



# 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

May 05, 2022

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 May 05, 2022 – Audited Financial Results for the Fourth Quarter and Financial Year ended March 31, 2022**

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. May 05, 2022 has inter alia, approved:

1. The Audited Standalone Financial Results of the Company for the Fourth Quarter and Financial Year ended March 31, 2022;
2. The Audited Consolidated Financial Results of the Company and its subsidiary for the Fourth Quarter and Financial Year ended March 31, 2022; and
3. Recommended a final dividend of Rs. 3/- (i.e. 30%) per equity share of Rs. 10/- each for the financial year ended March 31, 2022, subject to approval of the members at the ensuing Annual General Meeting.

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, 2022; and
2. Auditors' Reports on the Audited (Standalone and Consolidated) Financial Results;

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

**Modified Opinion:**


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, 2022 with modified opinion. Statement of Impact of Audit Qualifications is submitted as Annexure I herewith.

The Meeting of the Board of Directors commenced at 04:00 PM and concluded at 06:15 PM

You are requested to take the same on your record.

Thanking you,

Yours faithfully,  
For LKP Finance Limited

  
Girish Kumar Imani  
General Manager (Legal) & Company Secretary



Encl: a/a

LKP Finance Limited  
CIN: L65990MH1984PLC032831  
Regd Office :- 112-A / 203, Embassy Centre, Nariman point, Mumbai 400021  
Statement of Audited Standalone Financial Results for the Quarter and year ended 31 March 2022

(Rs. in lakhs except per share data)

Particulars	Standalone				
	Quarter ended			For year ended	
	31 March 2022 (Audited) ( Refer note 2)	31 December 2021 (Unaudited)	31 March 2021 (Audited) ( Refer note 2)	31 March 2022 (Audited)	31 March 2021 (Audited)
<b>Revenue From Operations</b>					
Interest income	143.64	349.06	124.19	1,076.04	402.59
Dividend income	5.06	41.12	3.13	92.08	29.54
Net gain on fair value changes	(1,482.28)	(747.28)	764.11	575.13	5,364.19
Other operating income	791.70	(102.75)	1,126.56	3,810.76	3,767.37
<b>I Total Revenue from Operations</b>	<b>(541.88)</b>	<b>(459.85)</b>	<b>2,017.99</b>	<b>5,554.01</b>	<b>9,563.69</b>
<b>II Other Income</b>	<b>-</b>	<b>15.80</b>	<b>45.99</b>	<b>15.80</b>	<b>149.31</b>
<b>III Total Income ( +II)</b>	<b>(541.88)</b>	<b>(444.05)</b>	<b>2,063.98</b>	<b>5,569.81</b>	<b>9,713.00</b>
<b>Expenses</b>					
Finance costs	96.17	38.75	79.34	292.89	251.81
Fees and commission expenses	4.58	-	67.27	5.08	67.27
Impairment on financial instruments	49.03	87.71	683.25	340.96	986.28
Employee benefit expense	319.74	166.07	622.21	872.60	1,175.98
Depreciation, amortization and impairment	0.47	0.69	0.21	1.64	1.00
Other expenses	98.49	85.84	78.38	334.61	267.10
<b>IV Total Expenses</b>	<b>568.48</b>	<b>379.06</b>	<b>1,530.66</b>	<b>1,847.78</b>	<b>2,749.44</b>
<b>V Profit/ (Loss) before tax ( III-IV)</b>	<b>(1,110.36)</b>	<b>(823.10)</b>	<b>533.32</b>	<b>3,722.03</b>	<b>6,963.56</b>
<b>VI Tax expenses</b>	<b>(145.68)</b>	<b>(107.03)</b>	<b>(296.99)</b>	<b>441.25</b>	<b>889.96</b>
<b>VII Profit / (Loss) for the period / year ( V-VI)</b>	<b>(964.68)</b>	<b>(716.07)</b>	<b>830.31</b>	<b>3,280.78</b>	<b>6,073.60</b>
<b>VIII Other Comprehensive Income ( Net of tax )</b>					
Items that will not be reclassified to profit or loss					
a) Re-measurement of defined benefit obligation	(13.24)	(0.27)	2.30	(14.06)	2.12
b) Fair value changes of equity instruments through other comprehensive income	226.56	-	4,656.40	226.56	4,820.13
<b>Other Comprehensive Income / (loss) for the period / year</b>	<b>213.32</b>	<b>(0.27)</b>	<b>4,658.70</b>	<b>212.50</b>	<b>4,822.25</b>
<b>IX Total Comprehensive Income / (loss) for the period / year (VII+VIII)</b>	<b>(751.36)</b>	<b>(716.34)</b>	<b>5,489.01</b>	<b>3,493.28</b>	<b>10,895.85</b>
Paid up Equity Share Capital (face value Rs. 10 per share)	1,256.86	1,256.86	1,256.86	1,256.86	1,256.86
Other Equity				27,510.81	24,268.89
Earnings per Share - Basic (Rs.) *	(7.68)	(5.70)	6.61	26.09	48.32
Earnings per Share - Diluted (Rs.) *	(7.68)	(5.70)	6.61	26.09	48.32

