

SHRIPROP BUILDERS PRIVATE LIMITED
[CIN: U45402KA2008PTC045268]
[Email: cs.spl@shriramproperties.com]
Regd. Off: No. 31, 2nd Main Road, T Chowdaiah Road, Sadashivanagar,
Bengaluru - 560080

BOARDS' REPORT

To the Members,

Your Directors have pleasure in presenting the 16th 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	5.72	1,180.68
Other Income	722.41	562.15
Total Income	728.13	1,742.83
Total Expenditure	3,262.52	886.09
Profit before tax/(Loss)	(2,534.39)	856.74
Provision for taxation	-	5.80
MAT Credit Entitlement	-	-
Add/ (Less): Deferred Tax	(716.91)	190.30
Profit after tax & extraordinary items/(Loss)	(1,817.48)	608.48

Review of Operations and overview

The Company has achieved a turnover of Rs. 5.72 Lakhs for the year ended March 31, 2024, and has made a Loss of Rs. 1,817.48 Lakhs, when compared to previous year turnover of Rs. 1,180.68 Lakhs and Profit of Rs. 608.48 Lakhs.

2. 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.

3. TRANSFER TO RESERVES:

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

4. 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.

5. 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 occurred between March 31, 2023, and the date of this Board's Report.

6. Website Disclosure:

Since, the Company has no functional website, the requirement of placing the annual return on the website of the Company does not applicable during the Financial Year 2023-24.

7. NATURE OF BUSINESS ACTIVITIES AND CHANGES THEREOF:

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

8. 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.

9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

Shrivation Homes Private Limited having CIN: U45201KA2008PTC047201, is an Associate of the Company under provisions of the Companies Act, 2013.

The Company has availed the relaxation provided by Ministry of Corporate Affairs vide Notification on Companies (Accounts) Amendment Rules, 2016 dated 27th July, 2016, hence the annual accounts of Shrivation Homes Private Limited and SPL Palms Developers Private Limited is being consolidated by the ultimate holding Company Shriram Properties Limited.

Highlights of performance of Subsidiary and Associates

Pursuant to Section 129 (3) of the Companies Act, 2013, the consolidated financial statements have been prepared by the Company. A statement containing the salient features of the financial statements of subsidiary as required in Form AOC 1 is enclosed as **Annexure-1** to this Report.

10. DEPOSITS:

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.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs):

There was no changes in the Directors during the reporting year.

12. DIRECTOR'S RETIRING BY ROTATION:

During the year, Mr. Gopalakrishnan Jagadeeswaran (DIN: 02354467) retires by rotation. Mr. Gopalakrishnan Jagadeeswaran 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.

13. MEETINGS OF THE BOARD OF DIRECTORS:

Your Board of Directors met 11 times during the financial year 2023-24 and all the meetings were held 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).

14. DIRECTORS' RESPONSIBILITY STATEMENT:

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.

15. 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.

16. 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.

17. 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.

18. 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.

19. CORPORATE SOCIAL RESPONSIBILITY:

In compliance with the Companies Act 2013, the Company has constituted a CSR Committee. During the year, the Company spent Rs. 20.20 Lakhs towards CSR contribution. The details of CSR expenditure are attached to this report.

20. 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 2023-24 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

21. VIGIL MECHANISM:

The Company has adopted the Whistle Blower Policy of the holding Company and has a vigil mechanism in line with the Companies Act, 2013 to deal with instances of unethical and/ or improper conduct and to take suitable steps to investigate and correct the same.

22. INTERNAL FINANCIAL CONTROL:

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. Walker Chandiook & Co LLP, Chartered Accountants, Bangalore (Firm Registration Number 001076N/N500013) were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on September 29, 2021, to hold office till the conclusion of the Annual General Meeting to be held in the financial year 2025-26.

M/s. Abarna & Ananthan, (Firm Registration No. 000003S) were appointed as the Joint Statutory Auditors of the Company in the Annual General Meeting held on August 16, 2019, to hold office till the conclusion of the Annual General Meeting to be held in the financial year 2023-24.

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. COST AUDIT AND AUDITOR:

The Board of Directors has appointed M/s. SBK & Associates, Cost Accountants (Registration No: 000342) as the Cost Auditors of the Company for the financial year 2023-24. In terms of Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

The Company has maintained the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

25. 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.

26. 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.

27. 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.

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. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE IBC, 2016.

No application made nor proceedings pending under the Insolvency and Bankruptcy Code, 2016, by or against your Company during the financial year 2023-24.

30. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

There was no such instance taken place during the reporting period

31. 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.

32. 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 Shriprop Builders Private Limited

Date: August 14, 2024
Place: Bengaluru

SD/-

Krishna Veeraraghavan
Director
DIN: 06620405

SD/-

N. Nagendra
Director
DIN: 07781675

CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline of the CSR Policy of the Company:

The Company's CSR policy set out the proper and effective utilization of the Company's profit towards eradicating hunger, poverty and malnutrition, promoting health care, medical aid including preventive health. To ensure environmental sustainability and ecological balance and employment and livelihood enhancing vocational skills, supply of clean water under 'sanitation and making available safe drinking water.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Prof. R Vaidyanathan	Chairman	1	1
2	Mr. Krishna Veeraraghavan	Member	1	1
3	Mr. Gopalakrishnan J	Member	1	1

3. Provide the web-link where the composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company – **Not applicable.**

4. Provide the details of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014: **Not applicable.**

5.

(a)	Average net profit of the company as per sub-section (5) of section 135	Rs. 1,000.90 Lakhs
(b)	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 20.2 Lakhs
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil
(d)	Amount required to be set-off for the financial year, if any	Nil
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	Rs. 20.2 Lakhs

6.

(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	Rs. 20.2 Lakhs
(b)	Amount spent in Administrative Overheads	Nil
(c)	Amount spent on Impact Assessment, if applicable	Nil
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	Rs. 20.2 Lakhs
(e)	CSR amount spent or unspent for the Financial Year	Rs. 20.2 Lakhs

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
Rs. 1.25 million (Transferred to Shree Shraddha Education and Charitable Trust)	Nil	NA	NA	NA	NA

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5) to be spent for the Financial Year	Rs. 20.2 Lakhs
(ii)	Total amount spent for the Financial Year	Rs. 20.2 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years[(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any.		Amount remaining to be spent in succeeding Financial Years. (in Rs.)	Deficiency, if any
					Amount (in Rs).	Date of transfer		
1	FY- 22	NA						
2	FY- 21							
3	FY- 20							
Total								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NA							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.

