



# LKP Finance Ltd.

Regd. Off.: 112 - A / 203, Embassy Centre, Nariman Point, Mumbai - 400 021.  
Tel.: 4002 4785 / 86 • Fax : 2287 4787 • Website : www.lkpsec.com  
CIN : L65990MH1984PLC032831

June 24, 2021

To  
Dept. of Corporate Services  
**BSE Limited**  
P. J. Towers,  
Dalal Street, Fort,  
Mumbai 400 001

**Scrip Code: 507912**

Dear Sir,

**Sub: Outcome of Board Meeting held on June 24, 2021 – Audited Financial Results for the Fourth Quarter and Financial Year ended March 31, 2021**

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), we wish to inform you that the Board of Directors at its Meeting held today i.e. June 24, 2021 has inter alia, approved:

1. The Audited Standalone Financial Results of the Company for the Fourth Quarter and Financial Year ended March 31, 2021;
2. The Audited Consolidated Financial Results of the Company and its subsidiary for the Fourth Quarter and Financial Year ended March 31, 2021; and
3. Recommended a final dividend of Rs. 2.00 (i.e. 20%) per equity share of Rs. 10/- each for the financial year ended March 31, 2021, subject to approval of the members at the ensuing Annual General Meeting.

The above audited Financial Results (Standalone and Consolidated) have been reviewed by the Audit Committee at its meeting held today.

Accordingly, we enclose herewith the following:

1. Audited (Standalone and Consolidated) Financial Results of the Company for the Fourth Quarter And Financial Year ended March 31, 2021; and
2. Auditors' Reports on the Audited (Standalone and Consolidated) Financial Results;

**Unmodified Opinion:**

In compliance with the provisions of Regulation 33 of the SEBI Listing Regulations, the Company hereby confirms and declares that the Statutory Auditors of the Company, MGB & Co. LLP, Chartered Accountants have issued audit report on the standalone and consolidated financial results of the Company for the fourth quarter and financial year ended March 31, 2021 with unmodified opinion.

The Meeting of the Board of Directors commenced at 04:30 PM and concluded at 05:40 PM

You are requested to take the same on your record.

Thanking you,

Yours faithfully,  
For **LKP Finance Limited**

**Mahendra V. Doshi**  
**Executive Chairman & Managing Director**  
**DIN: 00123243**

Encl: a/a

LKP Finance Limited  
CIN: L65990MH1984PLC032831  
Regd Office :- 112-A / 203, Embassy Centre, Nariman point, Mumbai 400021  
Audited Standalone Financial Results for the Quarter and Year ended 31 March 2021

(Rs. in lakhs except per share data)