\* EPS not annualised for interim period

**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 05 May 2022.
- 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 primarily 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. In earlier years, 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 Board of Directors at its meeting held on 05 May 2022 has recommended a dividend of Rs.3.00 (30%) 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, 05 May 2022



## AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31 ST MARCH 2022

(Rs. in lakhs)

Particulars	Standalone	
	As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
<b>I ASSETS</b>		
(1) <b>Financial Assets</b>		
(a) Cash and cash equivalents		769.47
(b) Bank Balance other than (a) above	1,598.23	240.67
(c) Trade receivables	722.51	719.67
(d) Loans	174.50	5,580.99
(e) Investments	12,987.09	22,926.23
(f) Other Financial assets	20,670.13	74.11
<b>Total Financial Assets</b>	<b>580.05</b>	<b>30,311.14</b>
(2) <b>Non-Financial Assets</b>		
(a) Current tax assets (net)	354.69	305.76
(b) Property, plant and Equipment	8.19	8.26
(c) Other non-financial assets	1,174.44	1,176.85
<b>Total Non-Financial Assets</b>	<b>1,537.32</b>	<b>1,490.87</b>
<b>TOTAL ASSETS</b>	<b>38,269.83</b>	<b>31,802.01</b>
<b>II LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
(1) <b>Financial Liabilities</b>		
(a) Trade Payable	-	-
(b) Other payable	6.96	11.76
(c) Borrowings	8,226.07	4,577.64
(d) Other financial liabilities	591.76	722.73
<b>Total Financial Liabilities</b>	<b>8,824.79</b>	<b>5,312.13</b>
(2) <b>Non-Financial Liabilities</b>		
(a) Current tax liabilities (net)		-
(b) Provisions	50.70	19.74
(c) Deferred tax Liabilities (net)	529.48	770.42
(d) Other non-financial liabilities	97.19	173.97
<b>Total Non-financial liabilities</b>	<b>677.37</b>	<b>964.13</b>
(3) <b>Equity</b>		
(a) Equity Share Capital	1,256.86	1,256.86
(b) Other Equity	27,510.81	24,268.89
<b>Total Equity</b>	<b>28,767.67</b>	<b>25,525.75</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,269.83</b>	<b>31,802.01</b>