For and on behalf of Shriprop Builders Private Limited

Date: August 14, 2024
Place: Bengaluru

Sd/-
R. Vaidyanathan
Director
DIN: 00221577

Sd/-
N. Nagendra
Director
DIN: 07781675

AOC-1

A statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures for the year ended March 31, 2024

(Pursuant to the first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Rs.in Lakhs)

Sl. No	Name of the Subsidiary	The date since when the subsidiary was acquired	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding Invest. in subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after Taxation	Proposed Dividend	% of share-holding
1	SPL Palms Developers Private Limited	25.11.2022	0.10	-6,257	12,014	-6,257	-	5	-681	-	-681	-	100

Part "B": JOINT VENTURES / ASSOCIATES

Sl. No	Name of the Joint Venture	The date since when the associate was acquired	The date on which the Associate or Joint Venture was associated or acquired	Shares of or Joint Ventures held by the company on the year-end	Amount of Investment in Associates or Joint Venture	The extent of Holding (in percentage)	Description of how there is a significant influence	The reason why the associate/joint venture is not Consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit or Loss for the year	Considered in Consolidation	Not Considered in Consolidation
NA												

For and on behalf of Shriprop Builders Private Limited

Date: August 14, 2024

Place: Bengaluru

Sd/-

Krishna Veeraraghavan

Director

DIN: 06620405

Sd/-

N. Nagendra

Director

DIN: 07781675

Independent Auditor's Report

To the Members of Shriprop Builders Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Shriprop Builders Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director'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 in the audit or otherwise appears to be materially misstated.

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

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

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 Ind AS 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' 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; and
 - 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.

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

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. 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 the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying financial statements;
 - 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 and except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us :
 - i. the Company, as detailed in note 29 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
 - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 37 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 37 to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the 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; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2024; and
- vi. As stated in note 36 to the financial statements and based on our examination which included test checks, except for instance mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below:

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software SAP to log any direct data changes, used for maintenance of all accounting records by the Company.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **Abarna & Ananthan**
Chartered Accountants
Firm's Registration No.: 000003S

sd/-

sd/-

Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 24213356BKEXZJ3993

S Ananthan
Partner
Membership No.: 026379
UDIN: 24026379BKFHGQ2911

Hyderabad
29 May 2024

Bengaluru
29 May 2024

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Shriprop Builders Private Limited on the financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not own any immovable property. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has adopted cost model for its Property, Plant and Equipment. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder

(ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company has provided loans to others during the year as per details given below:

(₹ in lakhs)

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount provided/granted during the year:				
- Others (*)	-	-	716.66	-
Balance outstanding as at balance sheet date in respect of above cases:				
- Others (*)	-	-	-	-

(*) Represents the Holding Company

(b) In our opinion, and according to the information and explanations given to us, the terms and conditions of the grant of all loans, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us, loans granted by the Company are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Further, no principal or interest is receivable on such loans and advances in the nature of loans.

(d) There is no amount which is overdue for more than 90 days in respect of loans granted to such companies, firms, LLPs or other parties.

- (e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans that existed as at the beginning of the year.
- (f) The Company has granted loans which are repayable on demand or without specifying any terms or period of repayment, as per details below:

Particulars	(₹ in lakhs)		
	All Parties	Promoters	Related Parties
Aggregate amount of loans/advances in nature of loans- Repayable on demand (A)	716.66	716.66	-
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	716.66	716.66	-
Percentage of loans to the total loans	100%	100%	-

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 of the Act in respect of loans given by it, as applicable. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 of the Act in respect of investments, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, income-tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. Further, according to the information and explanations given to us, loans amounting to ₹ 1,257.10 lakhs are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Further, such loans and interest thereon have not been demanded for repayment as on date.
- (b) According to the information and explanations given to us including representation received from the management of the Company, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company has not entered into any transactions with the related parties covered under Section 188 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act. Accordingly, reporting under clause 3(xiii) of the Order is not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has incurred cash losses amounting to ₹ 2,821.23 lakhs in the current financial year but had not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **Abarna & Ananthan**
Chartered Accountants
Firm's Registration No.: 000003S

sd/-

sd/-

Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 24213356BKEXZJ3993

Hyderabad
29 May 2024

S Ananthan
Partner
Membership No.: 026379
UDIN: 24026379BKFHGGQ2911

Bengaluru
29 May 2024

Annexure II to the Independent Auditor's Report of even date to the members of Shriprop Builders Private Limited on the financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Shriprop Builders Private Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **Abarna & Ananthan**
Chartered Accountants
Firm's Registration No.: 000003S

sd/-

sd/-

Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 24213356BKEXZJ3993

S Ananthan
Partner
Membership No.: 026379
UDIN: 24026379BKFHGG2911

Hyderabad
29 May 2024

Bengaluru
29 May 2024

Balance sheet as at 31 March 2024
 (All amounts in ₹ lakhs, unless otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	1.16	1.71
(b) Financial assets			
(i) Investments	3	3,000.00	3,000.00
(c) Non-current tax assets (net)	4	6.79	-
Total non-current assets		3,007.95	3,001.71
Current assets			
(a) Financial assets			
(i) Trade receivables	5	352.25	710.70
(ii) Cash and cash equivalents	6	10.19	257.98
(iii) Loans	7	-	1,665.05
(iv) Other financial assets	8	0.28	2,523.78
(b) Other current assets	9	9.39	20.15
Total current assets		372.11	5,177.66
Total assets		3,380.06	8,179.37
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	1.96	1.96
(b) Other equity	11	620.35	2,437.83
Total equity		622.31	2,439.79
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12A	-	409.44
(b) Deferred tax liabilities (net)	13	-	716.91
Total non-current liabilities		-	1,126.35
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12B	1,257.10	-
(ii) Trade payables	14		
- total outstanding dues of micro enterprises and small enterprises		80.01	74.08
- total outstanding dues of creditors other than micro enterprises and small enterprises.		198.94	571.65
(iii) Other financial liabilities	15	1,090.12	3,787.83
(b) Other current liabilities	16	13.68	33.93
(c) Current tax liabilities (net)	17	117.90	145.74
Total current liabilities		2,757.75	4,613.23
Total equity and liabilities		3,380.06	8,179.37

Material accounting policies

1.2

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

As per our report of even date attached

For Walker Chandiok & Co LLP
 Chartered Accountants
 Firm's Registration No.: 001076N/N500013

For Abarna & Ananthan
 Chartered Accountants
 Firm's Registration No.: 000003S

**For and our behalf of the Board of Directors of
 Shriprop Builders Private Limited**

sd/-

sd/-

sd/-
Nikhil Vaid
 Partner
 Membership No.: 213356
 Hyderabad
 29 May 2024

sd/-
S Ananthan
 Partner
 Membership No.: 026379
 Bengaluru
 29 May 2024

Krishna Veeraraghavan
 Director
 DIN:06620405
 Bengaluru
 29 May 2024

Nagendra. N
 Director
 DIN:07781675
 Bengaluru
 29 May 2024

Shriprop Builders Private Limited
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