Particulars	Standalone				
	Quarter ended			Year Ended	
	31 March 2021 Audited (Refer Note 2 )	31 December 2020 Unaudited	31 March 2020 Audited (Refer Note 2 )	31 March 2021 Audited	31 March 2020 Audited
<b>Revenue From Operations</b>					
Interest income	124.19	96.25	120.54	402.59	539.77
Dividend income	3.13	25.91	3.04	29.54	11.29
Net gain on fair value changes	1,171.02	1,686.42	-	5,896.70	-
Other operating income	719.65	1,065.68	461.33	3,234.86	1,385.07
<b>I Total Revenue from Operations</b>	<b>2,017.99</b>	<b>2,874.26</b>	<b>584.91</b>	<b>9,563.69</b>	<b>1,936.13</b>
<b>II Other Income</b>	<b>45.99</b>	<b>103.32</b>	<b>5.05</b>	<b>149.31</b>	<b>8.01</b>
<b>III Total Income ( I+II)</b>	<b>2,063.98</b>	<b>2,977.58</b>	<b>589.96</b>	<b>9,713.00</b>	<b>1,944.14</b>
<b>Expenses</b>					
Finance costs	79.34	53.24	81.03	251.81	219.78
Fees and commission expenses	67.27	-	11.50	67.27	53.90
Net loss on fair value changes	-	-	3,003.53	-	3,009.75
Impairment on financial instruments	683.25	150.07	188.24	986.28	188.24
Employee benefit expense	622.21	150.78	175.75	1,175.98	501.55
Depreciation, amortization and impairment	0.21	0.32	0.19	1.00	0.86
Other expenses	78.38	106.37	115.50	267.10	238.55
<b>IV Total Expenses</b>	<b>1,530.66</b>	<b>460.78</b>	<b>3,575.75</b>	<b>2,749.44</b>	<b>4,212.64</b>
<b>V Profit/ (Loss) before tax ( III-IV)</b>	<b>533.32</b>	<b>2,516.80</b>	<b>(2,985.79)</b>	<b>6,963.56</b>	<b>(2,268.50)</b>
<b>VI Tax expenses</b>					
Current tax-Current Year ( Refer note 6 )	(1,123.56)	461.95	(147.67)	63.39	-
-earlier years	(24.65)	-	-	(24.65)	-
Deferred tax including Minimum Alternate Tax	851.22	-	-	851.22	-
<b>Total Tax Expenses</b>	<b>(296.99)</b>	<b>461.95</b>	<b>(147.67)</b>	<b>889.96</b>	<b>-</b>
<b>VII Profit / (Loss) for the period / year ( V-VI)</b>	<b>830.31</b>	<b>2,054.85</b>	<b>(2,838.11)</b>	<b>6,073.60</b>	<b>(2,268.50)</b>
<b>VIII Other Comprehensive Income</b>					
(i) Items that will not be reclassified to profit or loss					
a) Re-measurement of defined benefit obligation	2.30	(0.06)	1.76	2.12	(3.43)
b) Fair value changes of equity instruments through other comprehensive income	6,372.82	0.00	44.96	6,536.55	44.96
c) Income tax relating to items that will not be reclassified to profit or loss	(1,716.42)	-	-	(1,716.42)	-
(ii) Items that will be reclassified to profit or loss	-	-	-	-	-
<b>Other Comprehensive Income / (loss) for the period / year</b>	<b>4,658.70</b>	<b>(0.06)</b>	<b>46.72</b>	<b>4,822.25</b>	<b>41.52</b>
<b>IX Total Comprehensive Income / (loss) for the period / year (VII+VIII)</b>	<b>5,489.01</b>	<b>2,054.79</b>	<b>(2,791.40)</b>	<b>10,895.85</b>	<b>(2,226.98)</b>
Paid up Equity Share Capital (face value Rs. 10 per share)					1,256.86
Other Equity					13,373.06
Earnings per Share - Basic (Rs.) *	6.61	16.35	(22.58)	48.32	(18.05)
Earnings per Share - Diluted (Rs.)*	6.61	16.35	(22.58)	48.32	(18.05)

\* EPS not annualised for interim periods

Particulars	Standalone	
	AS at 31 March 2021 Audited	AS at 31 March 2020 Audited
<b>I ASSETS</b>		
<b>(1) Financial Assets</b>		
(a) Cash and cash equivalents	769.47	417.83
(b) Bank Balance other than (a) above	240.67	1,819.40
(c) Trade receivables	719.67	1,165.76
(d) Loans	5,580.99	3,826.63
(e) Investments	22,926.23	8,316.99
(f) Other financial assets	74.11	95.46
<b>Total Financials Assets</b>	<b>30,311.14</b>	<b>16,501.07</b>
<b>(2) Non-Financial Assets</b>		
(a) Current tax assets (net)	305.76	453.99
(b) Deferred tax assets (net) ( refer note 6 )	-	663.20
(c) Property, Plant and Equipment	8.26	13.45
(d) Other non-financial assets	1,176.85	1,173.63
<b>Total Non-Financials Assets</b>	<b>1,490.87</b>	<b>2,304.27</b>
<b>Total Assets</b>	<b>31,802.01</b>	<b>18,805.34</b>
<b>II LIABILITIES AND EQUITY</b>		
<b>(1) Financial Liabilities</b>		
(a) Trade payables	-	133.49
(b) Other payables	11.76	239.89
(c) Borrowings	4,577.64	3,596.65
(d) Other financial liabilities	722.73	64.19
<b>Total Financial Liabilities</b>	<b>5,312.13</b>	<b>4,034.22</b>
<b>(2) Non-Financial Liabilities</b>		
Non-Financial Liabilities		
(a) Provisions	19.74	12.46
(b) Deferred Tax Liabilities (net)	770.42	-
(c) Other non-financial liabilities	173.97	128.74
<b>Total Non-financial liabilities</b>	<b>964.13</b>	<b>141.20</b>
<b>(3) Equity</b>		
(a) Equity Share capital	1,256.86	1,256.86
(b) Other Equity	24,268.89	13,373.06
<b>Total Equity</b>	<b>25,525.75</b>	<b>14,629.92</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>31,802.01</b>	<b>18,805.34</b>