Particulars	Standalone	
	Year ended	Year ended
	As at 31 March 2022 (Audited)	31 March 2021 (Audited)
<b>A. Cash flow from operating activities</b>		
Profit/(loss) before tax	3,722.03	6,963.56
Adjustments for:		
Depreciation and amortization expense	1.64	1.00
Loss/(profit) on disposal of property, plant and equipment/ intangibles	-	(125.66)
Interest expenses	216.50	110.43
Interest income	(1,206.81)	(402.59)
Dividend income	(92.08)	(29.54)
Net loss/(gain) on fair value changes	(575.13)	(5,364.19)
Net loss/(gain) on sale of investments	(3,806.72)	(3,765.94)
Impairment on financial instruments	340.96	986.28
<b>Operating profit before working capital changes</b>	<b>(1,399.61)</b>	<b>(1,626.66)</b>
Adjustments for:		
Decrease / (increase) in Trade Receivables	625.17	446.09
(Decrease) /increase in Trade payables and other payables	9.27	(222.35)
(Decrease) /increase in Financial assets	54.64	880.35
(Decrease) /increase in Non financial assets	2.41	(1.10)
Other Non-Financial Liabilities	(76.78)	45.23
Other Financial Liabilities	(112.12)	519.29
<b>Cash generated from operations</b>	<b>(897.02)</b>	<b>40.84</b>
Direct tax paid (net of refunds)	(705.72)	(1,024.55)
<b>Net cash from/ (used in) operating activities (A)</b>	<b>(1,602.74)</b>	<b>(983.71)</b>
<b>B. Cash flow from investing activities</b>		
Sale of Property, plant and equipment and intangible assets	-	134.00
Purchase of Property, plant and equipment and intangible assets	(1.56)	(4.15)
(Increase)/ decrease in investments	6,638.32	1,057.44
Advance for purchase of investments	(560.59)	-
Increase in Loans given	(7,623.45)	(2,671.94)
(Increase)/ decrease in bank deposits	(481.83)	1,578.73
Interest received	1,206.81	341.17
Dividend received	92.08	29.54
<b>Net cash from/ (used in) investing activities (B)</b>	<b>(730.22)</b>	<b>464.79</b>
<b>C. Cash flow from financing activities</b>		
Dividend Paid	(270.22)	-
Increase / ( decrease ) in borrowings	3,648.44	980.99
Interest paid	(216.50)	(110.43)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>3,161.72</b>	<b>870.56</b>
Net changes in cash and cash equivalents (A+B+C)	828.76	351.63
Cash and cash equivalents at the beginning of the year	769.47	417.83
<b>Cash and cash equivalents at the end of the period / year</b>	<b>1,598.23</b>	<b>769.47</b>



## Independent Auditor's Report

To the Board of Directors of LKP Finance Limited

### Report on the Audit of the Standalone Financial Results

#### Qualified Opinion

We have audited the accompanying Statement of standalone annual financial results of **LKP Finance Limited** (hereinafter referred to as "the Company"), for the year ended 31 March 2022 ("the Statement"), 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) except for the effects/ possible effects of the matter described in basis of qualified opinion paragraph below, give 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 loss and other comprehensive income and other financial information for the year ended 31 March 2022.

#### Basis of Qualification

- a) The Company has investment in unquoted equity shares with a carrying value of Rs. 5,444.92 lakhs. The Company has not obtained fair valuation of these investments as at 31 March 2022 as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation report, we are unable to comment on the carrying value of these investment amounting to Rs 5,444.92 lakhs and the consequent impact thereof on Other Comprehensive Income.
- b) The Company did not obtain/ receive balance confirmation/ term sheet from two lenders amounting to Rs 3,596.65 lakhs. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise.

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 Ind AS 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 Ind AS 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 qualified audit opinion.



### **Emphasis of Matter**

As described in Note 4 to the standalone annual financial results, 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 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 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 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 Ind AS 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 Ind AS financial results include 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.

For **MGB & Co LLP**  
Chartered Accountants  
Firm Registration Number 101169WW-100035

A blue ink signature of Sanjay Kothari is written over a circular stamp. The stamp contains the text 'mgb&co' and 'L L P' in a stylized font, with 'CHARTERED ACCOUNTANTS' written in smaller text around the bottom edge of the circle.

**Sanjay Kothari**  
Partner  
Membership Number 048215  
Mumbai, 05 May 2022  
UDIN: 22048215AILRYX8755

LKP Finance Limited  
CIN: L65990MH1984PLC032831  
Regd Office :- 112-A / 203, Embassy Centre, Nariman point, Mumbai 400021  
Statement of Audited Consolidated Financial Results for the Quarter and year ended 31 March 2022

(Rs. in lakhs except per share data)