	Note	Year ended 31 March 2024	Year ended 31 March 2023
Revenue			
Revenue from operations	18	5.72	1,180.68
Other income	19	722.41	562.15
Total income		728.13	1,742.83
Expenses			
Material and construction cost		-	39.90
Changes in inventories	20	-	517.08
Finance costs	21	61.88	97.34
Depreciation expenses	2	0.55	0.56
Other expenses	22	3,200.09	231.21
Total expenses		3,262.52	886.09
(Loss) / Profit before tax		(2,534.39)	856.74
Tax expense:	23		
Current tax		-	57.96
Deferred tax		(716.91)	190.30
Total tax expense		(716.91)	248.26
(Loss) / Profit after tax		(1,817.48)	608.48
Other comprehensive income		-	-
Total comprehensive (loss) / income for the year		(1,817.48)	608.48
Earnings per equity share	25		
Basic and diluted		(9,269.07)	3,103.22
Material accounting policies	1.2		
The accompanying notes referred to above form an integral part of the financial statements			

As per our report of even date attached

For Walker Chandiook & Co LLP

Chartered Accountants
Firm's Registration No.: 001076N/N500013

For Abarna & Ananthan

Chartered Accountants
Firm's Registration No.: 000003S

**For and our behalf of the Board of Directors of
Shriprop Builders Private Limited**

sd/-

sd/-

sd/-

Nikhil Vaid
Partner
Membership No.: 213356
Hyderabad
29 May 2024

sd/-

S Ananthan
Partner
Membership No.: 026379
Bengaluru
29 May 2024

Krishna Veeraraghavan

Director
DIN:06620405
Bengaluru
29 May 2024

Nagendra. N

Director
DIN: 07781675
Bengaluru
29 May 2024

Shriprop Builders Private Limited
Statement of cash flow for the year ended 31 March 2024
(All amounts in ₹ Lakhs, unless otherwise specified)

	Year ended 31 March 2024	Year ended 31 March 2023
A. Cash flow from operating activities		
(Loss) / Profit before tax	(2,534.39)	856.74
Adjustments to reconcile profit / (loss) before tax to net cash flows		
Depreciation expense	0.55	0.56
Interest income from loan given to related party	(165.98)	(403.46)
Interest income from financial assets measured at amortised cost	-	(153.70)
Finance costs	61.88	97.34
Loss recognised under expected credit loss model	-	-
Loss arising from financial instruments carried at FVTPL	3,148.54	-
Liabilities no longer required written back	(294.86)	-
Operating cash flow before working capital changes	215.74	397.48
Working capital changes:		
Decrease in trade receivables	358.45	587.10
Decrease in inventories	-	517.10
Decrease in other assets	2,534.26	69.70
(Decrease) in trade payables	(71.92)	(557.30)
(Decrease) / increase in other liabilities	(2,717.96)	946.92
Cash flow generated from operations	318.57	1,961.00
Income tax paid (net)	(34.63)	(151.50)
Net cash flows generated from operating activities	283.94	1,809.50
B. Cash flows from investing activities		
Investment in subsidiary	-	(3,000.00)
Loan repaid by related party, net	1,831.03	933.60
Net cash flows generated from / (used in) investing activities	1,831.03	(2,066.40)
C. Cash flows from financing activities		
Redemption of optionally convertible debentures	(3,100.00)	-
Redemption of optionally convertible preference shares	(48.54)	-
Proceeds from term loans	-	983.50
Loans taken from related parties (net)	1,257.10	-
Repayment of term loans	(440.10)	(543.40)
Interest and other finance cost paid	(31.22)	(109.45)
Net cash flow (used in) / generated from financing activities	(2,362.76)	330.64
Net (decrease) / increase in cash and cash equivalents (A + B + C)	(247.79)	73.74
Cash and cash equivalents at the beginning of the year	257.98	184.24
Cash and cash equivalents at the end of the year (refer note 6)	10.19	257.98

Note: Changes in financing liabilities arising from cash and non cash changes

Particulars	01 April 2023	Cash flows, net	Non cash changes		31 March 2024
			Amortisation of processing fees and prepaid guarantee comission	Loss arising from financial instruments carried at FVTPL	
Term loan from others	409.44	(440.10)	30.66	-	-
Optionally convertible debentures	-	(3,100.00)	-	3,100.00	-
Optionally convertible preference	-	(48.54)	-	48.54	-
Loan from related party	-	1,257.10	-	-	1,257.10
Total	409.44	(440.10)	30.66	3,148.54	1,257.10

Particulars	01 April 2022	Cash flows, net	Non cash changes		31 March 2023
			Amortisation of processing fees and prepaid guarantee comission	Loss arising from financial instruments carried at FVTPL	
Term loan from others	-	440.10	(30.66)	-	409.44
Total	-	440.10	(30.66)	-	409.44

As per our report of even date attached

For Walker Chandio & Co LLPFF
Chartered Accountants
Firm's Registration No.:001076N/N500013
sd/-

Nikhil Vaid
Partner
Membership No.: 213356
Hyderabad
29 May 2024

For Abarna & AnanthanF
Chartered Accountants
Firm's Registration No.:000003S

sd/-
S Ananthan
Partner
Membership No.: 026379
Bengaluru
29 May 2024

**For and our behalf of the Board of Directors of
Shriprop Builders Private Limited**

sd/-

Krishna Veeraraghavan
Director
DIN:06620405
Bengaluru
29 May 2024

sd/-

Nagendra. N
Director
DIN: 07781675
Bengaluru
29 May 2024

Shriprop Builders Private Limited
Statement of Changes in Equity for the year 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 01 April 2022	1.96
Changes in equity share capital during the year	-
Balance as at 31 March 2023	1.96
Changes in equity share capital during the year	-
Balance as at 31 March 2024	1.96

B. Other equity

Particulars	Reserves and surplus			Total
	Retained earnings	Measurement of below market rate financial liability at fair value (*)	Capital redemption reserve	
Balance as at 01 April 2022	1,819.12	-	-	1,819.12
Profit for the year	608.48	10.23	-	618.71
Balance as at 31 March 2023	2,427.60	10.23	-	2,437.83
Profit for the year	(1,817.48)	-	-	(1,817.48)
Transfer to capital redemption reserve	(48.54)	-	48.54	-
Balance as at 31 March 2024	561.58	10.23	48.54	620.35

(*) Represents accounting for corporate guarantee provided by the Holding company

As per our report of even date attached

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For Abarna & Ananthan
Chartered Accountants
Firm's Registration No.: 000003S

For and our behalf of the Board of Directors of Shriprop Builders Private Limited

sd/-

sd/-

sd/-

sd/-

Nikhil Vaid
Partner
Membership No.: 213356

S Ananthan
Partner
Membership No.: 026379

Krishna Veeraraghavan
Director
DIN:06620405

Nagendra. N
Director
DIN: 07781675

Hyderabad
29 May 2024

Bengaluru
29 May 2024

Bengaluru
29 May 2024

Bengaluru
29 May 2024

Shriprop Builders Private Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

1 Company overview and material accounting policies

1.1 Company overview

Shriprop Builders Private Limited was incorporated on 13 February 2008 under the erstwhile Companies Act, 1956. The registered office of the company is located at No. 31, 2nd Main Road, T. Chowdaiah Road, Sadashivanagar, Bengaluru- 560080, India. The Company is engaged in the business of development and sale of real estate projects. The Company is a 100% subsidiary of Shriram Properties Limited.

