

# TRUSTED OVER DECADES



INFINYS  
@ KEELKATTALAI

# A NEW LIFESTYLE LANDMARK





BOARD OF DIRECTORS			
Sl. No	DIN	Name of the Directors	Designation
01.	00259129	Mr. R.V. Shekar	Chairman & Managing Director
02.	01773791	Mr. S. Sridharan	Non – Executive & Non – Independent
03.	02025846	Mr. N. Vasudevan	Non – Executive & Non – Independent
04.	08217157	Dr. Gowri Ramachandran	Non – Executive & Independent
05.	08453883	Mr. K. Harishankar	Non – Executive & Independent
06.	08684304	Mrs. N. Nagalakshmi (until 31st July, 2022)	Non – Executive & Independent
07.	01567080	Mr. S. Vasudevan	Non – Executive & Independent

KEY MANAGERIAL PERSONNEL		
Sl. No	Name of the Person	Designation
01.	Mr. K. Prakash	Chief Financial Officer
02.	Ms. Kaushani Chatterjee	Company Secretary and Compliance Officer

	Audit Committee	Stake Holders Relationship Committee	Nomination And Remuneration Committee	Corporate Social Responsibility Committee
Dr. Gowri Ramachandran	Chairperson cum member			
Mr. K. Harishankar	Member			
Mr. S. Vasudevan	Member			

STATUTORY AUDITORS	SECRETARIAL AUDITORS	INTERNAL AUDITORS
<b>M/s. Nayan Parikh &amp; Co</b> Office No: 9, 2nd floor, Jain Chambers, 577, S.V. Road, Bandra (West), Mumbai 400050	<b>M/s. Mohan Kumar &amp; Associates</b> Practicing Company Secretaries Flat F 1, Sudarsan Apartments 72, VGP Selva Nagar Second Main road, Velachery Chennai 600 042.	<b>M/s. VGJ &amp; CO</b> Chartered Accountants No.3, 6th Floor, Apex Plaza, Nungambakkam High Road, Nungambakkam, Chennai 600 034

BANKERS AND FINANCIAL INSTITUTIONS		Registered Office
Sl. No	Name of the Bankers	“VTN Square”, 2nd floor, No: 58, G.N. Chetty Road, T. Nagar, Chennai – 600017.
01.	M/s. The Catholic Syrian Bank Limited	
02.	M/s. City Union Bank Limited	
03.	M/s. LIC Housing Finance Limited	<b>Share Transfer Agent (STA)</b>
04.	M/s. Axis Finance Limited	<b>Cameo Corporate Services Limited,</b> “Subramanian Buildings” No: 1, Club House Road, Chennai – 600 002.
05.	M/s. Kotak Mahindra Investments Ltd.	
06.	M/s. IDBI Bank Limited	
07.	M/s. Axis Bank Limited	
08.	M/s. Sundaram Alternate Assets Limited	