	Consolidated				
	Quarter ended			Year ended	
	31 March 2022 (Audited) ( Refer note 2)	31 December 2021 (Unaudited)	31 March 2021 (Audited) ( Refer note 2)	31 March 2022 (Audited)	31 March 2021 (Audited)
<b>Revenue From Operations</b>					
Interest income	165.42	371.34	144.67	1,172.11	428.83
Dividend income	5.06	41.12	3.14	93.44	29.55
Net gain / (loss) on fair value changes	(1,465.09)	(717.62)	764.11	752.70	5,364.19
Other operating income	847.28	(52.66)	1,126.56	4,081.93	3,767.36
<b>I Total Revenue from Operations</b>	<b>(447.33)</b>	<b>(357.83)</b>	<b>2,038.48</b>	<b>6,100.18</b>	<b>9,589.94</b>
<b>II Other Income</b>	<b>-</b>	<b>15.80</b>	<b>45.99</b>	<b>15.80</b>	<b>149.31</b>
<b>III Total Income ( I+II)</b>	<b>(447.33)</b>	<b>(342.02)</b>	<b>2,084.47</b>	<b>6,115.98</b>	<b>9,739.25</b>
<b>Expenses</b>					
Finance costs	97.33	27.32	82.16	280.80	257.61
Fees and commission expenses	4.58	-	67.27	5.08	67.27
Impairment on financial instruments	49.03	87.71	683.25	340.96	986.28
Employee benefits expense	362.99	208.57	622.21	958.35	1,175.98
Depreciation, amortization and impairment	0.14	1.14	1.46	3.91	2.63
Other expenses	91.49	94.15	95.38	336.52	294.54
<b>IV Total Expenses</b>	<b>605.56</b>	<b>418.90</b>	<b>1,551.73</b>	<b>1,925.62</b>	<b>2,784.31</b>
<b>V Profit/ (Loss) before tax ( III-IV)</b>	<b>(1,052.89)</b>	<b>(760.92)</b>	<b>532.74</b>	<b>4,190.36</b>	<b>6,954.94</b>
<b>VI Tax expenses</b>	<b>(141.43)</b>	<b>(98.85)</b>	<b>(296.68)</b>	<b>508.54</b>	<b>890.27</b>
<b>VII Profit / (Loss) for the period / year ( V-VI)</b>	<b>(911.46)</b>	<b>(662.07)</b>	<b>829.42</b>	<b>3,681.82</b>	<b>6,064.67</b>
<b>VIII Other Comprehensive Income ( Net of tax )</b>					
Items that will not be reclassified to profit or loss					
a) Re-measurement of defined benefit obligation	(13.24)	(0.27)	2.30	(14.06)	2.12
b) Fair value changes of equity instruments through other comprehensive income	224.19	3.67	4,657.98	228.74	4,820.65
- Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
<b>Other Comprehensive Income / (loss) for the period/ year</b>	<b>210.95</b>	<b>3.40</b>	<b>4,660.28</b>	<b>214.68</b>	<b>4,822.77</b>
<b>IX Total Comprehensive Income / (loss) for the period / year (VII+VIII)</b>	<b>(700.51)</b>	<b>(658.67)</b>	<b>5,489.70</b>	<b>3,896.50</b>	<b>10,887.44</b>
Paid up Equity Share Capital (face value Rs. 10 per share)	1,256.86	1,256.86	1,256.86	1,256.86	1,256.86
Other Equity				27,673.72	24,065.65
Earnings per Share - Basic (Rs.) *	(7.25)	(5.27)	6.60	29.29	48.25
Earnings per Share - Diluted (Rs.) *	(7.25)	(5.27)	6.60	29.29	48.25

\* EPS not annualised for interim period

**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 Company at their meeting held on 05 May 2022.
- 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 primarily 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. In earlier years, 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 Board of Directors at its meeting held on 05 May 2022 has recommended a dividend of Rs.3.00 (30%) 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.