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 per Companies (Indian Accounting Standards) Rules 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The Company is a subsidiary of Shriram Properties Limited, a company incorporated in India, whose registered address is situated at Lakshmi Leela Rite Choice Chamber New No. 9, Bazullah Road, T Nagar, Chennai - 600017. The Company has invested in equity shares of SPL Palms Developers Private Limited (formerly known as Suvilas Realities Private Limited) and Shrivision Homes Private Limited. The consolidated financial statements of Shriram Properties Limited have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. Hence, in accordance with the exemption given under sub-section 3 of Section 129 of the Companies Act 2013 and under Rule 6 of The Companies (Accounts) Rules 2014, the Company is not required to produce, and has not published, its consolidated financial statements.

The financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 29 May 2024.

b. 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.

As at 31 March 2024, the Company has accumulated profits aggregated to ₹ 620.35 lakhs. The Company has been generating operating cash flows from their operation. Further, based on the long-term business strategy and business plan, duly approved by the Board of Directors, the company will continue to generate positive cash flows going forward as well. The Holding Company has stated its intention to continue to provide financial support towards project costs and other obligations of the Company as and when they fall due. Accordingly the financial statement are prepared on going concern basis.

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 in to 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, 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 are described as follows:

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 marked data (unobservable inputs)

c. 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.

d. 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.

e. 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 sold or consumed in 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.

Shriprop Builders Private Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

1.2 Material accounting policies (continued)

f. Foreign currency transactions

Functional and presentation currency

The financial statements are presented in Indian Rupee ('₹') which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

(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.

g. Revenue recognition

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 at the transaction price, 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; or
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 recognised at the point in time at which the performance obligation is satisfied.

1) Sale of constructed / developed properties

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 performance obligation.

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.

Further, for projects executed through joint development arrangements not being jointly controlled operations, wherein the land owner/possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project. Revenue is recognised over time using input method, on the basis of the inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

The revenue is measured at the fair value of the land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the land received cannot be measured reliably, the revenue is measured at the fair value of the estimated construction service rendered to the land owner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in the computation of percentage of completion for the purpose of revenue recognition as discussed above.

For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Company has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

2) Other operating income

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized based upon underlying agreements with customers except in cases where ultimate collection is considered doubtful.

Interest income is accounted on an accrual basis at effective interest rate, except in cases where ultimate collection is considered doubtful.

Unbilled revenue disclosed under other financial assets represents revenue recognized over and above the amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognized 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.

Contract balances

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Shriprop Builders Private Limited
Summary of material accounting policies and other explanatory information
(All amounts in ₹ lakhs, unless otherwise stated)

1.2 Material accounting policies (continued)

h. Property, Plant and Equipment (PPE)

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. On transition to Ind AS ie., on 01 April 2015, the Company had elected to measure all its property, plant and equipment at previous GAAP carrying value (deemed cost). 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 the Statement of Profit and Loss as incurred.

Depreciation and useful lives

Depreciation on Property, Plant and equipment 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.

Office equipments - 5 years

Computers - 3 years

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 the asset is derecognized.

i. 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 as 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 capitalization as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, 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 capitalization are determined by applying a capitalization rate to the expenditures on that asset.

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

j. 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.

k. 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 year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Company operates and generates taxable income.

Deferred tax

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 directly in equity respectively.

l. 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.

Shriprop Builders Private Limited
Summary of material accounting policies and other explanatory information
(All amounts in ₹ lakhs, unless otherwise stated)

1.2 Material accounting policies (continued)

m. Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability is disclosed for:

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

n. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted. However, trade receivables that do not contain a significant financing component are measured at transaction value and investments in subsidiaries are measured at cost in accordance with Ind AS 27 - Separate financial statements.

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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. 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 and Loss.

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.

o. 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 are 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.

Shriprop Builders Private Limited
Summary of material accounting policies and other explanatory information
(All amounts in ₹ lakhs, unless otherwise stated)

1.2 Material accounting policies (continued)

p. Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

q. 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.

r. 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 profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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.

s. Investment in subsidiaries

Investment in equity instruments of subsidiaries are stated at cost as per Ind AS 27 'Separate Financial Statements. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is assessed for recoverability and in case of permanent diminution, provision for impairment is recorded in statement of Profit and Loss.

t. 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 primarily in India and there is no other significant geographical segment.

u. 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 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 loans from related parties are in nature of current accounts. The loans from/to related parties are 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.

1.3 Significant judgements and estimates in applying accounting policies

- a. Revenue from contracts with customers - The Company has applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers.
- b. Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.
- c. Contingent liabilities – At each balance sheet date basis the management estimate, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding guarantees and litigations. However, the actual future outcome may be different from this estimate.
- d. 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 future taxable income against which the deferred tax assets can be utilized.