## Annexure - I Statement of standalone cash flows for the year ended 31 March 2021

	31 March 2021	31 March 2020
<b>A. Cash flow from operating activities</b>		
<b>Profit/( loss ) before tax</b>	<b>6,963.56</b>	<b>(2,268.50)</b>
Adjustments for:		
Depreciation and amortization expense	1.00	0.86
Loss/ (profit) on disposal of property, plant and equipment/ intangibles	(125.66)	(2.96)
Interest expenses	110.43	101.57
Interest income	(402.59)	(539.77)
Dividend Income	(29.54)	(11.29)
Net loss/ (gain) on fair value changes	(5,896.70)	3,009.75
Net loss/ (gain) on sale of investments	(3,233.44)	(1,382.94)
Impairment on financial instruments	986.28	188.24
<b>Operating profit before working capital changes</b>	<b>(1,626.66)</b>	<b>(905.04)</b>
Adjustments for:		
Decrease / (increase) in Trade Receivables	446.09	398.40
(Decrease) /increase in Trade payables and other payables	(361.62)	299.64
(Decrease) /increase in Financial assets	880.35	(2.00)
(Decrease) /increase in Non financial assets	(1.10)	(1,119.98)
Other Non-Financial Liabilities	45.23	97.16
Other Financial Liabilities	658.55	(1.01)
<b>Cash generated from operations</b>	<b>40.84</b>	<b>(1,232.82)</b>
Direct tax paid (net of refunds)	(1,024.55)	(165.25)
<b>Net cash from/ (used in) operating activities (A)</b>	<b>(983.71)</b>	<b>(1,398.07)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(4.15)	-
Sale of Property, plant and equipment and intangible assets	134.00	5.00
(Increase)/ decrease in investments held for trading	3,979.44	1,583.61
Investment in Subsidiary	(2,922.00)	-
Loans given (net )	(2,671.94)	(161.87)
(Increase)/ decrease in bank deposits	1,578.73	(0.25)
Interest received	341.17	383.23
Dividend received	29.54	11.29
<b>Net cash from/ (used in) investing activities (B)</b>	<b>464.79</b>	<b>1,821.02</b>
<b>C. Cash flow from financing activities</b>		
Dividend Paid	-	(303.05)
Increase / ( decrease ) in borrowings	980.99	-
Interest paid	(110.43)	(101.57)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>870.56</b>	<b>(404.63)</b>
Net changes in cash and cash equivalents (A+B+C)	351.64	18.32
Cash and cash equivalents at the beginning of the year	417.83	399.50
<b>Cash and cash equivalents at the end of the year</b>	<b>769.47</b>	<b>417.83</b>

## Notes :

- The above audited standalone financial results, have been prepared in accordance with the Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India, have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 24 June 2021.
- Figures for the quarter ended 31 March are the balancing figures between the audited figures in respect of full financial year and the published year to date figures upto the third quarter of the relevant financial year subjected to limited review.
- The Company is engaged in investment and financing activities, and accordingly there are no separate reportable segments as per Ind AS - 108 'Operating Segments'.
- State Bank of India obtained an order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines, United Breweries (Holdings) Limited and Others for recovery of dues from them. During the previous year, the Company received a garnishee order from the Recovery Officer, DRT, Bangalore for an amount of Rs 2,500 lakhs (plus interest) as the financial statements of Kingfisher Finvest Limited showed an amount of Rs 2,500 lakhs due from the Company. The Company has contested the same. The Company has deposited an amount of Rs 1,126.22 Lakhs with the DRT which is on account of deposit for preferring the Appeal before Debt Recovery Appellate Tribunal (DRAT), Chennai. The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai for hearing.
- The year ended March 31, 2021 was unprecedented due to the spread of Coronavirus pandemic across the globe. The Company has been in operation with minimal permitted staff. The Company has not faced any material adversity of its financial position as at 31 March 2021 and considering other relevant facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties which affects its liquidity position and also ability to continue as a going concern. However, the impact of the global health pandemic may differ from that estimated as at the date of approval of the financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 1 April 2019, domestic companies have an option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions. During the quarter the Company has elected to exercise the option of reduced corporate income tax rate as permitted under section 115BAA of the Income Tax Act, 1961 as per the amendment notified in the official Gazette dated 12 December 2019. The Company has during the quarter ended 31 March 2021 written off MAT Credit entitlement of Rs 663.20 lakhs and necessary adjustments has been made in current tax.
- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and postemployment received Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on 13 November 2020 draft rules were published and invited for stakeholders' suggestions. The Central Government on 30 March 2021 has deferred the implementation of the said Code and the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will account for the related impact in the period the Code becomes effective.
- The Board of Directors at its meeting held on 24 June 2021 has recommended a dividend of Rs.2.00 per equity share of Rs. 10/- each fully paid up, subject to approval of the shareholders.
- Previous period figures have been regrouped/ rearranged wherever necessary to conform to the current period's presentation.

