SPL PALMS DEVELOPERS PRIVATE LIMITED
(Formerely Suvilas Realities Private Limited)
CIN: U70100KA2013PTC068447
|Email ID: cs.spl@shrirampropert ies.com|
Registered Office: Shriram House, No. 31, 2nd Main Road T.Chowdaiah Road, Sadashivnagar Bengaluru 560080
|T+91-80-4022 9999 | F+91-080-4123 6222 |

BOARDS' REPORT

To the Members,

Your Directors have pleasure in presenting the 11th Annual Report of the Company on the business and operations of the Company, together with the Audited Financial Statements for the year ended March 31, 2024.

1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY:

(All amounts in ₹ Lakhs, unless otherwise stated)

	2023-24	2022-23
Revenue from operations	4.84	-
Other Income	17.05	0.65
Total Income	**21.89**	**0.65**
Total Expenditure	702.57	5,161.85
Profit before tax/(Loss)	(680.68)	(5,161.20)
Provision for taxation	-	-
MAT Credit Entitlement	-	-
Add/ (Less): Deferred Tax	-	10.67
Profit after tax & extraordinary items/(Loss)	**(680.68)**	**(5,171.87)**

2. STATE OF COMPANY AFFAIRS;

The Company is engaged in the business of real estate and having a project named 'Shriram Poem' which is currently driving the Company towards revenue generation path.

Review of Operations and overview

The Company accounted the revenue of Rs. 4.84 Lakhs and incurred a loss of Rs. 680.68 Lakhs compared to previous year where the Company incurred loss of Rs. 5,171.87 Lakhs.

3. DIVIDEND:

The Board of Directors of your company has decided that it would be prudent, not to recommend any Dividend for the financial year 2023-2024.

4. TRANSFER TO RESERVES:

The Board of Directors of your company has decided not to transfer any amount to the Reserves for the year.

5. **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

6. **MATERIAL CHANGES AND COMMITMENTS FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT, IF ANY**:

There have been no material changes and commitments affecting the financial position of your Company which has occurred between March 31, 2024, and the date of this Board's Report.

7. **ANNUAL RETURN**:

The provisions of Section 134 (3) (a) of the Companies Act 2013 prescribes the Company to mention the web address, if any, where the Annual Return referred to in sub section (3) of Section 92 of the Act has been placed.

Since the Company has not have any website, the extract of the annual return for the year ended March 31, 2024, has been annexed to this report.

8. **NATURE OF BUSINESS ACTIVITIES AND CHANGES THEREOF:**

During the year, there has been no change in the nature of Business of the Company.

9. **CHANGES IN SHARE CAPITAL:**

During the year, there has been no change in the Share Capital of the Company.

The Company has not issued any equity shares with differential rights during the year and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

The Company has not issued any sweat equity shares during the year and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

The Company has not issued any Employee Stock Options Scheme during the year and hence no information as per provisions of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.

10. **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any subsidiary, joint venture or associate companies.

11. <u>DEPOSITS</u>:

During the year, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

12. <u>DIRECTOR'S AND KEY MANAGERIAL PERSONNEL (KMPs)</u>:

During the year Mr. Gopalakrishnan J (DIN: 02354467), Mr. T.V. Ganesh (DIN: 07393474) and Mr. N Nagendra (DIN: 07781675), were regularized as Directors at the Annual General meeting held on September 30, 2023.

13. <u>DIRECTORS RETIRING BY ROTATION:</u>

During the year, Mr. Gopalakrishnan J (DIN: 02354467) retires by rotation. Mr. Gopalakrishnan J, being eligible has offered himself for re-appointment. The Board recommends his re-appointment as Director of the Company as set out in the notice calling Annual General Meeting.

14. <u>MEETINGS OF THE BOARD OF DIRECTORS</u>:

There were 8 (Eight) Meetings of the Board of Directors held during the Financial Year 2023-24 i.e., on May 02, 2023, May 27, 2023, July 18, 2023, September 01, 2023, October 18, 2022, November 09, 2023, January 29, 2024 and on March 21, 2024, in compliance with the requirements of the Companies Act, 2013 & SS -1 (Secretarial Standards on Board Meetings) issued by The Institute of Company Secretaries of India (ICSI).

15. <u>DIRECTORS' RESPONSIBILITY STATEMENT:</u>

Pursuant to the provisions contained in sub-sections (3)(c) and (5) of Section 134 of the Companies Act, 2013, the Directors of your Company confirm that: -

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures, wherever applicable;

b) the directors had selected such accounting policies have been selected and applied 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 as at March 31, 2024, and of the losses of the Company for the year ended on that date;

c) the directors have taken proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts of the Company have been prepared on a going concern basis;

e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. REMUNERATION OF DIRECTORS AND EMPLOYEES OF COMPANIES:

There are no employees drawing remuneration more than the limits prescribed under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

17. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The details of the loans borrowed, guarantees provided and investments made by the Company during the year are provided under notes to accounts to the Financial Statements.

18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The related party transactions undertaken during the financial year are detailed in Notes to Accounts of the Financial Statements.

19. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

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

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

There was no instance of one-time settlement with any Bank or Financial Institution.

20. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company, hence the Company was not required to spend under CSR during the financial year.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has not actively engaged in the consumption of energy or absorption of technology. The Company is however aware of its responsibilities and has at every available opportunity used and implemented such measures so as to enable energy conservation.

(A) CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

The Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in per unit consumption of energy is an ongoing exercise in the Company. The effective measures like education, training, publicity, messaging through use of social media have been taken to minimize the loss of energy as far as possible.

The Company does not have any internal generation of power (captive, surplus or otherwise) and the amount spent during the financial year 2022-23 is Nil.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

Presently, the Company does not have any alternate sources of energy for internal generation of power (captive, surplus or otherwise). However, the management of the Company is exploring an alternative source of energy like solar, wind, thermal or otherwise for internal generation of power for captive purposes.

(iii) Capital investment on energy conservation equipment:

The Company has not made any capital investment on energy conservation equipment/s.

(B) TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

(i) The efforts made towards technology absorption:

The Company is always in pursuit of finding the ways and means to improve the performance, quality and cost effectiveness of its services. The technology used by the Company is updated as a matter of continuous exercise.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The Company has not derived any material benefits in cost reduction against technology absorption.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

The Company has not imported any technology during the last three years reckoned from the beginning of the financial year.

(iv) The expenditure incurred on Research and Development:

The Company does not have a separate independent research and development activity. As such, no material amount of expenditure was incurred on research and development activity of the Company.