Shriprop Builders Private Limited
Summary of material accounting policies and other explanatory information
(All amounts in ₹ lakhs, unless otherwise stated)

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	Computers	Office equipment	Total
Gross carrying amount			
At 01 April 2022	1.44	7.41	8.85
Additions	-	-	-
Disposals	-	-	-
At 31 March 2023	1.44	7.41	8.85
Additions	-	-	-
Disposals	-	-	-
At 31 March 2024	1.44	7.41	8.85
Accumulated depreciation			
At 01 April 2022	1.28	5.30	6.58
Charge for the year	-	0.56	0.56
Adjustments for disposals	-	-	-
Upto 31 March 2023	1.28	5.86	7.14
Charge for the year	-	0.55	0.55
Adjustments for disposals	-	-	-
Upto 31 March 2024	1.28	6.41	7.69
Net block			
At 31 March 2023	0.16	1.55	1.71
At 31 March 2024	0.16	1.00	1.16

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 2024 and 31 March 2023.

c. Property, plant and equipment pledged as security

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

d. The Company has not revalued its Property, Plant and Equipment during the year ended 31 March 2024 and 31 March 2023

3 Investments

Non-current

Investment in subsidiaries and fellow subsidiaries carried at cost

Unquoted equity shares (Fully paid)

In Subsidiaries

10,000 (31 March 2023: 10,000) Equity shares of ₹10 each of SPL Palms Developers Private Limited (formerly known as Suvilas Realities Private Limited) (*)

3,000.00 3,000.00

In fellow Subsidiaries

75,000 (31 March 2023: 75,000) Equity shares of ₹10 each of Shrivision Homes Private Limited

7.50 7.50

3,007.50 3,007.50

Less : Impairment in the value of investment

(7.50) (7.50)

3,000.00 3,000.00

Aggregate amount of quoted investments and market value thereof

- -

Aggregate amount of unquoted investments

3,007.50 3,007.50

Aggregate amount of impairment in value of investments

(7.50) (7.50)

(^*) Details of assets pledged are given under note 24

(*) On 25th November 2022, the Company has made investment in the equity shares of SPL Palms Developers Private Limited (formerly known as Suvilas Realities Private Limited) (*) resulting in acquisition of 100% of control in the investee.

Shriprop Builders Private Limited
Summary of material accounting policies and other explanatory information
(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
4 Non-current tax assets (net)		
Advance income tax and tax deducted at source (net of provision for tax)	6.79	-
	6.79	-
5 Trade receivables		
Trade receivables (*)	352.25	710.70
	352.25	710.70
Break-up of security details		
Trade receivables considered good - Secured	352.25	710.70
Trade receivables considered good - Unsecured	-	-
	352.25	710.70

(*) Details of assets pledged are given under note 24.

Trade Receivables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	124.97	-	-	227.28	-	352.25

Trade Receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	197.76	-	512.94	-	-	710.70

6 Cash and cash equivalents

Cash in hand	0.71	12.69
Balances with banks		
In current accounts	9.48	245.29
	10.19	257.98

Note

There are no undrawn committed borrowing as at 31 March 2024 and 31 March 2023.

7 Loans

Current

(Unsecured, considered good)

Loans and advances to related party (refer note 33)	-	1,665.05
	-	1,665.05

Loans and advances to Directors / KMP / Related Parties repayable on demand

Type of Borrower	As at 31 March 2024		As at 31 March 2023	
	Amount outstanding	Percentage of total	Amount outstanding	Percentage of total
Promoter	-	-	1,665.05	100.00%
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	-	-	-	-
	0.00	0.00%	1,665.05	100.00%

8 Other financial assets

Current

Unsecured, considered good

Receivables arising out of extinguishment of development rights (*) (^)	-	2,523.50
Other receivables	0.28	0.28
	0.28	2,523.78

(*) During the year ended 31 March 2018, Shriprop Builders Private Limited has entered into a settlement agreement for ₹ 3,200 lacs with the land owner to cancel the Joint development arrangement (JDA) due to specific performance not being met by the land owner under the aforesaid arrangement. The outstanding receivable primarily represents the consideration which will be settled through cash payment and has accordingly been measured at its fair value.

(^*) Details of assets pledged are given under note 24.

9 Other current assets

Unsecured, considered good

Advances for purchase of goods and rendering services	6.91	14.04
Balances with government authorities	2.49	6.11
	9.39	20.15

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10 Equity share capital

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Authorized shares				
Equity shares of ₹10 each	40,000	4.00	40,000	4.00
	40,000	4.00	40,000	4.00
Issued, subscribed and fully paid-up shares				
Equity shares of ₹10 each	19,608	1.96	19,608	1.96
	19,608	1.96	19,608	1.96

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

Equity shares

Balance at the beginning of the year	19,608	1.96	19,608	1.96
Issued during the year	-	-	-	-
Balance at the end of the year	19,608	1.96	19,608	1.96

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10. Each holder of equity shares is entitled to one vote per share. The Company declares and pass dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company, shares held by the Holding company and promoters

	As at 31 March 2024		As at 31 March 2023	
	Number	% holding in the class (^)	Number	% holding in the class (^)
Equity shares of ₹ 10 each fully paid-up				
Shriram Properties Limited - Holding company (*)	19,608	100%	19,608	100%

(*) includes 1 equity share held by a nominee of Shriram Properties Limited

(^)^ there has been no change in the percentage of shares held by the promoters during the reporting periods

d. Aggregate number of bonus shares issued and shares issued for consideration other than cash during the year of five years immediately preceding the reporting date:

The Company has neither issued any bonus shares or shares without consideration other than cash nor there has been any buy back of shares during five years immediately preceding year 31 March 2024. The Company does not have any shares reserved for issue under options.

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	As at 31 March 2024	As at 31 March 2023
11 Other equity		
Retained earnings	561.58	2,427.60
Measurement of below market rate financial instruments at fair value	10.23	10.23
Capital redemption reserve (*)	48.54	-
	620.35	2,437.83

(*) An amount equivalent to the nominal value of preference shares redeemed out of reserves transferred from from free reserves to capital redemption reserve account.

Nature of reserves

(a) Retained earnings

Retained earnings represents the accumulated undistributed earnings of the Company as at balance sheet date.

(b) Measurement of below market rate financial instruments at fair value

Represents accounting for corporate guarantee provided by the Holding company

(c) Capital redemption reserve

Represents reserve created according to the provisions of the Act equivalent to the nominal value of preference shares redeemed

12 Borrowings

A Non Current

Term Loan from others	-	409.44
Less: Current maturities of long term borrowings	-	-
	-	409.44

B Current

Unsecured

Debentures

15%, Nil (31 March 2023: 1,224,005) Optionally convertible debentures of ₹100 each (*)

Preference shares

0.01%, Nil (31 March 2023 - 48,450) Optionally convertible Preference shares of ₹100 each (**)

Loan from related parties (refer note 33)	1,257.10	-
	1,257.10	-

(*) Rights attached to the optionally convertible debentures

Pursuant to the Securities Subscription and Shareholders Agreement dated 27 May 2014 ('the Agreement'), the Company issued 1,224,005 optionally convertible debentures (OCD's) of ₹100 each to Shriram Properties Limited ('SPL').

The aforesaid debentures are issued on the following terms:

Debentures to carry a minimum coupon rate of 15% p.a.

No coupon shall however accrue and be payable by the Company for a moratorium period of 12 months elapse from the issuance of the first Tranche OCD.

The OCDs must be repaid by 27 July 2023.

Debentures are eligible for redemption after achieving an IRR of 22.5% on the investment amount.

