16.36
Assets classified as held for sale	115.02	-	115.02	115.02	-	115.02
<b>Total Assets</b>	<b>7,339.93</b>	<b>38,453.30</b>	<b>45,793.23</b>	<b>7,138.76</b>	<b>39,709.65</b>	<b>46,848.41</b>
<b>LIABILITIES</b>						
<b>Non-current liabilities</b>						
Other financial liabilities	-	2,057.30	2,057.30	-	2,048.75	2,048.75
Provisions	-	25.47	25.47	-	45.17	45.17
<b>Current liabilities</b>						
Borrowings	22,190.25	-	22,190.25	34,560.75	-	34,560.75
Trade payables	4.62	-	4.62	0.77	-	0.77
Other financial liabilities	275.11	-	275.11	268.91	-	268.91
Provisions	11.61	-	11.61	18.51	-	18.51
Current tax liabilities	1,801.35	-	1,801.35	-	-	-
Deferred tax liabilities	1,536.89	-	1,536.89	1,563.48	-	1,563.48
Other current liabilities	145.40	-	145.40	126.23	-	126.23
<b>Total liabilities</b>	<b>25,965.23</b>	<b>2,082.77</b>	<b>28,048.00</b>	<b>36,538.65</b>	<b>2,093.92</b>	<b>38,632.57</b>
<b>Equity</b>			<b>17,745.23</b>			<b>8,215.84</b>

- 35.16** There are no pending litigations as on 31st March, 2021
- 35.17** There no long term contracts including derivative contracts as on 31st March, 2021
- 35.18** No Amount is required to be transferred to Investor Education and Protection Fund as on 31st March, 2021
- 35.19** The Company has no amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31 March, 2021. This information is given in respect of such vendors as could be identified as 'Micro'/'Medium'/'Small Enterprises' on the basis of information available with the Company.
- 35.20** Previous year figures have been regrouped / reclassified wherever necessary

**As per our report attached**

**SHARP & TANNAN**

Chartered Accountants

Firm's registration no. 109982W

by the hand of

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

**L&T Financial Consultants Limited**

**R. P. Acharya**

Partner

Membership no. 039920

**Raju Dodti**

Director

(DIN-06550896)

**Sunil Prabhune**

Director

(DIN-07517824)

**Hitesh Bhadada**

Head Accounts (CFO)

**Juhi Jadhav**

Company Secretary

Place : Mumbai

Date : April 09, 2021

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