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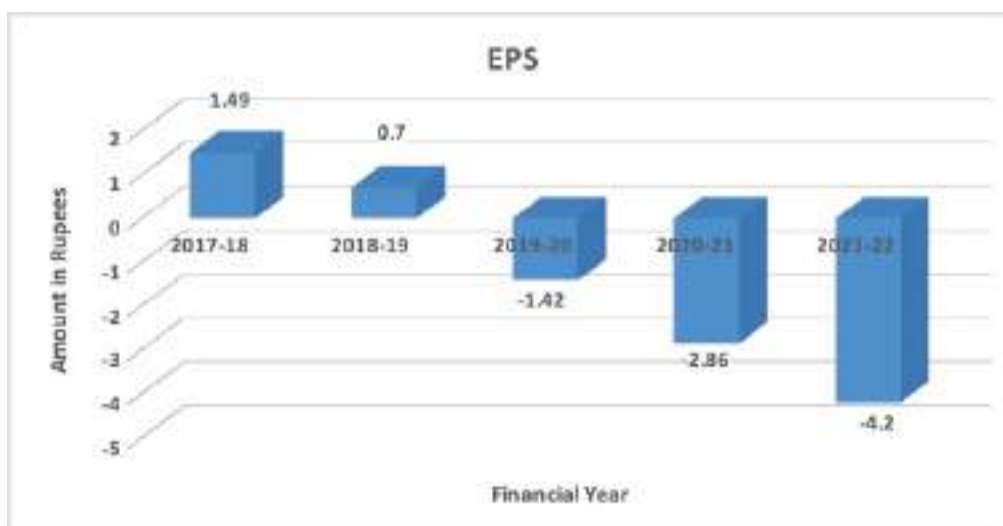
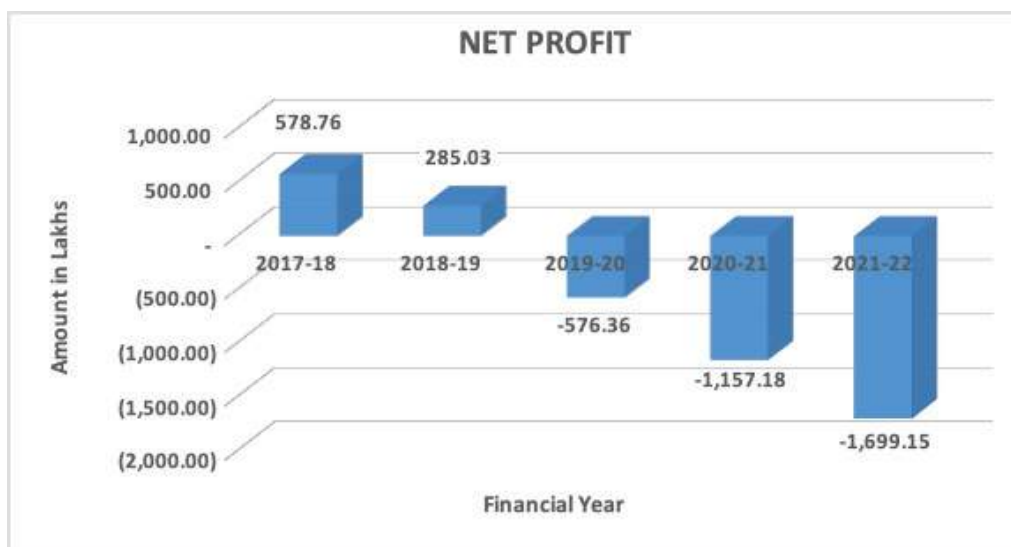
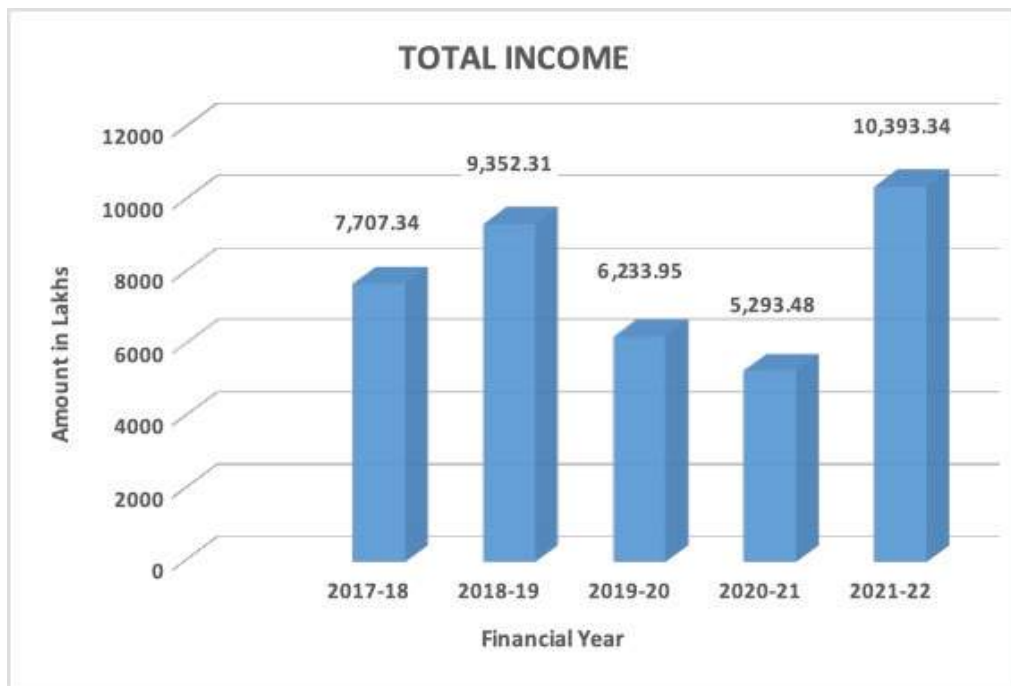
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**MISSION STATEMENT**

To create profitable developments with enduring value, distinguishing characteristics leading to high customer satisfaction, with full compliance to building standards, rules and regulations.