() Rights attached to the preference shares:**

0.01% Optionally convertible redeemable preference shares ('OCRPS')

The preference shares do not carry any voting rights.

The preference shares have a right to dividend of 0.01% p.a unless otherwise agreed between the parties.

The term of OCRPS shall be maximum of 72 months subject to redemption/conversion.

The preference shares are redeemable at a premium such that the IRR of 22.5% on contribution amount is achieved.

The preference shares shall be converted in part or full into equity shares upon conversion, such that the IRR of 22.5% on invested amount is achieved.

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12 Borrowings (continued)

SI.No	Particulars	Nature of security	Repayment details	As at 31 March 2024	As at 31 March 2023
Non-current borrowings					
Term loans from others (Secured)					
i.	Axis Finance Limited	1) First exclusive charge by way of - equitable/registered mortgage over unsold saleable area in the Project 'Shriram Earth' located at Whitefield, Bengaluru; - hypothecation of the Company's share of all receivables from the project, including receivable from land owners; 2) First charge over the project Escrow Account; and 3) Corporate Guarantee of Shriram Properties Limited(Holding Company).	Repayable in 10 equated quarterly installment after a Moratorium Period of 6 months starting June 2022	-	440.10
		Unamortised upfront fees on borrowing		-	(23.25)
		Prepaid Guarantee Commission		-	(7.41)
	The effective interest rate per annum of the loan borrowed from the above financial institution is 12.50% to 13.75%			-	-
				-	409.44
Current borrowings					
Loans from related party					
i.	Shriram Properties Limited	Unsecured	Repayable on demand	1,257.10	-
	The effective interest rate per annum of the loan borrowed from the above related party is 15%			-	-
				1,257.10	-

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	As at 31 March 2024	As at 31 March 2023
13 Deferred tax liabilities (net)		
Deferred tax liability arising on account of		
Timing difference on liability carried at fair value	-	716.91
Gross deferred tax liability	-	716.91
Gross deferred tax asset	-	-
Deferred tax liability (net)	-	716.91

Movement in deferred tax assets

Particulars	01 April 2023	Recognised in securities premium	Recognised in OCI	Recognised in profit and loss	31 March 2024
Deferred tax liability					
Timing difference on liability carried at fair value	716.91	-	-	(716.91)	-
	716.91	-	-	(716.91)	-
Deferred tax asset					
	-	-	-	-	-
	716.91	-	-	(716.91)	-

Particulars	01 April 2022	Recognised in securities premium	Recognised in OCI	Recognised in profit and loss	31 March 2023
Deferred tax liability					
Timing difference on liability carried at fair value	670.61	-	-	46.30	716.91
	670.61	-	-	46.30	716.91
Deferred tax asset					
Change in measurement of revenue from real estate development (net of cost) as per Ind AS 115	105.39	-	-	(105.39)	-
Timing difference on certain provisions for expected credit losses on receivables	38.61	-	-	(38.61)	-
	144.00	-	-	(144.00)	-
	526.61	-	-	190.30	716.91

14 Trade payables

Dues of micro enterprises and small enterprises (*)	80.01	74.08
Dues of creditors other than micro enterprises and small enterprises	198.94	571.65
	278.95	645.73

(*) Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

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	51.55	51.47
- Interest	28.65	23.70
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; and	Nil	Nil
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.	28.65	23.70

(#) Includes the amounts reported in note 14 and 15 of the Company

14 Trade payables (cont'd)

Trade payables ageing schedule:

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	
As at 31 March 2024						
MSME	28.64	28.07	2.56	-	20.74	80.01
Others	29.03	102.78	0.90	15.26	50.97	198.94
As at 31 March 2023						
MSME	23.69	29.15	-	20.74	0.50	74.08
Others	30.67	473.12	15.26	48.54	4.06	571.65

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	As at	As at
	31 March 2024	31 March 2023
15 Other financial liabilities		
Current		
Payable to land owner	1,049.99	3,708.37
Other payables (*)	35.38	70.96
Refund due to customers	4.75	8.50
	1,090.12	3,787.83
(*) Includes ₹ 0.19 lakhs (31 March 2023: ₹ 1.09 lakhs) as on 31 March 2024 towards payable to Micro and Small enterprises		
16 Other current liabilities		
Revenue received in advance	11.65	29.54
Statutory dues payable	2.03	4.19
	13.68	33.93
17 Current tax liabilities(net)		
Provision for income tax, net of advance tax	117.90	145.74
	117.90	145.74

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	Year ended 31 March 2024	Year ended 31 March 2023
18 Revenue from operations (\$)		
Sale of constructed/developed properties	-	1,162.44
A	-	1,162.44
Other operating revenue		
Income from cancellation and other charges	5.72	18.24
B	5.72	18.24
(A+B)	5.72	1,180.68
(§) Disaggregated revenue information		
Set out below is the disaggregation of the Company's revenue from contracts with customers by timing of transfer of goods or services:		
Revenue recognition at a point of time	5.72	18.24
Revenue recognition over a period of time	-	1,162.44
	5.72	1,180.68
19 Other income		
Gain on settlement with land owner	260.05	-
Interest income from		
- Loan to related party (refer note 33)	165.98	403.46
- Financial assets measured at amortised cost	-	153.70
Liability no longer required written back	294.86	-
Miscellaneous income	1.52	4.99
	722.41	562.15
20 Changes in inventories		
Inventory at the beginning of the year	-	517.08
Inventory at the end of the year	-	-
	-	517.08
21 Finance costs		
Interest expense		
- on term loans from others	49.47	80.12
- on MSME	4.95	4.46
- on others	-	1.68
- on delay in remittance of advance tax	-	8.26
Guarantee commission expenses (refer note 33)	7.41	2.82
Dividend on preference shares	0.05	-
	61.88	97.34
22 Other expenses		
Legal and professional charges (*)	17.28	55.79
Rates and taxes	6.60	103.86
Sales promotion	7.39	43.26
Corporate social responsibility expense (refer note 30)	20.18	12.50
Director's Siting fee (refer note 33)	0.10	0.30
Miscellaneous expenses	-	15.50
Net loss on fair value changes (refer note 33)		
- Optionally Convertible Debentures carried at FVTPL	3,100.00	-
- Optionally Convertible Preference Shares carried at FVTPL	48.54	-
	3,200.09	231.21
(*) Remuneration paid to auditor (on accrual basis, excluding goods and services tax) [included in legal and professional charges]		
As auditor:		
Statutory audit fee	9.11	9.17
Tax audit Fee	-	1.00
Reimbursement of expenses	0.22	-
	9.33	10.17

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	Year ended 31 March 2024	Year ended 31 March 2023
23 Income tax		
A. Tax expense comprises of:		
Current tax	-	57.96
Deferred tax	(716.91)	190.30
Income tax expense reported in the statement of profit and loss	(716.91)	248.26

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company and the reported tax expense in profit or loss are as follows:

B. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Accounting profit before tax	(2,534.39)	856.74
Accounting profit before income tax	(2,534.39)	856.74
At India's statutory income tax rate of 25.17% (31 March 2023: 25.17%)	(637.86)	215.64
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact on non-deductible expenses	6.94	6.36
Tax effect on temporary differences on which deferred tax is not recognised	44.20	24.55
Tax effect on temporary differences on which deferred tax was not recognised earlier	(131.44)	-
Others	-	0.59
Income tax expense	(718.16)	247.14

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. Due to lack of convincing evidence, the Company has not recorded deferred tax asset on deductible temporary differences which primarily includes the carry forward business losses and unabsorbed depreciation amounting to ₹ 44.20 lakh (31 March 2023 - Nil) as at 31 March 2024. The above losses will expire over 8 years.