Mumbai, 05 May 2022



For and on behalf of the Board of Directors

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



		Consolidated	
		As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a)	Cash and cash equivalents	2,085.86	777.45
(b)	Bank Balance other than (a) above	2,803.24	2,196.20
(c)	Trade receivables	174.50	719.67
(d)	Loans	12,987.09	5,580.99
(e)	Investments	18,218.99	20,490.53
(f)	Other Financial assets	593.07	229.36
<b>Total Financial Assets</b>		<b>36,862.75</b>	<b>29,994.19</b>
<b>(2) Non-Financial Assets</b>			
(a)	Current tax assets (net)	356.36	307.42
(b)	Property, plant and Equipment	10.43	11.64
(c)	Goodwill	143.00	143.00
(d)	Other non-financial assets	1,174.45	1,176.85
<b>Total Non-Financial Assets</b>		<b>1,684.24</b>	<b>1,638.91</b>
<b>TOTAL ASSETS</b>		<b>38,546.99</b>	<b>31,633.10</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a)	Trade payable	-	-
(b)	Other payable	6.96	11.76
(c)	Borrowings	8,226.07	4,577.64
(d)	Other financial liabilities	675.71	739.24
<b>Total Financial Liabilities</b>		<b>8,908.74</b>	<b>5,328.64</b>
<b>(2) Non-Financial Liabilities</b>			
(a)	Current Tax liabilities (net)	9.37	-
(b)	Provisions	50.70	19.74
(c)	Deferred tax Liabilities (net)	550.22	770.42
(d)	Other non-financial liabilities	97.35	191.79
<b>Total Non-financial liabilities</b>		<b>707.64</b>	<b>981.95</b>
<b>(3) Equity</b>			
(a)	Equity Share Capital	1,256.86	1,256.86
(b)	Other Equity	27,673.75	24,065.65
<b>Total Equity</b>		<b>28,930.61</b>	<b>25,322.51</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>38,546.99</b>	<b>31,633.10</b>



(Rs. in lakhs)

	Consolidated	
	Year ended	Year ended
	As at 31 March 2022 (Audited)	31 March 2021 (Audited)
<b>A. Cash flow from operating activities</b>		
Profit/( loss ) before tax	4,097.68	6,954.94
Adjustments for:		
Depreciation and amortization expense	3.91	2.63
Loss/ (profit) on disposal of property, plant and equipment/ intangibles	-	(125.66)
Interest expenses	257.84	116.23
Interest Income	(1,206.81)	(428.83)
Dividend Income	(92.08)	(29.55)
Net loss/ (gain) on fair value changes	(752.70)	(5,881.94)
Net loss/ (gain) on sale of investments	(3,806.72)	(3,233.44)
Impairment on financial instruments	340.96	986.28
<b>Operating profit before working capital changes</b>	<b>(1,157.92)</b>	<b>(1,639.35)</b>
Adjustments for:		
Decrease / (increase) in Trade Receivables	625.17	446.09
(Decrease) /increase in Trade payables and other payables	9.27	(236.79)
(Decrease) /increase in Financial assets	51.64	572.86
(Decrease) /increase in Non financial assets	2.41	(3.22)
Other Non-Financial Liabilities	(30.79)	63.04
Other Financial Liabilities	(157.88)	519.28
<b>Cash generated from operations</b>	<b>(658.10)</b>	<b>(278.08)</b>
Direct tax paid (net of refunds)	(696.27)	(1,024.86)
<b>Net cash from/ (used in) operating activities (A)</b>	<b>(1,354.37)</b>	<b>(1,302.94)</b>
<b>B. Cash flow from investing activities</b>		
Sale of Property, plant and equipment and intangible assets	-	134.00
Purchase of Property, plant and equipment and intangible assets	(1.56)	(4.15)
(Increase)/ decrease in investments	6,833.71	3,319.47
Advance for purchase of investments	(560.59)	-
Increase in Loans given	(7,423.45)	(2,671.94)
(Increase)/ decrease in bank deposits	(601.70)	(376.80)
Interest received	1,206.81	367.41
Dividend received	92.08	29.55
<b>Net cash from/ (used in) investing activities (B)</b>	<b>(454.70)</b>	<b>797.55</b>
<b>C. Cash flow from financing activities</b>		
Dividend Paid	(270.22)	-
Increase / ( decrease ) in borrowings	3,645.54	980.99
Interest paid	(257.84)	(116.23)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>3,117.48</b>	<b>864.76</b>
Net changes in cash and cash equivalents (A+B+C)	-	-
Cash and cash equivalents at the beginning of the year	1,308.41	359.36
Cash and cash equivalents at the end of the period / year	777.45	418.09
	<b>2,085.86</b>	<b>777.45</b>