(C) FOREIGN EXCHANGE EARNINGS / OUTGO

During the financial year, the total Foreign Exchange Inflow and Outflow during the year is as follows:

(in INR)

Particulars	As on 31.03.2024	As on 31.03.2023
Income in Foreign Currency	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil

22. <u>INTERNAL FINANCIAL CONTROL:</u>

The Company has in place the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's Policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

23. STATUTORY AUDITORS:

M/s. V G G C and Associates, Chartered Accountants (FRN: 024868S) were appointed as Statutory Auditors of the Company by the shareholders at the annual general meeting held on September 30, 2023, to hold the office till the Annual General meeting to be held for the FY 2028.

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their report on Financial Statements for the Financial Year ended March 31, 2024.

24. FRAUD REPORTING:

During the Financial Year 2023-24, the Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company pursuant to provisions of Section 143(12) of the Companies Act, 2013.

25. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company does not have any employees, hence the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable.

26. SECRETARIAL STANDARDS:

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") as may be amended from time to time.

27. MAINTENANCE OF COST RECORDS:

During the Financial Year 2023-24, the Company was not required to maintain any cost records and to appoint any Cost Auditor as Section 148(1) of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014 were not applicable to the Company.

28. RISK MANAGEMENT POLICY:

The Company has developed and implemented a risk management framework detailing the various risks faced by the Company and methods and procedures for identification, monitoring and mitigation of such risks. The risk management function is complimentary to the internal control mechanism of the Company and supplements the audit function.

29. ADDITIONAL INFORMATION:

The additional information required to be given under the Companies Act, 2013 and the Rules made thereunder, has been laid out in the Notes attached to and forming part of the Financial Statements. The Notes to the Financial Statements referred to the Auditors' Report are self-explanatory and therefore do not call for any further explanation.

30. ACKNOWLEDGMENTS:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, government authorities, customers, vendors and members during the year. Your directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of SPL Palms Developers Private Limited

Date: August 14, 2024	Sd/- Gopalakrishnan J	Sd/- N Nagendra
Place: Bengaluru	Director DIN: 02354467	Director DIN: 07781675

Independent Auditor's Report

To The Members
M/s. SPL Palms Developers Private Limited (formerly known as Suvilas Realities Private Limited)
Bangalore-560080

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s. SPL Palms Developers Private Limited ("the company")** which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, the cash flow statement for the year ended March 31, 2024, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2024, and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

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. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The Board of Directors' Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

A. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

    i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    ii. Obtain an understanding of internal 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 on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.

    iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v. Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

C. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) Planning the scope of our audit work and in evaluating the results of our work; and

(ii) To evaluate the effect of any identified misstatements in the Financial Statements.

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit report we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income and the Statement of Change in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year hence reporting requirement under the provisions of section 197(16) of the Act is not applicable.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

(i) The company does not have any pending litigations which would impact the financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under(a)and (b) above, contain any material misstatement.

(v) No dividend was paid nor declared during the year by the company.

(vi) Based on our examination, which included test checks, except the instance mentioned below, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during our audit we did not come across any instance of the audit trail feature being tampered with.

Nature of Exemption :- The audit trail feature was not enabled at the database level for SAP accounting software to log any direct data changes, which is used for maintenance of all accounting records by the company..

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For V G G C And Associates
Chartered Accountants
Firm's Registration Number: 024868S
sd/-
Vivek Gupta
Partner
Membership No.506887
Date: May 27, 2024
Place: Bangalore
UDIN: 24506887BKAIED8786

SPL Palms Developers Private Limited (formerly Suvilas Realities Private Limited)
Regd. Off: No. 31, 2nd Main Road, T. Chowdaiah Road, Sadashivanagar, Bengaluru - 560 080
CIN: U70100KA2013PTC068447
Email ID: companysecretary@shriramproperties.com
Ph. No.080 - 4022 9999

Balance Sheet as at 31st March 2024
(All amounts in ₹ lakhs, unless otherwise specified)

		Note	As at 31 March 2024	As at 31 March 2023
I	**ASSETS**			
1	**Non-Current assets**			
	(a) Property Plant and Equipment	2	73.54	-
	(b) Financial assets			
	(i) Other financial assets	3A	-	1.00
	(c) Non-current tax assets (net)		2.44	0.59
	Total non-current assets		**75.98**	**1.59**
2	**Current assets**			
	(a) Inventories	4	10,288.32	8,246.83
	(b) Financial assets			
	(i) Trade receivables	5	551.48	-
	(i) Cash and cash equivalents	6	122.78	88.97
	(ii) Other bank balances	7	263.84	226.48
	(iii) Other financial assets	3B	2.10	1.10
	(c) Other current assets	8	709.68	214.17
	Total current assets		**11,938.20**	**8,777.55**
	Total Assets		**12,014.18**	**8,779.14**
II.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	9	1.00	1.00
	(b) Other equity	10	(6,257.45)	(5,576.77)
	Total Equity		**(6,256.45)**	**(5,575.77)**
	Liabilities			
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	11	13,435.79	12,547.06
	(ii) Trade payables	12		
	(a) Total outstanding dues of micro & small enterprises		3.48	3.36
	(b) Total outstanding dues of creditors other than (ii)(a) above		499.45	123.35
	(iii) Other financial liabilities	13	169.38	220.93
	(b) Other current liabilities	14	4,162.53	1,460.21
	Total current liablities		**18,270.63**	**14,354.91**
	Total Equity & Liablilites		**12,014.18**	**8,779.14**
	Summary of material accounting policies	1.2		

The accompanying notes referred to above form an integral part of the financial statements

As per report of even date

For V G G C & Associates
Chartered Accountants
Firm Registration No.: 024868S

For and on behalf of the Board of Directors of SPL Palms Developers Private Limited (formerly Suvilas Realities Private Limited)

sd/-

Vivek Gupta
Partner
Membership No.: 506887

Bengaluru
27 May 2024

sd/-

Gopalakrishnan J
Director
DIN.: 02354467

Bengaluru
27 May 2024

sd/-

N Nagendra
Director
DIN.: 07781675

Bengaluru
27 May 2024

SPL Palms Developers Private Limited (formerly Suvilas Realities Private Limited)
Statement of profit and loss for the year ended 31st March 2024
(All amounts in ₹ lakhs, unless otherwise specified)