24 Assets pledged as security

The carrying amounts of assets pledged as security for current borrowings are:

	As at 31 March 2024	As at 31 March 2023
Non-current (First charge)		
Financial assets		
Investments in equity shares of subsidiary	3,000.00	3,000.00
Current (First charge)		
Financial assets		
Trade receivables	-	710.70
Receivables arising out of extinguishment of development rights	-	2,523.50
	3,000.00	6,234.20

25 Earnings per share (EPS)

	Year ended 31 March 2024	Year ended 31 March 2023
Weighted average number of shares outstanding during the year	19,608	19,608
Net profit attributable to equity shareholders	(1,817.48)	608.48
Earnings per share (₹):		
Basic and diluted	(9,269.07)	3,103.22
Nominal value - Rupees (₹) per equity share	10.00	10.00

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26 Financial instruments

Financial instruments by category

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	5	-	-	352.25	352.25	352.25
Cash and cash equivalents	6	-	-	10.19	10.19	10.19
Other financial assets	8	-	-	0.28	0.28	0.28
Total financial assets		-	-	362.72	362.72	362.72
Financial liabilities :						
Borrowings	12A & 12B	-	-	1,257.10	1,257.10	1,257.10
Trade payables	14	-	-	278.95	278.95	278.95
Other financial liabilities	15	-	-	1,090.12	1,090.12	1,090.12
Total financial liabilities		-	-	2,626.17	2,626.17	2,626.17

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	5	-	-	710.70	710.70	710.70
Cash and cash equivalents	6	-	-	257.98	257.98	257.98
Loans	7	-	-	1,665.05	1,665.05	1,665.05
Other financial assets	8	-	-	2,523.78	2,523.78	2,523.78
Total financial assets		-	-	5,157.51	5,157.51	5,157.51
Financial liabilities :						
Borrowings	12A & 12B	-	-	409.44	409.44	409.44
Trade payables	14	-	-	645.73	645.73	645.73
Other financial liabilities	15	-	-	3,787.83	3,787.83	3,787.83
Total financial liabilities		-	-	4,843.00	4,843.00	4,843.00

Notes to financial instruments

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, borrowings, trade payables and other 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 instruments measured at fair value

31 March 2023	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Optionally convertible debentures	-	-	-	-
Total financial assets	-	-	-	-
Financial liabilities				
Optionally convertible debentures	-	-	-	-
Optionally convertible Preference shares	-	-	-	-
Total financial liabilities	-	-	-	-

(iii) Valuation technique used to determine fair value:

(a) the use of discounted cash flow method (income approach) for optionally convertible debentures.

(iv) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (iii) above for the valuation techniques adopted.

Particulars	Fair value as at		Data Inputs		Sensitivity(^)	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	1% increase in inputs	1% decrease in inputs
Optionally convertible debentures and Optionally convertible Preference shares issued	NA	-	NA	15.00%	NA	31 March 2024: Nil, 31 March 2023: Nil

Significant unobservable input: Discounting rate

(^) *this represents increase/decrease in fair values considering changes in inputs.*

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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 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 equivalent, loans, trade receivables, other financial assets measured at amortized cost	Ageing analysis
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts
Market risk – Interest rate	Long-term borrowings at variable rates	Sensitivity analysis

The Company's risk management is carried out by a central treasury department (of the group) under policies approved by the board of directors. The board of directors provides 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, loans, trade receivables, and other financial assets.

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	31 March 2024	31 March 2023
Low credit risk	Cash and cash equivalent, trade receivables(secured)	Life time expected credit loss	362.44	968.68
High credit risk	Other financial assets, loans & advances and unsecured trade receivables	Life time expected credit loss or fully provided for	0.28	4,188.83

(*) A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

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:

31 March 2024

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of
Trade receivables	352.25	-	352.25
Cash and cash equivalents	10.19	-	10.19
Other financial assets	0.28	-	0.28

31 March 2023

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of
Trade receivables	710.70	-	710.70
Cash and cash equivalents	257.98	-	257.98
Loans and advances	1,665.05	-	1,665.05
Other financial assets	2,523.78	-	2,523.78

Expected credit loss for trade receivables under simplified approach

Trade receivables are secured in a form that registration of sold residential 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 year, the Company made no write-offs of trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

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 in major currencies 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.

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27 Financial risk management (continued)

b. Liquidity risk (continued)

Maturities of financial liabilities

The tables below analyze 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.

31 March 2024	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	1,257.10	-	-	1,257.10
Trade payables	200.91	78.04	-	278.95
Other financial liabilities	1,090.12	-	-	1,090.12
Total	2,548.13	78.04	-	2,626.17

31 March 2023	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	60.68	491.93	-	552.61
Trade payables	204.29	441.44	-	645.73
Other financial liabilities	3,787.83	-	-	3,787.83
Total	4,052.80	933.37	-	4,986.17

c. Market risk

i Interest rate risk

Liabilities

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:

	31 March 2024	31 March 2023
Variable rate borrowing (*)	-	440.10
Fixed rate borrowing	1,257.10	-
Total borrowings	1,257.10	440.10

(*) Excluding the adjustment for unamortised processing fees and prepaid guarantee commission

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

Particulars

	31 March 2024	31 March 2023
Interest rates – increase by 50 basis points (50 bps)	(0.92)	(2.79)
Interest rates – decrease by 50 basis points (50 bps)	0.92	2.79

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 the loan from Holding company. This loan is the the most subordinate class of debt and is 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.

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 and 31 March 2023:

Particulars	31 March 2024	31 March 2023
Borrowings	1,257.10	409.44
Less: Cash and cash equivalents	(10.19)	(257.98)
Net debt	1,246.91	151.46
Total equity	622.31	2,439.79
Gearing ratio	2.00	0.06

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 had issued Optionally convertible debentures (OCDs) and Optionally convertible preference shares to its investors. Such instruments have been classified as borrowings as on 31 March 2023 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.