For and on behalf of the Board of Directors

**M V Doshi**  
Executive Chairman & Managing Director

Mumbai, 24 June 2021

**Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To The Board of Directors of LKP Finance Limited

Report on the Audit of the Standalone Financial Results

**Opinion**

We have audited the accompanying Statement of quarterly and year to date standalone annual Ind AS financial results of **LKP Finance Limited** (hereinafter referred to as "the Company"), for the quarter ended 31 March 2021 and for year ended 31 March 2021 ("the Statement" or "standalone annual financial results"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard; and
- b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the year ended 31 March 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone annual Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone annual financial statements under the provision of the Act and the Rules thereunder, and we have fulfilled our 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 audit opinion.

**Emphasis of Matter**

As described in Note 4 to the standalone Ind AS financial results, State Bank of India obtained an order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines, United Breweries (Holdings) Ltd and Others for recovery of dues from them. The Company received a garnishee order from the Recovery Officer, DRT, Bangalore for an amount of Rs 2,500 lakhs (plus interest) as the financial statements of Kingfisher Finvest Ltd showed an amount of Rs 2,500 Lakhs due from the Company. The Company has contested the same. The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai for hearing. The scope, duration or outcome of the matter is uncertain. Our opinion is not modified in respect of this matter.



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MGB & Co. (a partnership firm) converted into MGB & Co LLP (a Limited Liability Partnership with Regn No. AAC-2940) w.e.f 13th May, 2014

### **Management's Responsibilities for the Standalone Annual Ind AS Financial Results**

These standalone annual Ind AS financial results have been prepared on the basis of standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone annual Ind AS financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual Ind AS financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial results 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 Ind AS financial results.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone Ind AS financial statements on whether the Company has adequate internal financial controls with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls.



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

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

**Other matter**

The standalone annual financial results includes the results for the quarter ended 31 March 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us, as required under the Listing Regulations.

For **MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035



**Sanjay Kothari**

Partner

Membership Number 048215

Mumbai, 24 June 2021

UDIN: 21048215AAAAGL4117

LKP Finance Limited  
CIN: L65900MH1984PLC032831  
Regd Office :- 112-A / 203, Embassy Centre, Nariman point, Mumbai 400021  
Audited Consolidated Financial Results for the Quarter and year ended 31 March 2021

(Rs. in lakhs except per share data)