	Note	Year ended 31 March 2024	Year ended 31 March 2023
Revenue			
Revenue from operations	15	4.84	-
Other income	16	17.05	0.65
Total Income		**21.89**	**0.65**
Expenses			
Material and Construction cost	17	1,010.59	407.75
Changes in Inventories	18	(2,041.49)	(1,282.09)
Finance expense, net	19	1,005.81	874.40
Depreciation expenses	20	3.39	16.17
Impairment losses	21	-	4,888.23
Other expenses	22	724.27	257.39
Total Expenses		**702.57**	**5,161.85**
Loss before tax		**(680.68)**	**(5,161.20)**
Tax expense:			
- current tax		**-**	**-**
- deferred tax charge	23	**-**	**10.67**
Loss after tax		**(680.68)**	**(5,171.87)**
Other comprehensive income			
Total comprehensive loss for the year		**(680.68)**	**(5,171.87)**
Loss per equity share	24		
Equity share of par value Rs. 10/- each			
Basic (Rs.)		(6,806.80)	(51,718.70)
Diluted (Rs.)		(6,806.80)	(51,718.70)
Summary of material accounting policies	1.2		

The accompanying notes referred to above form an integral part of the financial statements

As per report of even date attached

For V G G C & Associates
Chartered Accountants
Firm Registration No.: 024868S

sd/-

Vivek Gupta
Partner
Membership No.: 506887

Bengaluru
27 May 2024

For and on behalf of the Board of Directors of
SPL Palms Developers Private Limited
(formerly Suvilas Realities Private Limited)

sd/-	sd/-
Gopalakrishnan J	**N Nagendra**
Director	**Director**
DIN.: 02354467	DIN.: 07781675
Bengaluru	Bengaluru
27 May 2024	27 May 2024

SPL Palms Developers Private Limited (formerly Suvilas Realities Private Limited)
Statement of Cash Flows for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
A. Cash flow from operating activities		
Loss before tax	**(680.68)**	**(5161.50)**
Adjustments to reconcile loss before tax to net cash flows		
Depreciation expense	3.39	16.20
Finance costs	1,005.81	874.50
Impairment losses	-	4,888.20
Interest income	(16.96)	(0.60)
Operating profit before working capital changes	**311.56**	**616.80**
Working capital adjustments:		
Increase in inventories	(2,041.49)	(1,162.10)
Increase in other current assets	(494.51)	(180.60)
Increase in other trade receivables	(551.48)	-
Increase in trade payables	376.22	(194.60)
Increase in other financial Assets	(1.00)	-
(Decrease) / Increase in other financial liabilities	(51.55)	203.80
Decrease in provisions	-	-
Increase in other current liabilities	2,702.32	118.60
Cash flow generated from operations	**250.07**	**(598.10)**
Income tax paid (net)	(1.85)	(0.60)
Net cash flow generated from / (used in) operating activities	**248.22**	**(598.70)**
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(76.93)	-
Loan to related parties received back	-	264.60
Investment in bank deposits	(37.05)	(226.50)
Interest income received	16.65	0.60
Net cash flow (used in) / generated from investing activities	**(97.33)**	**38.70**
C. Cash flows from financing activities		
Proceeds from borrowings from others	700.00	7,500.03
Repayment of borrowings from others	(327.44)	(6.60)
Redemption of Non- convertible debentures	-	(5,061.50)
Loans availed from related parties (net)	446.47	(644.66)
Finance cost	(936.10)	(1,148.70)
Net cash generated from / (used in) financing activities	**(117.07)**	**638.57**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**33.82**	**78.57**
Cash and cash equivalents at the beginning of the year	88.97	10.40
Cash and cash equivalents at the end of the year (Refer Note 6)	**122.78**	**88.97**

As per our report of even date

For V G G C & Associates
Chartered Accountants
Firm Registration No.: 024868S
sd/-
Vivek Gupta
Partner
Membership No.: 506887

Bengaluru
27 May 2024

For and on behalf of the Board of Directors of
SPL Palms Developers Private Limited (formerly Suvilas Realities Private Limited)

sd/-

Gopalakrishnan J
Director
DIN.: 02354467

Bengaluru
27 May 2024

sd/-

N Nagendra
Director
DIN.: 07781675

Bengaluru
27 May 2024

SPL Palms Developers Private Limited (formerly Suvilas Realities Private Limited)
Statement of changes in equity as at 31 March 2024
(All amounts in ₹ lakhs, unless otherwise specified)

A. Equity share capital

Particulars	No.of Shares	Amount
Particulars		
Balance as at 1 April 2022	10,000	**1.00**
Changes in equity share capital during the period	-	**-**
Balance as at 31 March 2023	10,000	**1.00**
Changes in equity share capital during the period	-	**-**
Balance as at 31 March 2024	10,000	**1.00**

B. Other equity

Particulars	Reserves and surplus	
	Retained Earnings	Total
Balance as at 1 April 2022	**(404.90)**	**(404.90)**
Loss for the period	(5,171.87)	(5,171.87)
Balance as at 31 March 2023	**(5,576.77)**	**(5,576.77)**
Loss for the period	(680.68)	(680.68)
Balance as at 31 March 2024	**(6,257.45)**	**(6,257.45)**

As per report of even date attached
For V G G C & Associates
Chartered Accountants
Firm Registration No.: 024868S

sd/-

Vivek Gupta
Partner
Membership No.: 506887

Bengaluru
27 May 2024

For and on behalf of the Board of Directors of SPL Palms Developers Private Limited (formerly Suvilas Realities Private Limited)

sd/-

Gopalakrishnan J
Director
DIN.: 02354467

Bengaluru
27 May 2024

sd/-

N Nagendra
Director
DIN.: 07781675

Bengaluru
27 May 2024

1 Company overview and material accounting policies

1.1 Company overview

SPL Palms Developers Private Limited [formerly Suvilas Realities Private Limited] (' the Company '), was incorporated on 5 April 2013 under the Companies Act, 1956. The registered office of the Company is located at Bengaluru, Karnataka, India. The Company is engaged in the business of development of real estate projects.

1.2 Material accounting policies

a. Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 by Ministry of Corporate Affairs
The financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 27 May 2024.

b. Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases that are in effect as at 31 March 2024, as summarized below.

c. Basis of preparation of financial statements

The financial statements have been prepared on going concern basis under the historical cost basis except for certain financial assets and liabilities which are measured at fair value.

Going Concern

During the year ended 31 March 2024, the Company has continued to incur losses and has incurred a net loss of ₹ 680.76 lakhsand at that date, the Company's accumulated losses aggregated to ₹ 6,257.45 lakh. Based on the long term strategy and future business plan duly approved by the Board of Directors, the Company is expecting to generate positive cash flows going forward also. Accordingly, these accompanying financial statements have been prepared on a going concern basis as the management is satisfied that there are no events or conditions that may cast a significant doubt on the ability of the Company to continue as a going concern and hence the assets and liabilities have been recorded in the financial statements on the basis that the Company will be able to realize its assets and discharge its liabilities, in the normal course of business.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, 'Share-based Payment', leasing transactions that are within the scope of Ind AS 116, 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 'Inventories', or value in use in Ind AS 36 'Impairment of assets'.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which
Level 1: Quoted prices (unadjusted) in active markets for financial instruments.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.
Level 3: Inputs for the assets or liabilities that are not based on the observable market data (unobservable inputs)

d. Functional and presentation currency

The financial statements are presented in Indian Rupee (‘ ₹ ’) which is also the functional and presentation currency of the Company.