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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

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare, ensuring environmental sustainability, destitute care and rehabilitation and rural development projects.

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
a) Gross amount required to be spent by the Company during the year	20.18	12.50
b) Amount spent during the year on purposes other than construction/acquisition of any asset		
- Paid	20.18	12.50
- Yet to be paid	-	-
c) Shortfall at the end of the year,	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Educational activity	Educational activity

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.

33 Related party transactions

(i) Parties exercising control	Relationship
Shriram Properties Limited	Holding Company
(ii) Parties controlled by the company	
SPL Palms Developers Private Limited (formerly known as Suvilas Realities Private Limited)	Subsidiary [w.e.f. 25 November 2022]
(iii) Key managerial personnel	
Narasimhamurthy Nagendra	Director
Krishna Veeraraghavan	Director
Gopalakrishnan Jagadeeswaran	Director
Vaidyanathan Ramamurthy	Independent director
(iv) Other related parties	
Bengal Shriram Hitech City Private Limited	Fellow subsidiary
Shriprop Projects Private Limited	Fellow subsidiary
SPL Towers Private Limited	Joint Venture of the Holding Company

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

Nature of the party	Nature of balance	31 March 2024	31 March 2023
Shriram Properties Limited	Loans given by the Company	-	1,665.05
	Loan received by the Company	1,257.10	-
	Corporate guarantee given on behalf of the Company	-	1,100.00

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

Name of the party	Nature of Transaction	31 March 2024	31 March 2023
Shriram Properties Limited	Loan given by the Company	716.66	3,305.61
	Loan given by the Company, repaid	2,381.70	4,239.14
	Loan received by the Company	1,436.27	-
	Loan received by the Company, repaid	13.19	-
	Interest income on loan given	165.98	403.46
	Corporate guarantee received	-	1,100.00
	Corporate guarantee extinguished	1,100.00	2,000.00
	Guarantee commission expense	7.41	2.82
	Redemption of Optionally convertible debentures	3,100.00	-
	Redemption of Optionally convertible preference shares	48.54	-
SPL Towers Private Limited	Sale of materials	-	3.00
Shriprop Projects Private Limited	Sale of materials	-	1.99
Bengal Shriram Hitech City Private Limited	Cross charge of marketing expense on the Company	-	0.64
Vaidyanathan Ramamurthy	Director sitting fees	0.10	0.30
Krishna Veeraraghavan	Referral Commission	3.78	-

Shriprop Builders Private Limited
Summary of material accounting policies and other explanatory information
(All amounts in ₹ lakhs, unless otherwise stated)

34 Additional disclosures under Ind AS 115 (continued)

A. Reconciliation of revenue with contract revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contract revenue	5.72	1,180.68
Revenue recognised	5.72	1,180.68

B. Contract balances

The following table provides information about contract liabilities from contract with customers:

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities		
Revenue received in advance	11.65	29.54
Total contract liabilities	11.65	29.54
Receivables		
Trade receivables	352.25	710.70
Total receivables	352.25	710.70

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Contract liabilities		Contract liabilities	
	Revenue received in advance	Payable to land owner	Revenue received in advance	Payable to land owner
Opening balance	29.54	-	1,677.40	69.10
Additions/adjustments during the year	(12.17)	-	(536.28)	-
Revenue recognised during the year	(5.72)	-	(1,111.58)	(69.10)
Closing balance	11.65	-	29.54	-

D. The performance obligation of the Company in case of sale of residential plots and apartments is satisfied once the project is completed and control is transferred to the customers. The customer makes the payment for contracted price as per the instalment stipulated in the customers' agreement which can be cancelled by the customer at his convenience.

The transaction price of the remaining performance obligations (unsatisfied or partially unsatisfied) is Nil as at 31 March 2024 and 31 March 2023.

Shriprop Builders Private Limited
Summary of material accounting policies and other explanatory information
(All amounts in ₹ lakhs, unless otherwise stated)

35 Ratios required as per Schedule III requirements

Ratio Name	Numerator	Denominator	31 March 2024	31 March 2023	% of change	Explanation
Current ratio	Current Assets	Current Liabilities	0.13	1.12	(87.98%)	Note a
Debt equity ratio	Total Debt	Shareholders equity	2.02	0.17	1103.72%	Note a
Debt service coverage ratio	Earnings available for debt service (Net Profit after taxes + Interest + adjustments for non-cash items + other adjustments)	Debt service (finance cost payments + Principal repayments)	2.33	0.85	175.34%	Note a
Return on equity	Net profit after taxes	Average shareholders equity	(1.19)	0.29	(515.62%)	Note a
Inventory turnover ratio	Cost of revenue	Average inventory	NA	2.12	NA	NA
Trade receivables turnover ratio	Revenue from operations excluding other operating revenue	Average trade receivables	NA	4.02	NA	NA
Trade payables turnover ratio	Material and contract cost	Average trade Payables	NA	0.04	NA	NA
Net capital turnover ratio	Revenue from operations excluding other operating revenue	Working capital (Current assets - Current liabilities)	NA	2.09	NA	NA
Net profit ratio	Net profit after taxes	Revenue from operations excluding other operating revenue	NA	0.52	NA	NA
Return on capital employed	EBIT (Profit before tax + Interest)	Capital employed (Net worth + Total Debt + Deferred tax liability)	(1.32)	0.27	(591.73%)	Note a
Return on investment	Interest income on bank deposits	Average bank deposits	NA	NA	NA	NA

Notes

- a. Decrease in the current ratio, debt equity ratio, debt service coverage ratio, return on capital employed and return on equity is mainly on account of the lower profits during the current year as a result of the completion of the project in end of the previous year and redemption of optionally convertible debentures and optionally convertible preference shares at fair value higher than book value as on 31 March 2023 issued by the company.

Shriprop Builders Private Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise mentioned)

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.

37 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
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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 our report of even date attached

For Walker Chandiook & Co LLP

Chartered Accountants
Firm's Registration No.: 001076N/N500013
sd/-

Nikhil Vaid

Partner
Membership No.: 213356
Hyderabad
29 May 2024

For Abarna & Ananthan

Chartered Accountants
Firm's Registration No.: 000003S

sd/-

S Ananthan

Partner
Membership No.: 026379
Bengaluru
29 May 2024

**For and on behalf of the Board of Directors of
Shriprop Builders Private Limited**

sd/-

sd/-

Krishna Veeraraghavan

Director
DIN:06620405

Bengaluru
29 May 2024

Nagendra. N

Director
DIN: 07781675

Bengaluru
29 May 2024