**FINANCIAL HIGHLIGHTS OF LANCOR HOLDINGS LIMITED, ITS SUBSIDIARY AND INTEREST IN JOINT VENTURE – PARTNERSHIP FIRM (on consolidated basis)**
**FINANCIAL HIGHLIGHTS (On Consolidated basis)****(Amount in lakhs)**

S. No	PARTICULARS	2021 – 2022	2020 – 2021	2019 – 2020	2018 – 2019	2017 – 2018
1	CONSTRUCTED AREA (SQ.FT)	94,340	41,167	1,05,161	1,17,719	1,10,226
2	CONSTRUCTED AREA LINKED TO SALES (SQ.FT)	2,33,822	1,12,514	1,03,425	1,54,856	1,17,140
3	INCOME FROM OPERATIONS	10,345.00	5,215.03	5,826.30	9,208.89	7,544.34
4	TOTAL INCOME	10393.34	5,293.48	6,133.95	9,352.31	7,707.34
5	EBITDA	652.90	1,391.58	2,215.96	2,942.66	2,876.88
6	INTEREST	2557.43	2,768.59	2,720.58	2,240.49	1,969.29
7	DEPRECIATION	166.66	145.05	161.65	189.50	206.01
8	TAX	NIL	NIL	NIL	227.64	102.42
9	NET PROFIT	-1699.15	-1,157.18	-576.36	285.03	578.76
10	EQUITY SHARE CAPITAL	810.00	810.00	810.00	810.00	810.00
11	NETWORTH	13094.97	14,808.93	15,948.08	16,626.60	16,458.61
12	TOTAL ASSETS	33216.21	37,408.57	37,846.87	35,317.30	34,470.04
13	BOOK VALUE PER SHARE (Rs.)	32.33	36.57	39.38	41.05	40.64
14	TURNOVER PER SHARE (Rs.)	25.54	12.88	14.39	22.74	18.68
15	EARNINGS PER SHARE (Rs.)	-4.20	-2.86	-1.42	0.70	1.49
16	EBITDA/GROSS TURNOVER (%)	6.31%	26.68%	38.03%	31.95%	38.03
17	ROCE (%)	2%	4%	8%	10%	4%



## DIRECTORS' REPORT TO THE MEMBERS

**Dear Member(s),** Your Directors have great pleasure in presenting the Thirty Seventh (37th) Annual Report on the business and operations of your company together with Audited Financial Statement including Consolidated Financial Statement for the financial year ended 31st March 2022 and the Auditors' report thereon.

### FINANCIAL SUMMARY AND HIGHLIGHTS

(Amount in lakhs)

Particulars	Standalone		Consolidated	
	2021 - 22	2020 - 21	2021 - 22	2020 - 21
<b>Total Revenue</b>	<b>10,595.94</b>	<b>5,226.75</b>	<b>10,393.34</b>	<b>5,293.48</b>
Expenditure	12,018.32	6,759.41	12,464.54	6,815.54
<b>EBITDA</b>	<b>1,272.91</b>	<b>1,352.91</b>	<b>652.90</b>	<b>1,391.58</b>
Interest	2,557.43	2,768.59	2,557.43	2,768.59
Depreciation	137.85	116.97	166.66	145.05
<b>EBT or Profit/(Loss) before Tax</b>	<b>(1,422.37)</b>	<b>(1,532.65)</b>	<b>(2,071.19)</b>	<b>(1,522.06)</b>
Current Tax (Earlier Years)	-	(17.25)	3.04	(16.28)
Deferred tax	(382.52)	(357.45)	(375.09)	(348.60)
<b>EAT or Profit /(Loss) after tax</b>	<b>(1,039.85)</b>	<b>(1,157.95)</b>	<b>(1,699.14)</b>	<b>(1,157.18)</b>
ADD: Other Comprehensive Income	(14.82)	17.99	(14.82)	17.99
LESS: Non - Controlling Interest	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(1,054.67)</b>	<b>(1,139.96)</b>	<b>(1,713.97)</b>	<b>(1,139.20)</b>
ADD: Balance Brought from PY	10,401.43	11,541.39	10,989.50	12,128.70
<b>Available for appropriation</b>	<b>9,346.76</b>	<b>10,401.43</b>	<b>9,275.53</b>	<b>10,989.50</b>
LESS: Dividend	-	-	-	-
LESS: Tax on Dividend	-	-	-	-
Balance Carried to Balance sheet	<b>9,346.76</b>	<b>10,401.43</b>	<b>9,275.53</b>	<b>10,989.50</b>