Particulars	Consolidated				
	Quarter ended			Year ended	
	31 March 2021 (Audited) (Refer Note 2)	31 December 2020 (Unaudited)	31 March 2020 (Audited) (Refer Note 2)	31 March 2021 (Audited)	31 March 2020 (Audited)
<b>Revenue From Operations</b>					
Interest income	144.67	102.01	120.54	428.83	539.77
Dividend income	3.14	25.90	3.04	29.55	11.41
Net gain on fair value changes	1,171.02	1,686.42	-	5,896.70	-
Other operating income	719.65	1,065.68	461.33	3,234.86	1,385.07
<b>Total Revenue from Operations</b>	<b>2,038.48</b>	<b>2,880.01</b>	<b>584.91</b>	<b>9,589.94</b>	<b>1,936.25</b>
<b>Other Income</b>	<b>45.99</b>	<b>103.32</b>	<b>5.14</b>	<b>149.31</b>	<b>8.10</b>
<b>III Total Income ( I+II)</b>	<b>2,084.47</b>	<b>2,983.33</b>	<b>590.05</b>	<b>9,739.25</b>	<b>1,944.35</b>
<b>Expenses</b>					
Finance costs	82.16	54.23	82.02	257.61	223.76
Fees and commission expenses	67.27	-	(42.40)	67.27	-
Net loss on fair value changes	-	-	3,003.53	-	3,009.75
Impairment on financial instruments	683.25	150.07	188.24	986.28	188.24
Employee benefits expense	622.21	150.78	175.75	1,175.98	501.55
Depreciation, amortization and impairment	1.46	0.45	0.34	2.63	1.42
Other expenses	95.38	106.61	169.85	294.54	292.96
<b>Total Expenses</b>	<b>1,551.73</b>	<b>462.14</b>	<b>3,577.35</b>	<b>2,784.31</b>	<b>4,217.68</b>
<b>V Profit/ (Loss) before tax ( III-IV)</b>	<b>532.74</b>	<b>2,521.19</b>	<b>(2,987.28)</b>	<b>6,954.94</b>	<b>(2,273.33)</b>
<b>VI Tax expenses</b>					
Current tax - Current Year	(1,123.25)	461.95	(147.67)	63.70	-
- earlier years	(24.65)	-	-	(24.65)	-
Deferred tax including Minimum Alternate Tax	851.22	-	-	851.22	-
<b>Total Tax Expenses</b>	<b>(296.68)</b>	<b>461.95</b>	<b>(147.67)</b>	<b>890.27</b>	<b>-</b>
<b>VII Profit / (Loss) for the period / year ( V-VI)</b>	<b>829.42</b>	<b>2,059.24</b>	<b>(2,839.61)</b>	<b>6,064.67</b>	<b>(2,273.33)</b>
<b>VIII Other Comprehensive Income</b>					
(i) Items that will not be reclassified to profit or loss					
a) Re-measurement of defined benefit obligation	2.30	(0.06)	1.76	2.12	(3.43)
b) Fair value changes of equity instruments through other comprehensive income	6,374.40	1.46	48.05	6,537.07	34.51
c) Income tax relating to items that will not be reclassified to profit or loss	(1,716.42)	-	-	(1,716.42)	-
(ii) Items that will be reclassified to profit or loss	-	-	-	-	-
<b>IX Other Comprehensive Income / (loss) for the period/ year</b>	<b>4,660.28</b>	<b>1.40</b>	<b>49.81</b>	<b>4,822.77</b>	<b>31.08</b>
<b>Total Comprehensive Income / (loss) for the period / year (VIII+IX)</b>	<b>5,489.70</b>	<b>2,060.64</b>	<b>(2,789.81)</b>	<b>10,887.44</b>	<b>(2,242.25)</b>
Paid up Equity Share Capital (face value Rs. 10 per share)				1,256.86	1,256.86
Other Equity				24,065.88	13,178.49
Earnings per Share - Basic (Rs.) *	6.60	16.38	(22.59)	48.25	(18.09)
Earnings per Share - Diluted (Rs.) *	6.60	16.38	(22.59)	48.25	(18.09)

\* EPS not annualised for interim periods

Particulars	Consolidated	
	AS at March 31, 2021 Audited	AS at March 31, 2020 Audited
<b>I ASSETS</b>		
<b>(1) Financial Assets</b>		
(a) Cash and cash equivalents	2,725.45	418.09
(b) Bank Balance other than (a) above	240.67	1,819.40
(c) Trade receivables	719.67	1,165.76
(d) Loans	5,580.99	3,826.64
(e) Investments	20,490.75	8,157.78
(f) Other financial assets	238.86	802.23
<b>Total Financials Assets</b>	<b>29,996.39</b>	<b>16,189.90</b>
<b>(2) Non-Financial Assets</b>		
(a) Current tax assets (net)	305.76	453.99
(b) Deferred tax assets (net)	-	663.20
(c) Property, Plant and Equipment	11.64	18.45
(d) Goodwill on Consolidation	143.00	143.00
(d) Other non-financial assets	1,176.85	1,173.63
<b>Total Non-Financials Assets</b>	<b>1,637.25</b>	<b>2,452.27</b>
<b>Total Assets</b>	<b>31,633.64</b>	<b>18,642.17</b>
<b>II LIABILITIES AND EQUITY</b>		
<b>(1) Financial Liabilities</b>		
(a) Trade payables	-	133.49
(b) Other payables	11.76	254.78
(c) Borrowings	4,577.64	3,613.15
(d) Other financial liabilities	739.24	64.19
<b>Total Financial Liabilities</b>	<b>5,328.64</b>	<b>4,065.61</b>
<b>(2) Non-Financial Liabilities</b>		
(a) Provisions	19.74	12.46
(b) Deferred Liabilities (net)	770.42	-
(c) Other non-financial liabilities	192.10	128.75
<b>Total Non-financial liabilities</b>	<b>982.26</b>	<b>141.21</b>
<b>(3) Equity</b>		
(a) Equity Share capital	1,256.86	1,256.86
(b) Other Equity	24,065.88	13,178.49
<b>Total Equity</b>	<b>25,322.74</b>	<b>14,435.35</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>31,633.64</b>	<b>18,642.17</b>