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1.2 Material accounting policies (continued)

e. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 1.3 and 1.4.

f. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

(i) An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

(ii) All other assets are classified as non-current.

(iii) A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

(iv) All other liabilities are classified as non-current.

(v) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of service and the time between the acquisition of assets for development and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as four years for the purpose of current and non-current classification of assets and liabilities which pertain to the project and for all other assets and liabilities the Company has considered twelve months.

g. Foreign currency transactions

(a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

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1.2 Material accounting policies (continued)

h. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2024.

i. Revenue recognition

Revenue from projects

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured based on the transaction price which is consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in most of its revenue arrangements.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of residential units to customers in an amount that reflects the consideration the Company expects to receive in exchange for those residential units, unless:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue from contracts with customers

In case, revenue is recognised over the time, it is being recognised from the financial year in which the registration of sale deed is executed. In respect of ‘over the period of time’, the revenue is recognised based on the percentage-of-completion method (‘POC method’) of accounting with cost of project incurred (input method) for the respective projects determining the degree of completion of the
The period over which revenue is recognised is based on entity’s right to payment for performance completed.

The revenue recognition of real estate property under development requires forecasts to be made of total budgeted costs with the outcomes of underlying construction contracts, which further require assessments and judgments to be made on changes in work scopes and other payments to the extent they are probable and they are capable of being reliably measured. In case, where the total project cost is estimated to exceed total revenues from the project, the loss is recognised immediately in the Statement of Profit and Loss

For projects executed through joint development arrangements, the land owner provides land and the Company undertakes to develop the project on such land. The Company has agreed to transfer a certain percentage of constructed area or certain percentage of the revenue proceeds in lieu of land owner providing land. As the Company cannot reasonably estimate the fair value of the consideration received, revenue from the development and transfer of constructed area/ revenue sharing arrangement and its corresponding project cost is being accounted based on the stand-alone selling price of the construction services provided by the Company to such land owners.

Unbilled revenue disclosed under other financial assets represents revenue recognised over and above the amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognised profits to date on projects under construction are disclosed under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables and is net of any provisions for amounts doubtful of recovery.

Interest income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss. The expected cash flows are revisited on a yearly basis.

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

j. Inventories

Properties under development

Properties under development represents construction work in progress which are stated at the lower of cost and net realizable value. This comprises of cost of land, construction related overhead expenditure, borrowing costs and other net costs incurred during the period of development.

1.2 Material accounting policies (continued)

k. Property, Plant and Equipment (PPE)

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met, any expected costs of decommissioning and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted while arriving at the purchase price.

Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in Statement of Profit and Loss as incurred.

Depreciation and useful lives

Depreciation/amortization on fixed assets is provided on the straight-line method, based on the useful life of asset specified in Schedule II to the Companies Act, 2013. The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Plant and equipments	3 years
Furniture & fixtures	5 years
Buildings	5 years

Cost of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when

l. Investment Properties

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

m. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use.

All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual costs incurred on that borrowing during the period less any interest income earned on temporary investment from that borrowings, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalization rate to the expenditure incurred on that asset.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

n. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

o. Tax expense

Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are offset only if there is legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the period

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or in equity.

1.2 Material accounting policies (continued)

p. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

r. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Company are segregated.

The loan from/to related party is in nature of current accounts. Accordingly, receipts and payments from/to related parties have been shown on a net basis in the cash flow statement.

s. Rounding off amounts

During the current financial year, the Company has changed the reporting unit of measurement for its financial statements from millions to lakhs. This change has been made to enhance clarity and better align with the reporting preferences of our stakeholders., except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

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1.2 Material accounting policies (continued)

t. Financial instruments

Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

Debt Instruments

Debt instruments at amortized cost

A 'Debt instruments' is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the statement of profit and loss.

Debt Instruments at fair value through other comprehensive income (FVTOCI)

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognized in other comprehensive income (OCI).

Debt instruments at Fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in the scope of Ind AS 109,' Financial Instruments', are measured at fair value. Equity instruments which are held for trading and contingent consideration has been recognized by an acquirer in a business combination to which Ind AS 103,' Business Combinations' applies, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI with subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI.

There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

u. Financial liabilities

Initial recognition

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortized cost.

Subsequent measurement

These liabilities include borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

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1.2 Material accounting policies (continued)

v. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss.

w. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of
Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

x. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged in the business of construction, development and sale of all or any part of housing project which is the only reportable segment. The Company operates in India and there is no other significant geographical segment.

xi. Audit trail

The Ministry of Corporate Affairs (MCA) vide notification dated March 24, 2021, mandated the maintenance of an audit trail for all companies.The Company maintains a comprehensive audit trail for all financial transactions, ensuring transparency and accuracy in financial reporting. Each transaction is documented and traceable from the general ledger to its original source document, supported by robust internal controls.

1.3 Significant estimates in applying accounting policies

a. Revenue from contracts with customers - The Company has applied judgements as detailed in note 1.2(j) that significantly affect the determination of the amount and timing of revenue from contracts with customers.

b. Net realisible value of inventory - The determination of net realisible value of inventory involves estimates based on prevailing market conditions, current prices and expected date of commencment and completion of the project, the estimated future selling price, cost to complete projects and selling cost.

c. Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

d. Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at the end of each financial year, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other assets.

e. Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm’s length transaction at the reporting date.