### FINANCIAL OVERVIEW STANDALONE & CONSOLIDATED

During the financial year 2021-22, the company on a standalone basis, registered a total revenue of Rs. 10,596 lakhs as compared to Rs. 5,227 lakhs in the previous year resulting in an increase of 102.72%. On the consolidated level in the current financial year the company made revenue of Rs. 10,393 lakhs as against Rs. 5,293 lakhs in FY 2020-21, resulting in a rise of 96.35%.

### BUSINESS OUTLOOK FOR LANCOR HOLDINGS LIMITED, ITS SUBSIDIARY AND ASSOCIATE BUSINESS OVERVIEW

There was no change in the nature of the business of the Company since the last Annual General Meeting. The Company continues to be engaged in the development of residential and commercial properties. The Company is now seriously engaged in identifying more lands for joint development primarily through joint development route.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF REPORT

Since the end of the Financial Year 2022, the company's sales in its project at Lancor "Infinys" has been slightly above the forecast and as of the date of writing this report this has resulted in the Company repaying the loan taken from M/s.Kotak Mahindra Investments in full for "Infinys" project and by the date of Annual General Meeting(AGM) the company would have paid 50% of the financial assistance received M/s.Sundaram Alternate Fund from the proceeds of sales of this project.

The profit from the development of Lancor "Infinys" has contributed favourably to the overall health of the company in the first quarter for which the reports have already been presented.

The Company has successfully sold a little over 30% of Lancor "TCP Altura" and had constructed the building up to second floor. It is hoped that by end of the fiscal year all the apartments will be constructed and the outstanding loan of LICHFL of Rs. 25.58 crores except ECLGS amount will be repaid.

The Company hopes to close the relationship developed with Axis Finance Ltd with regard to its project Lancor "Lumina" at Guduvancherry, by payment of the final instalment in the next fortnight thereby cancelling the mortgage charge on the property. The Company is in negotiation with a private debt fund to finance the construction of the remaining three blocks in Lancor "Lumina" and this is under favourable consideration.

In the case of Sriperumbudur the company is about to complete the laying of the internal roads, drainage etc., and barring unforeseen circumstances, in the month of November 2022 the Company will put the plots for sale.

As stated elsewhere in this report an employees housing co-operative society of a leading industrial company has evinced interest in taking all the plots.

In the matter of Senior Citizens Home development named as Lancor "Harmonia", the company had obtained the stay against the cancellation of the Joint Development Agreement(JDA) and Power of Attorney(POA) by the land owners and the matter is under Arbitration proceedings. The company has not violated any provision of the agreement and thereby hopes for a favourable order from the Arbitrator.

## **DIVIDEND AND RESERVES**

In view of the losses incurred by the Company, the Board of Directors of the Company has not recommended any dividend for the financial year under review.

As the Company has incurred losses during the year, no amount has been transferred to Reserves.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to Rule 3(2) of Companies (Corporate Social Responsibility Policy) Rules, 2014 read with sec 135 of Companies Act, 2013, the provision of CSR shall not be applicable if the company has ceased to fulfil the criteria of applicability of CSR u/s 135(1) of Companies Act, 2013 for three preceding consecutive years. Our company has ceased to fulfil the applicability criteria of CSR for three preceding consecutive years. Hence the provision of CSR shall not be applicable to the Company and it is not liable to spend any amount towards CSR for F.Y. 2021-22.

The unspent amount pertaining to CSR obligation for F. Y. 2020-21 i.e. Rs. 3.72 Lakhs was already transferred to unspent CSR Account on 17<sup>th</sup> August, 2021.