## Annexure -I Statement of Consolidated Cash flows for the year ended 31 March 2021

	31 March 2021	31 March 2020
<b>A. Cash flow from operating activities</b>		
<b>Profit/(loss) before tax</b>	6,954.93	(2,273.33)
Adjustments for:	-	-
Depreciation and amortization expense	2.63	1.42
Loss/ (profit) on disposal of property, plant and equipment/ intangibles	(125.66)	(2.96)
Interest expenses	116.23	105.54
Interest Income	(428.83)	(539.77)
Dividend Income	(29.55)	(11.41)
Net loss/ (gain) on fair value changes	(5,896.70)	3,009.75
Net loss/ (gain) on sale of investments	(3,233.44)	(1,385.07)
Impairment on financial instruments	986.28	188.24
<b>Operating profit before working capital changes</b>	<b>(1,654.11)</b>	<b>(907.58)</b>
Adjustments for:		
Decrease / (increase) in Trade Receivables	446.09	398.40
(Decrease) / (increase) in Trade payables and other payables	(374.39)	301.69
(Decrease) / (increase) in Financial assets	563.37	-
(Decrease) / (increase) in Non financial assets	(3.22)	(1,119.98)
Other Non-Financial Liabilities	63.35	97.14
Other Financial Liabilities	675.04	(1.31)
<b>Cash generated from operations</b>	<b>(283.87)</b>	<b>(1,231.65)</b>
Direct tax paid (net of refunds)	(1,024.86)	(165.25)
<b>Net cash from/ (used in) operating activities (A)</b>	<b>(1,308.73)</b>	<b>(1,396.90)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(4.15)	-
Sale of Property, plant and equipment and intangible assets	134.00	5.00
(Increase) / decrease in investments	3,334.23	1,585.74
Loans given (net)	(2,671.94)	(161.87)
(Increase) / decrease in bank deposits	1,578.73	(0.25)
Interest received	367.41	383.23
Dividend received	29.55	11.41
<b>Net cash from/ (used in) investing activities (B)</b>	<b>2,767.83</b>	<b>1,823.28</b>
<b>C. Cash flow from financing activities</b>		
Dividend Paid	-	(303.05)
Increase / ( decrease ) in borrowings	964.49	-
Interest paid	(116.23)	(105.54)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>848.26</b>	<b>(408.60)</b>
Net changes in cash and cash equivalents (A+B+C)	2,307.36	17.78
Cash and cash equivalents at the beginning of the year	418.09	400.31
<b>Cash and Cash equivalents at the end of the year</b>	<b>2,725.45</b>	<b>418.09</b>