1.4 Critical judgements in applying accounting policies

a. Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company’s future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

b. Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

c. Provisions – At each balance sheet date the management's judgement, changes in facts and legal aspects; and the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

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(All amounts in ₹ lakhs, unless otherwise specified)

2 Property, plant and equipment

Details of the Company's property, plant and equipment and reconciliation of their carrying amounts from beginning to end of reporting period is as follows:

Particulars	Plant & Equipments	Furniture & Fixtures	Buildings	Total
Gross carrying amount				
At 01 April 2022	**0.10**	**56.88**	**101.08**	**158.06**
Additions	-	-	-	-
Disposals/Adjustments	(0.10)	(56.88)	(101.08)	(158.06)
At 31 March 2023	-	-	-	-
Additions	76.93	-	-	**76.93**
Disposals/Adjustments	-	-	-	-
At 31 March 2024	**76.93**	-	-	**76.93**
Accumulated depreciation				
At 01 April 2022	**0.10**	**7.89**	**13.95**	**21.94**
Charge for the period	-	5.54	10.63	16.17
Adjustments for disposals	(0.10)	(13.43)	(24.58)	-38.11
At 31 March 2023	-	-	-	-
Charge for the period	**3.39**	-	-	**3.39**
Adjustments for disposals	-	-	-	-
At 31 March 2024	**3.39**	-	-	**3.39**
At 31 March 2023	-	-	-	-
At 31 March 2024	**73.54**	-	-	**73.54**

a. Contractual obligations

There are no contractual commitments pending for the acquisition of property, plant and equipment as at balance sheet date.

b. Capitalized borrowing cost

There are no borrowing costs capitalized during the year ended 31 March 2023 and 31 March 2024

c. Property, plant and equipment pledged as security

There are no Property, plant and equipment pledged as security.

(All amounts in ₹ lakhs, unless otherwise specified)

3 Other Financial Assets

	Particulars	As at 31 March 2024	As at 31 March 2023
A	**Non-Current**		
	Deposits		
	Recovery expense fund	-	1.00
		-	**1.00**
B	**Current**		
	Deposits		
	Refundable security deposit	2.10	1.10
		2.10	**1.10**

4 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
(Valued at cost or net realizable value, whichever is lower)		
Properties under development (*)	10,288.32	8,246.83
	10,288.32	**8,246.83**

(*) Refer note 25 for details on assets pledged as security

5 Trade Receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Trade receivables (*)	551.48	-
	551.48	**-**
Breakup of security details		
Trade receivables considered good - Secured	551.48	-
Trade receivables considered good - Unsecured	-	-
	551.48	**-**
Less: Allowance for doubtful debts	-	-
	551.48	**-**

Trade receivables ageing schedule:

	Particulars	Outstanding for following periods from due date of payment					
		Less than 6 months	6months-1 year	1-2 years	2-3 years	More than 3 years	Total
	As at 31 March 2024						
(i)	Undisputed Trade receivables- considered good	-	489.63	61.85	-	-	551.48
(ii)	Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
	As at 31 March 2023						
(i)	Undisputed Trade receivables- considered good	-	-	-	-	-	-
(ii)	Undisputed Trade receivables- which have significant increasein credit risk	-	-	-	-	-	-

(*) Refer note 25 for details on assets pledged as security

6 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	0.09	-
Balances with banks		
- In current accounts	122.69	88.97
	122.78	**88.97**

Note:
There are no undrawn committed borrowings as at 31 March 2024 and 31 March 2023.

7 Other bank balances

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits with maturity more than 12 months	263.84	226.48
	263.84	**226.48**

8 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Advances other than capital advances		
Advance to vendors for supply of goods and services	638.23	205.85
Prepaid expenses	71.45	8.32
	709.68	**214.17**

(All amounts in ₹ lakhs, unless otherwise specified)

9 Equity share capital

	As at 31 March 2024		As at 31 March 2023	
Authorised	**Number**	**Amount**	**Number**	**Amount**
20,000 equity shares of ₹ 10 each	20,000	200,000	20,000	200,000
	20,000	**200,000**	**20,000**	**200,000**
Issued, subscribed and fully paid up				
10,000 equity shares of ₹ 10 each, fully paid-up	10,000	1.00	10,000	1.00
	10,000	**1.00**	**10,000**	**1.00**

a. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2024		As at 31 March 2023	
Equity shares	**Number**	**Amount**	**Number**	**Amount**
Balance at the beginning of the year	10,000	0.10	10,000	0.10
Add: Issued during the year	-	-	-	-
Balance at the end of the year	**10,000**	**0.10**	**10,000**	**0.10**

b. Details of shareholder holding more than 5% share capital

	As at 31 March 2024		As at 31 March 2023	
Name of the equity shareholder	**Number**	**% of holding**	**Number**	**% of holding**
Mr. Sunil Chowdary	-	-		
Shriprop Builders Private Limited	10,000	100%	10,000	100%

(^) includes 1 equity share held by the nominee of Shriprop Builders Private Limited

c. Details of shareholding by promoters (*)

	As at 31 March 2024			As at 31 March 2023		
Promoter's name	**No. of shares**	**% of total shares**	**% change during the year**	**No. of shares**	**% of total shares**	**% change during the year**
Shriprop Builders Private Limited	10,000.00	100.00%	100.00%	10,000.00	0.00%	0.00%

d. Rights attached to the equity shares:

The Company has only one class of equity shares having par value of ₹ 10 each. All equity shares carry similar voting rights of 1:1 and In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. Buy back of equity shares, shares allotted by way of bonus shares

There have been no buy back of equity shares, issue of shares by way of bonus share or issue of share pursuant to contract without payment being received in cash since inception.

10 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Retained earnings	(6,257.45)	(5,576.77)
	(6,257.45)	**(5,576.77)**

11 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Term Loans (Secured)		
Loan from others	7,661.54	7,219.28
Loan from others(unsecured)		
Loan from related parties (refer note 33)	5,774.25	5,327.78
	13,435.79	**12,547.06**

(All amounts in ₹ lakhs, unless otherwise specified)

11 Borrowings (continued)

Sl.No	Particulars	Nature of security	Repayment details	31 March 2024	31 March 2023
	Current borrowings				
	Term loan from others				
1	**Tata Capital Housing Finance Limited**	(i) Exclusive charge by way of registered mortgage over unsold area of land, building and construction thereof of **"The Poem by Shriram Properties"** situated at Myadarahalli, Yeshwanthapura Hobli, Bangalore North Taluk.. (ii) Cross collaterization by way of registered mortgage over development rights and developer's share of unsold area of land and building of **"Shriram Mystique"** situated at Myadarahalli, Yeshwanthapura Hobli, Bangalore North Taluk.	Repayable in 24 monthly instalments starting from 43rd month from 1st disbursement of respective Term Loan	7,926.59	7,544.43
		The effective interest rate per annum of the loan borrowed from the above financial institution is 12.25%	Unamortised processing fees	(265.04)	(325.15)
2	**Loan from related party**				
	Shriram Properties Limited	Unsecured (Interest free)	Repayable on demand	5,774.25	5,327.78
				13,435.79	**12,547.06**

12 Trade Payables

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding due of micro enterprises and small enterprises (refer note below)	3.48	3.36
Total outstanding due of creditors other than micro enterprises and small enterprises	499.45	123.35
	502.93	**126.71**

Note

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSME Act'). Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2024 and 31 March 2023 has been made in the financial statements based on the information received and available with the Company. There is no dues to suppliers as at the balance sheet dates.