## **SHARE CAPITAL**

As on 31<sup>st</sup> March, 2022, the authorized share capital of the company was Rs. 18,06,00,000/- (Rupees Eighteen Crores and Six Lakhs only) and the paid up capital stands at Rs. 8,10,00,000/- (Rupees Eight Crores and Ten Lakhs only) consisting of 4,05,00,000 equity shares of Rs. 2/- (Rupees Two) each.

There was no change in share capital of the company during the financial year under review.

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

During the year, there were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

In July 2022 the Honourable High Court of Chennai has passed an order to stay the cancellation of Joint Development Agreement (JDA) and Power of Attorney(POA) in respect of its development property Lancor "Harmonia" at Sriperumbudur. The Court has also ordered stay on the construction until the Arbitrator begins hearing the matter. The need for the company to approach the Honourable High Court was to seek protection from the cancellation



of the Joint Development Agreement and Power of Attorney by the landowners under breach of the agreement where the company had spent huge amounts in creating infrastructure.

The Honourable Supreme Court of India was pleased to admit the company's petition in the case of its commercial property known as "Menon Eternity" and have fixed mid November 2022 as the date for final hearing. The Company is fully prepared in all respects to present its case before the Honourable Supreme Court to obtain a favourable verdict resulting in restoring the title of the company.

There have been orders by Sales and Service Tax Tribunal, which do not have material impact on the financial position of the Company.

## **BOARD OF DIRECTORS AND ITS COMMITTEES**

### **A. Composition of the Board of Directors**

During the year under review the Board of the Company was comprised of Executive Chairman who was a promoter of the Company and Six other Non-Executive Directors which includes four Independent Directors. The Company had two Women Directors who were also Non Executive and Independent.

The composition of the Board of Directors was in compliance with regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Obligations) Regulations 2015 and Section 149 of the Companies Act, 2013.

### **B. Meetings**

The Board of Directors duly met Eight (08) times during the year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. In respect of all such meetings proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

In accordance with the provisions of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 11<sup>th</sup> December, 2021.

### **C. Re-appointment of Director Retiring by Rotation**

In terms of Section 152 of the Companies Act, 2013, Mr. S. Sridharan (DIN: 01773791) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors based on the recommendation of Nomination and Remuneration Committee, has recommended the re-appointment of Mr. S. Sridharan (DIN:01773791) retiring by rotation.

Brief resume of the Director proposed to be re-appointed has been provided in the Notice convening the Annual General Meeting. Specific information about the nature of his expertise in specific functional areas and the names of the companies in which he holds Directorship and membership / chairmanship of the Board Committees as per regulation 26 (4) of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 have also been included.

### **D. Committees of the Board**

Your company has duly constituted the committees as required under the Companies Act, 2013 read with applicable Rules made there under and the SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015;

At present, following are the committees of the Board;

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Banking, Finance & Operations Committee

The details of composition of each committee, terms of the reference and number of meetings held during the year under review are given in the Corporate Governance Report annexed to this report.

## **E. Performance Evaluation**

Section 134 of the Companies Act, 2013 states that formal evaluation needs to be made by the Board, of its own performance and that of its committees and the individual Directors. Schedule IV of the Companies Act, 2013 and regulation 17(10) of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Directors being evaluated.

Pursuant to the provisions of section 134 (3)(p) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## **F. Directors' Responsibility Statement**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, we, on behalf of the Board of Directors, hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. at 31<sup>st</sup> March, 2022 and of the loss of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis; and
- e) the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively;
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating.

## **G. Changes in Directors and Key Managerial Personnel**

During the year under review there were few changes in Directors and Key Managerial Personnel.

Mr. M Hariharan (DIN 08400170), Independent Director of the Company stepped down from his position citing personal reasons with effect from 13<sup>th</sup> November, 2021. The Board placed on record its gratitude for the services rendered by Mr. M Hariharan, Independent Director during his association with the Company.

Mr. S. Vasudevan (DIN 01567080) was appointed as an Additional Director (Independent) of the company with effect from 13<sup>th</sup> November, 2021.

Mr. Sanjeev Anand, Company Secretary and Compliance Officer resigned from the company with effect from 31<sup>st</sup> December, 2021 and Mrs. Kaushani Chatterjee was appointed as Company Secretary and Compliance Office of the company with effect from 12<sup>th</sup> February, 2022.

## **H. Declaration by Independent Directors**

The Company had received necessary declaration from each independent director under Section 149 (7) of the Companies Act 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act 2013 and regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.