**Notes :**

- The above audited consolidated financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India, have been reviewed by the Audit Committee and approved by the Board of Directors of the group at their meeting held on 24 June 2021.
- Figures for the quarter ended 31 March are the balancing figures between the audited figures in respect of full financial year and the published year to date figures upto the third quarter of the relevant financial year subjected to limited review.
- The Group is engaged in the business of investment and financing activities, and accordingly there are no separate reportable segments as per Ind AS - 108 'Operating Segments'.
- State Bank of India obtained an order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines, United Breweries (Holdings) Limited and Others for recovery of dues from them. The Group received a garnishee order from the Recovery Officer, DRT, Bangalore for an amount of Rs 2,500 lakhs (plus interest) as the financial statements of Kingfisher Finvest Limited showed an amount of Rs 2,500 lakhs due from the Company. The Group has contested the same. The group has deposited an amount of Rs 1,126.22 lakhs with the DRT which is on account of deposit for preferring the Appeal before DRAT, Chennai. The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai for hearing.
- The year ended March 31,2021 was unprecedented due to the spread of Coronavirus pandemic across the globe. The Group has been in operation with minimal permitted staff. The Group has not faced any material adversity of its financial position as at 31 March 2021 and considering other relevant facts and circumstances existing as of that date, the Group does not anticipate any material uncertainties which affects its liquidity position and also ability to continue as a going concern. However, the impact of the global health pandemic may differ from that estimated as at the date of approval of the financial results and the Group will continue to closely monitor any material changes to future economic conditions.
- Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 1 April 2019, domestic companies have an option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions. During the quarter the Holding Company has elected to exercise the option of reduced corporate income tax rate as permitted under section 115BAA of the Income Tax Act, 1961 as per the amendment notified in the official Gazette dated 12 December 2019. The Holding Company has during the quarter ended 31 March 2021 written off MAT Credit entitlement of Rs 663.20 lakhs and necessary adjustments has been made in current tax.
- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and postemployment received Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on 13 November 2020 draft rules were published and invited for stakeholders' suggestions. The Central Government on 30 March 2021 has deferred the implementation of the said Code and the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will account for the related impact in the period the Code becomes effective.
- The Board of Directors at its meeting held on 24 June 2021 has recommended a dividend of Rs. 2.00 per equity share of Rs. 10/- each fully paid up, subject to approval of the shareholders.
- Previous period figures have been regrouped/ reclassified, wherever necessary to conform the current period's presentation

For and on behalf of the Board of Directors

M V Doshi

Executive Chairman &amp; Managing Director

Mumbai, 24 June 2021



**Independent Auditor's Report on the Quarterly and Year to Date Audited Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To The Board of Directors of LKP Finance Limited

**Report on the Audit of the Consolidated Annual Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date consolidated annual financial results of **LKP Finance Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") for the quarter ended 31 March 2021 and year ended 31 March 2021 ("the Statement" or "consolidated annual financial results") attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated annual financial results:

a) includes the annual financial results of the following entities:

**Holding Company**

LKP Finance Limited

**Subsidiary**

Bond Street Capital Private Limited (Formerly known as Gayatri Cements and Chemicals Industries Private Limited)

b) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard; and

c) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the Act and the Rules thereunder, and we have fulfilled our 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 audit opinion.



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### **Emphasis of Matter**

As described in Note 4 to the Consolidated annual financial results, State Bank of India obtained an order from Debt Recovery Tribunal (DRT), Bangalore against Kingfisher Airlines, United Breweries (Holdings) Ltd and Others for recovery of dues from them. The Group received a garnishee order from the Recovery Officer, DRT, Bangalore for an amount of Rs 2,500 Lakhs (plus interest) as the financial statements of Kingfisher Finvest Ltd showed an amount of Rs 2,500 Lakhs due from the Group. The Group has contested the same. The matter is presently pending before the Debt Recovery Appellate Tribunal, Chennai for hearing. The scope, duration or outcome of the matter is uncertain. Our opinion is not modified in respect of this matter.

### **Management's Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 consolidated annual financial results.

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



- Identify and assess the risks of material misstatement of the consolidated annual financial results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of the financial results of such entities included in the consolidated annual financial results of which we are independent auditors. For other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

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



We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

**Other matter**

a) The consolidated annual financial results include the audited annual financial results of its subsidiary whose financial information reflect total assets of Rs. 2,835.84 lakhs as at 31 March 2021, total revenues of Rs.26.24 lakhs, total net loss after tax of Rs.7.81 lakhs, total comprehensive income of Rs.7.30 lakhs (loss) and total cash inflows of Rs. 1,955.71 Lakhs for the year ended on that date, whose financial statements have not been audited by us has been considered in the consolidated financial results. The independent auditor's report on financial information of this entity have been furnished to us by the Management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with regard to our reliance on the work done and the reports of the other auditors.

b) The consolidated annual financial results for the quarter ended 31 March 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

A blue ink signature of Sanjay Kothari is written over a circular blue stamp. The stamp contains the text 'mgb&CO LLP' and 'Chartered Accountants'.

**Sanjay Kothari**

Partner

Membership Number 048215

Mumbai, 24 June 2021

UDIN: 21048215AAAAGM5898