## Independent Auditor's Report

To the Board of Directors of LKP Finance Limited

Report on the Audit of the Consolidated Financial Results

### Qualified Opinion

We have audited the accompanying 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 year ended 31 March 2022 ("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

(i) LKP Finance Limited

#### Subsidiary

(i) Bond Street Capital Private Limited

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

c) except for the effects/ possible effects of the matter described in basis of qualified opinion paragraph below, give 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 loss and other comprehensive income and other financial information of the Group for the year ended 31 March 2022.

### Basis of Qualified Opinion

- a) The Group has investment in unquoted equity shares with a carrying value of Rs.5,444.92 lakhs. The Group has not obtained fair valuation of these investments as at 31 March 2022 as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation report, we are unable to comment on the carrying value of these investment amounting to Rs 5,444.92 lakhs and the consequent impact thereof on Other Comprehensive Income.
- b) The Group did not obtain/ receive balance confirmation / term sheet from two lenders amounting to Rs 3,596.65 lakhs. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise.



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 qualified audit opinion.

### **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) 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 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 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 statements 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 Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 Group 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 Group'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 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 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 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 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.

**Other matter**

a) The Statement include the audited financial results of its subsidiary whose financial information reflect total assets of Rs. 3,220.12 lakhs as at 31 March 2022, total income of Rs.715.57 lakhs, total profit after tax of Rs.375.65 lakhs, total comprehensive income of Rs.377.82 lakhs and total cash inflows of Rs. 479.66 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 Statement, 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 Statement 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 101169WW-100035

**Sanjay Kothari**

Partner

Membership Number 048215

Mumbai, 5 May 2022

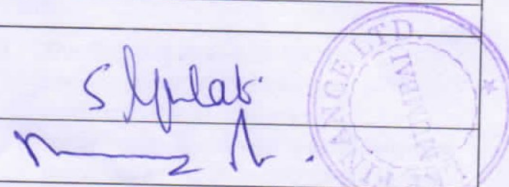
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## ANNEXURE-I

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

Statement of Impact of Audit Qualifications for the Financial Year ended March 31<sup>st</sup>, 2022 (See regulation 33 of SEBI (LODR) Regulations, 2015)

I	Sl. No.	Particulars	Audited Figures (Rs. in lakhs) (as reported before adjusting for qualifications)	Audited Figures (Rs. in lakhs) (as reported after adjusting for qualifications)
	1	Turnover/Total Income	5,569.81	5,569.81
	2	Total Expenditure	1,847.78	1,847.78
	3	Net Profit/(loss) after tax	3,280.78	3,280.78
	4	Earnings per share (Rs.)	26.09	26.09
	5	Total Assets	38,269.83	38,269.83
	6	Total Liabilities	9,502.16	9,502.16
	7	Networth	28,767.67	28,767.67
II	<b>Audit Qualifications:</b>			
	<b>(a) Details of Audit Qualification:</b>			
	<b>(b) Type of Audit Qualification:</b>			
	<b>(c) Frequency of Qualification:</b>			
	<b>(d) For Audit Qualification(s) where the impact is quantified by the Auditor, Managements Views:</b>			
	<b>(e) For Audit Qualification(s) where the impact is not quantified by the Auditor:</b>			
			(i) Management's estimation on the impact of audit qualification:	
	<p>a) The Company has investment in unquoted equity shares with a carrying value of Rs. 5,444.92 lakhs. The Company has not obtained fair valuation of these investments as at 31 March 2022 as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation report, we are unable to comment on the carrying value of these investment amounting to Rs 5,444.92 lakhs and the consequent impact thereof on Other Comprehensive Income.</p> <p>b) The Company did not obtain/ receive balance confirmation/ term sheet from two lenders amounting to Rs 3,596.65 lakhs. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise</p> <p><b>Frequency of Qualification:</b> Appearing for the first time</p>		<p>(ii) If Management is unable to estimate the impact, reasons for the same:</p> <p>a) The Company has requested for the fair valuation for investments in unquoted equity shares. The Company is confident that there will be no material change in the carrying value of investments in unquoted equity shares.</p> <p>b) The Company is unable to get the confirmation/ term sheet from two lenders as the parties are not contactable. The Company is confident that there will be no material change in the balances outstanding</p>	
			(iii) Auditor's Comment on (i) and (ii) above:	
III	<b>Signatories:</b>			
	<p><b>S S Gulati</b> Chief Financial Officer 05 May 2022</p>			
	<p><b>M.V. Doshi</b> Executive Chairman and Managing Director</p>			