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2024 and 31 March 2023 :

Particulars	As at 31 March 2024	As at 31 March 2023
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
- Principal	3.48	-
- Interest	3.36	3.36
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year;	3.36	3.36
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

Trade payable ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3.48	-	-	-	-	**3.48**
(ii) Others	409.27	90.18	-	-	-	**499.45**
	412.75	**90.18**	**-**	**-**	**-**	**502.93**

Trade payable ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3.36	-	-	-	-	**3.36**
(ii) Others	121.65	1.69	-	-	-	**123.35**
	125.02	**1.69**	**-**	**-**	**-**	**126.71**

13 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Refund due to customers	7.58	11.53
Other payables (*)	161.80	209.40
	169.38	**220.93**

(*) Includes MSME payable of is ₹60.21 lakhs(31 March 2023 - ₹7.98 lakhs) as on 31 March 2024

14 Other liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Revenue received in advance	4,104.35	1,448.21
Statutory dues payable	58.18	12.00
	4,162.53	**1,460.21**

15 Revenue from operations

Particulars	As at 31 March 2024	As at 31 March 2023
Other operating revenue		
- Income from cancellation	4.84	-
	4.84	**-**

16 Other Income

Particulars	As at 31 March 2024	As at 31 March 2023
Interest income from bank deposits	16.96	0.65
Interest income from income tax refund	0.09	-
	17.05	**0.65**

17 Materials & Construction Cost

Particulars	As at 31 March 2024	As at 31 March 2023
Constructions Expenses	1,010.59	271.36
Electricity expenses	-	7.17
Work force	-	80.50
Rent-Plant & Machinery	-	48.72
	1,010.59	**407.75**

18 Increase in inventory of properties under development

Particulars	As at 31 March 2024	As at 31 March 2023
Inventory at the beginning of the year	8,246.83	6,964.74
Inventory at the end of the year	10,288.32	8,246.83
	(2,041.49)	**(1,282.09)**

19 Finance expense, net*

Particulars	As at 31 March 2024	As at 31 March 2023
Interest		
- on loan from others	1,005.81	86.61
- on Intercompany	-	77.43
Interest due - MSME	-	0.06
Debentures redemption premium	-	710.30
	1,005.81	**874.40**

(*) Finance expenses inventorized for 31 March 2024 is ₹1,005.81 lakhs(31 March 2023 - ₹ 874.34 lakhs)

20 Depreciation

Particulars	As at 31 March 2024	As at 31 March 2023
Depreciation (Refer Note 2)	3.39	16.17
	3.39	**16.17**

21 Impairment losses

Particulars	As at 31 March 2024	As at 31 March 2023
Bad debts written off (*)	-	4,888.23
	-	**4,888.23**

(*) During the year ended 31 Macrh 2023 the company had written of balances from related parties on account of non recoverability

22 Other expenses

Particulars	As at 31 March 2024	As at 31 March 2023
Printing and stationery	8.62	0.14
Audit Fees	3.84	4.38
Professional Charges	61.73	7.40
Bank Charges	0.07	0.29
Rates & taxes	31.75	13.76
Travelling and conveyance	3.62	0.56
Sales & Marketing Expenditure	509.07	206.98
Maintenance cost	29.33	-
Office expenses & other sdmin expenses	76.24	23.88
	724.27	**257.39**

* **Details of payment to auditors (excluding taxes)**		
- Statutory Audit	2.95	2.50
- Limited review	0.89	-
- Other certification	4.07	-
- Reimbursement of expenses	0.28	-
	8.18	**2.50**

(All amounts in ₹ lakhs, unless otherwise specified)

23 Income tax

Particulars	As at 31 March 2024	As at 31 March 2023
A. Tax expense comprises of:		
Current tax	-	-
Deferred tax	-	(10.67)
Income tax expense reported in the statement of profit or loss	**-**	**(10.67)**

B. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% (31 March 2023: 25.17%) and the reported tax expense in profit or loss are as follows:

Reconciliation of effective tax rate		
Accounting loss before tax	(680.68)	(5,161.20)
Effective tax rate in India	25.17%	25.17%
At India's statutory income tax rate	(171.31)	(1,298.97)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Reversal of deferred tax asset pursuant to re-assessment of future taxable income	-	(10.67)
Unrecorded deferred tax asset on current year business losses	171.31	1,298.97
Income tax expense	**-**	**(10.67)**

C. Recognised deferred tax assets and liabilities

Deferred tax assets is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carried forward tax losses can be utilised.

Movement in deferred tax assets

Particulars	01 April 2022	Recognised in securities	Recognised in OCI	Recognised in profit and loss	31 March 2023
Timing difference on allowability of expenses	10.67	-	-	(10.67)	-

Particulars	31 March 2023	Recognised in securities	Recognised in OCI	Recognised in profit and loss	31 March 2024
Timing difference on allowability of expenses	-	-	-	-	-

24 Loss per share (EPS)

Particulars	As at 31 March 2024	As at 31 March 2023
Weighted average number of shares outstanding during the period	10,000.00	10,000
Add: Dilutive effect of stock options	-	-
Weighted average number of shares used to compute diluted EPS	**10,000.00**	**10,000**
Net profit after tax attributable to equity shareholders	(680.68)	(5,172)
Loss per share		
Basic (₹)	(6,806.80)	(51,719)
Diluted (₹)	(6,806.80)	(51,719)
Nominal value - per equity share in rupees	10.00	10

The company doesn't have any potential dilutive equity shares and therefore basic and diluted EPS are same.

25 Assets pledged as security

Particulars	As at 31 March 2024	As at 31 March 2023
The carrying amounts of assets pledged as security for current borrowings are:		
Non-financial assets		
First charge		
Inventories	10,288.32	8,246.83
Financial assets		
Trade receivables	551.48	-
Total current assets pledged as securities	**10,839.80**	**8,246.83**

(All amounts in ₹ lakhs, unless otherwise specified)

26 Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2024 are as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial Assets						
Trade receivables	5	-	-	551.48	551.48	551.48
Cash and cash equivalents	6	-	-	122.78	122.78	122.78
Other bank balances	7	-	-	263.84	263.84	263.84
Other financial assets	3A & 3B	-	-	2.10	2.10	2.10
		-	**-**	**940.20**	**940.20**	**940.20**
Financial Liabilites						
Borrowings	11	-	-	13,435.79	13,435.79	13,435.79
Trade payables	12	-	-	502.93	502.93	502.93
Other financial liabilities	13	-	-	169.38	169.38	169.38
		-	**-**	**14,108.10**	**14,108.10**	**14,108.10**

The carrying value and fair value of financial instruments by categories as at 31 March 2023 are as follows

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial Assets						
Cash and cash equivalents	6	-	-	88.97	88.97	88.97
Other bank balances	7	-	-	226.48	226.48	226.48
Other financial assets	3A & 3B	-	-	2.10	2.10	2.10
		-	**-**	**317.55**	**317.55**	**317.55**
Financial Liabilites						
Borrowings	11	-	-	12,547.06	12,547.06	12,547.06
Trade payables	12	-	-	126.71	126.71	126.71
Other financial liabilities	13	-	-	220.93	220.93	220.93
		-	**-**	**12,894.70**	**12,894.70**	**12,894.70**

Notes to financial instruments

The management assessed that the fair value of above financial assets and financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(i) Fair values hierarchy

Financial assets are measured at fair value in the financial statement and are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly**;**

Level 3: unobservable inputs for the asset or liability

(ii) Financial assets and liabilities measured at fair value

The Company's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialist for complex valuations, wherever necessary. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximizing the use of market-based information.

(All amounts in ₹ lakhs, unless otherwise specified)

27 Financial risk management

Financial risk factors

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk to which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, loans and other financial assets measured at amortized cost.	Ageing analysis and recoverability assessment
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts
Market risk – Interest rate	Borrowings at variable rates	Sensitivity analysis
Market risk – Price risk	Investments measured at FVTPL	Sensitivity analysis

The Company's risk management is carried out by a central treasury department (of the group) under policies approved by the Board. The Board provides written principles for overall risk management, as well as policies covering specific areas, such interest rate risk, credit risk and investment of excess liquidity.

a. Credit risk

Credit risk arises from cash and cash equivalents, trade receivables and investments carried at amortized cost, loans other financial assets.

Credit risk management

The Company assesses and manages credit risk of financial assets based on the following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

i) Low credit risk
ii) High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Description	Provision for expected credit loss (*)	As at 31 March 2024	As at 31 March 2023
Low credit risk	Cash and cash equivalents, other bank balances	Life time expected credit loss	938.10	315.45
High credit risk	Loans and other financial assets	Life time expected credit loss or fully provided for	2.10	2.10

(*) A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is

Credit risk exposure

Provision for expected credit losses

The Company provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets:

As at 31 March 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	551.48	-	551.48
Cash and cash equivalents	122.78	-	122.78
Other bank balances	263.84	-	263.84
Other financial assets	2.10	-	2.10

As at 31 March 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	88.97	-	88.97
Other bank balances	226.48	-	226.48
Other financial assets	2.10	-	2.10

Expected credit loss for trade receivables under simplified approach

Trade receivables are secured in a form that of sold residential units is not processed till the time the Company does not receive the entire payment. Hence, as the Company does not have significant credit risk, it does not present the information related to ageing pattern. The Company has widespread customer base and no single customer accounted for 10% or more of revenue in any of the years indicated.

During the periods presented, the Company made no write-offs of trade receivables.

(All amounts in ₹ lakhs, unless otherwise specified)

27 Financial risk management (contd.)

b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

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

Maturities of financial liabilities

The tables below analyzes the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at31 March 2024	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	5,866.25	7,941.20	-	13,807.45
Trade payables	502.93	-	-	502.93
Other financial liabilities	169.38	-	-	169.38
Total	**6,538.56**	**7,941.20**	**-**	**14,479.76**

As at31 March 2023	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	6,280.50	8,952.59	1,601.13	16,834.22
Trade payables	126.71	-	-	126.71
Other financial liabilities	220.93	-	-	220.93
Total	**6,628.14**	**8,952.59**	**1,601.13**	**17,181.86**

c. Market risk

a) Interest rate risk

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	As at 31 March 2024	As at 31 March 2023
Fixed rate borrowing	5,774.25	-
Variable rate borrowing (*)	7,926.59	7,544.43
Total borrowings	**13,700.84**	**7,544.43**

(*) Excluding adjustment for unamortised processing fees

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	As at 31 March 2024	As at 31 March 2023
Interest rates – increase by 50 basis points (50 bps)	(3.86)	(0.34)
Interest rates – decrease by 50 basis points (50 bps)	3.86	0.34

(All amounts in ₹ lakhs, unless otherwise specified)

28 Capital management

The Company’s objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Company is primarily funded through optionally convertible debenture(OCD) issued to its investors and loan from Holding company. The aforesaid OCDs and loan are the most subordinate class of debt and are payable once the project is completed and all the liabilities are settled.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt includes long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents and other bank balances.

As at 31 March 2024, the Company has no borrowings other than optionally convertible debentures carried at FVTPL whose value is Nil. Accordingly, gearing ratio is not presented.

In order to achieve this overall objective, the Company’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024:

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings	13,435.79	12,547.06
Less: Cash and cash equivalents	122.78	88.97
Net debt	**13,313.01**	**12,458.09**
Total equity	(6,256.45)	(5,575.77)
Gearing ratio	**(2.13)**	**(2.23)**

Notes:

(i) Equity includes all capital and reserves of the Company that are managed as capital

(ii) Debt is defined as long term and short term borrowings (The Company has issued Optionally convertible debentures (OCDs) to its investors. Such OCDs have been classified as borrowings as per the provisions of the applicable accounting framework.)

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 and 31 March 2023.

29 Other commitments and contingencies

The Company is involved in certain litigation for lands acquired by it for construction purposes through joint development agreement. These cases are pending with various courts and scheduled for hearings shortly. After considering the circumstances, the management believes that these cases will not adversely effect its financial statements.

30 Corporate social responsibility expenses

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the years ended 31 March 2024 and 31 March 2023.

31 There are no employees in the Company. Hence, disclosures as required under Ind AS 19 – ‘Employee Benefits’ is not applicable to the Company.

32 Segmental Information

The Company is engaged in the development and construction of residential which is considered to be the only reportable business segment as per IndAS 108, 'Segment Reporting'. The Company operates primarily in India and there is no other significant geographical segment. The Company has widespread customer base and no single customer accounted for 10% or more of revenue in any of the years indicated and hence the Company does not have any concentration risk.