05 May 2022	
<b>Vineet Suchanti</b> Chairman of Audit Committee 05 May 2022	vs. <i>Vineet Suchanti</i>
Statutory Auditors For <b>MGB&amp; Co LLP</b> Firm Registration No. 101169W/W-100035 <i>Sanjay Kothari</i> <b>Sanjay Kothari</b> Partner Membership No. 048215 05 May 2022	



**ANNEXURE-I**

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

**Statement of Impact of Audit Qualifications for the Financial Year ended March 31<sup>st</sup>, 2022 (See regulation 33 of SEBI (LODR) Regulations, 2015)**

I	Sl. No.	Particulars	Audited Figures (Rs. in lakhs) (as reported before adjusting for qualifications)	Audited Figures (Rs. in lakhs) (as reported after adjusting for qualifications)
	1	Turnover/Total Income	6,115.98	6,115.98
	2	Total Expenditure	1,925.62	1,925.62
	3	Net Profit/(loss) after tax	3,681.83	3,681.83
	4	Earnings per share (Rs.)	29.29	29.29
	5	Total Assets	38,456.97	38,456.97
	6	Total Liabilities	9,616.39	9,616.39
	7	Networth	28,930.58	28,930.58
II	<b>Audit Qualifications:</b>			
	<b>(a) Details of Audit Qualification:</b>			
	<b>(b) Type of Audit Qualification:</b>			
	<b>(c) Frequency of Qualification:</b>			
	<b>(d) For Audit Qualification(s) where the impact is quantified by the Auditor, Managements Views:</b>			
	<b>(e) For Audit Qualification(s) where the impact is not quantified by the Auditor:</b>			
			<b>(i) Management's estimation on the impact of audit qualification:</b>	
	<p>a) The Group has investment in unquoted equity shares with a carrying value of Rs. 5,444.92 lakhs. The Group has not obtained fair valuation of these investments as at 31 March 2022 as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation report, we are unable to comment on the carrying value of these investment amounting to Rs 5,444.92 lakhs and the consequent impact thereof on Other Comprehensive Income.</p> <p>b) The Group did not obtain/ receive balance confirmation/ term sheet from two lenders amounting to Rs 3,596.65 lakhs. Hence, we could not obtain external confirmations as</p>		<p><b>(ii) If Management is unable to estimate the impact, reasons for the same:</b></p> <p>a) The Group has requested for the fair valuation for investments in unquoted equity shares. The Group is confident that there will be no material change in the carrying value of investments in unquoted equity shares.</p> <p>b) The Group is unable to get the confirmation/ term sheet from two lenders as the parties are not contactable. The Group is confident that there will be no material change in the</p>	



	required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise <b>Frequency of Qualification:</b> Appearing for the first time	balances outstanding
		(iii) Auditor's Comment on (i) and (ii) above:
III	<b>Signatories:</b>	
	<b>S S Gulati</b> Chief Financial Officer 05 May 2022	<i>S S Gulati</i>
	<b>M.V. Doshi</b> Executive Chairman and Managing Director 05 May 2022	<i>M V Doshi</i>
	<b>Vineet Suchanti</b> Chairman of Audit Committee 05 May 2022	<i>Vineet Suchanti</i>
	Statutory Auditors For <b>MGB &amp; Co LLP</b> Firm Registration No. 101169W/W-100035 <i>[Signature]</i> <b>Sanjay Kothari</b> Partner Membership No. 048215 05 May 2022	<i>[Signature]</i>