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(All amounts in ₹ lakhs, unless otherwise specified)

33 Related party trasactions

(i) Parties exercising control	**Relationship**
Shriprop Builders Private Limited	Holding Company (w.e.f 25 November 2022)
Shriram Properties Limited	Ultimate Holding Company (w.e.f 25 November 2022)
Mr. Sunil Chowdary	Party exercising control (until 24 November 2022)

(ii) Parties having significant influence	
Suvilas Properties Private Limited	Common directors (until 24 November 2022)
Suvilas Constructions Private Limited	Common directors (until 24 November 2022)
Shriprop Structures Private Limited	Fellow subsidiary (w.e.f 25 November 2022)
Shriprop Properties Private Limited	Fellow subsidiary (w.e.f 25 November 2022)
SPL Towers Private Limited	Joint venture of holding company(w.e.f 25 November 2022)

(iii) Key managerial personnel	**Relationship**
Mr. Sunil Chowdary	Director (until 24 November 2022)
Mr. M N Umesh	Director (until 24 November 2022)
Mr. Gopalakrishnan Jagadeeswaran	Director (w.e.f 25 November 2022)
Mr. Thanjavur Venbu Ganesh	Director (w.e.f 25 November 2022)
Mr. Narasimhamurthy Nagendra	Director (w.e.f 25 November 2022)

(iv) Balances with related parties as on date are as follows

Particulars	As at 31 March 2024	As at 31 March 2023
Shriram Properties Limited		
Loan taken by the company	5,774.25	5,327.78

(iv) The transactions with the related parties are as follows

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Shriram Properties Limited		
Loan taken by the company	1,852.77	-
Loan taken by the company, repaid	1,406.30	6,446.00
Cross charge of marketing expenses on the company	110.65	
Shriprop Structures Private Limited		
Cross charge of marketing expenses on the company	1.96	-
Shriprop Properties Private Limited		
Cross charge of marketing expenses on the company	16.49	-
SPL Towers Private Limited		
Purchase of mivan materials	76.41	-
Suvilas Properties Private Limited		
Loans given by company	-	86.20
Loan taken by the company, repaid	-	52.93
Write off of balances	-	5,174.27
Suvilas Constructions Private Limited		
Loans given by company	-	0.50
Loan taken by the company, repaid	-	1.70
Write off of balances	-	9.78
Mr. Sunil Chowdary		
Loan taken from director	-	296.24
Write off of loan from director	-	296.24

34 Additional disclosures as required by Ind AS 115 (Revenue from contract with customers)

a. Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities		
Revenue received in advance	4,104.35	1,448.21
Total contract liabilities	**4,104.35**	**1,448.21**

i. Contract liabilities include amount received from customers as per the installments stipulated in the buyer agreement to deliver properties once the properties are completed and control is transferred to customers.

b. Significant changes in the contract liabilities balances during the year are as follows:

Particulars	Revenue received in advance	
	As at 31 March 2024	As at 31 March 2023
Opening balance	1,448.21	1,324.67
Add: Additions/adjustments during the year	2,656.14	123.54
Less: Revenue recognised during the year	-	-
Closing balance	**4,104.35**	**1,448.21**

c. The performance obligation the company in case of sale of apartments is satisfied once the project is completed and control is transferred to customers. The customer makes payment of the contract price as per installment stipulated in the customer's agreement which can be cancelled by the customer at his convenience.
The transaction price of the remaining performance obligation (unsatisfied or partly satisfied) as at 31 March 2024 is ₹ 10,875.05 lakhs (31 March 2023 is ₹ 4,965.00 lakhs). The same is expected to be recognised within the next 1-3 years.

35 Other statutory information

(i) The Company has not advanced or provided loan to or invested funds in any entities including foreign entities (Intermediaries) or to any other persons, with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any fund from any persons or entities, including foreign entities (funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

36 Compliance with the requirement of the Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the financial year commencing on 1 April 2023, the Company has used an accounting software SAP for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software.

Audit trail (edit log) is enabled only at the application level as part of standard SAP framework in line with the recommendation in the accounting software administration guide which states that enabling the same at database level all the time consume storage space on the disk and can impact database performance significantly. Further, the Company’s users have access to perform transactions only from the application level, and no access has been provided to any user for accessing database and there are no instances of audit trail feature being tampered with.

(All amounts in ₹ lakhs, unless otherwise specified)

37 Ratios required as per Schedule III requirements

Ratio Name	Numerator	Denominator	Ratio (2023-24)	Ratio (2022-23)	% of change	Explanation for change beyond 25%
Current Ratio	Current Assets	Current Liabilities	0.65	0.61	6.86%	NA
Debt Equity Ratio	Total Debt	Shareholders equity	(2.15)	(2.25)	4.57%	NA
Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Interest +/- Non cash operating expenses/(incomes) + other adjustments)	Debt Service (Interest+lease payments +Principal repayments)	(0.40)	(0.09)	(346.69%)	refer note a
Return on Equity Ratio	Net Earnings	Shareholder's fund	NA	NA	NA	refer note b
Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA	refer note c
Trade Receivables Turnover Ratio	Net Credit Sales	Average trade receivables	NA	NA	NA	refer note c
Trade payables Turnover Ratio	Net Credit Purchase	Average trade Payables	3.21	6.44	(50.12%)	refer note d
Net Capital Turnover Ratio	Net Sales	Working Capital	NA	NA	NA	refer note c
Net Profit Ratio	Net Profit (Revenue-cost)	Revenue	NA	NA	NA	refer note c
Return on Capital Employed	EBIT	Capital Employed (Tangible networth+Total Debt-Deferred Tax asset)	0.05	(0.62)	(107.35%)	refer note e
Return on investment	Income from FD	Average fixed deposits	0.07	0.00	6817.93%	refer note f

Note:

a. The improvement in the debt service coverage ratio is mainly on account of the higher impairment losses recognized and lower finance cost payment required to be made in the current year as a result of repayment of loans
b. Return on equity is not applicable as there is negative shareholders funds at the end of both current and previous years.
c. Inventory turnover ratio, trade receivables turnover ratio and net profit ratio is not applicable as there has been no revenue recognised in both the current and previous years.
d. Improvement in trade payables turnover ratio is mainly on account of timely payment to creditors during the current year
e. The improvement in return on capital employed is on account of increase in earnings during the year.
f. Increase in return on investment is due increased interest income in current year.

38 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2024 and the date of authorization of financial statements.

As per report of even date attached

For V G G C & Associates
Chartered Accountants
Firm Registration No.: 024868S

sd/-

Vivek Gupta
Partner
Membership No.: 506887

Bengaluru
27 May 2024

For and on behalf of the Board of Directors of
SPL Palms Developers Private Limited (formerly Suvilas Realities Private Limited)

sd/-

Gopalakrishnan J
Director
DIN.: 02354467

Bengaluru
27 May 2024

sd/-

N Nagendra
Director
DIN.: 07781675

Bengaluru
27 May 2024