

Walker Chandlok & Co LLP

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Independent Auditor's Report

To the Members of Bengal Shriram Hitech City Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Bengal Shriram Hitech City Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its profit (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.

Emphasis of Matter

4. We draw attention to Note no. 38(c) to the accompanying financials Statements, which describes the uncertainties due to the outbreak of 'COVID-19' pandemic and the management's evaluation of the same on the financial statements of the Company as at the balance sheet date. In view of these uncertainties, the impact on the Company's operations is significantly dependent on future developments as they evolve. Our opinion is not modified in respect of this matter.



Bengal Shriram Hitech City Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

5. We draw attention to Note no. 35 to the accompanying financial statements, regarding the restatement of comparative financial information for the year ended 31 March 2019 and as at 1 April 2018, in accordance with the principles of Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, for correction of certain misstatements identified in the current year which are further described in the aforesaid note. Our opinion is not modified with respect to this matter.

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

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of 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 Board of 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 for the Financial Statements

7. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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.
8. In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

9. 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.



Bengal Shriram Hitech City Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

10. As part of an audit in accordance with Standards on Auditing, 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - 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;
11. 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

12. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
13. As required by the Companies (Auditor's Report) Order, 2016 ('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.
14. 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;
 - 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;



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Bengal Shriram Hitech City Private Limited Independent Auditor's Report on the Audit of the Financial Statements

- 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 2020 from being appointed as a director in terms of section 164(2) of the Act;
- f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 01 September 2020 as per Annexure II expressed unmodified opinion; and
- g) 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 38(a) to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2020;
 - 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 2020;
 - 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 2020 ; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

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



Adi P. Sethna
Partner
Membership No:108840

UDIN:20108840AAAADJ9064

Place: Mumbai
Date: 01 September 2020

Bengal Shriram Hitech City Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

Annexure I to the Independent Auditor's Report of even date to the members of Bengal Shriram Hitech City Private Limited, on the financial statements for the year ended 31 March 2020

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets 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 verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.
- (ii) The Company is primarily engaged in the business of real estate development and related services and holds inventories only in the form of land and properties under development. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest.
 - (b) the schedule of repayment of the principal and the payment of the interest has not been stipulated and hence we are unable to comment as to whether repayments/receipts of the principal amount and the interest are regular;
 - (c) in the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days and whether reasonable steps have been taken by the Company for recovery of the principal amount and interest.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (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 products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. 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.



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Bengal Shriram Hitech City Private Limited Independent Auditor's Report on the Audit of the Financial Statements

Annexure I (Contd)

- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income tax	0.56 million	-	AY 2012-13	ITAT, Bangalore
Income Tax Act 1961	Income tax	0.03 million	-	AY 2013-14	ITAT, Bangalore
Income Tax Act 1961	Income tax	*	-	AY 2014-15	ITAT, Bangalore

***No tax liability, however disallowance is under appeal**

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the company since the company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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


Adi P. Sethna
Partner
Membership No: 108840

UDIN:20108840AAAADJ9064

Place: Mumbai
Date: 01 September 2020

Bengal Shriram Hitech City Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

Annexure II to the Independent Auditor's Report of even date to the members of Bengal Shriram Hitech City Private Limited, on the financial statements for the year ended 31 March 2020

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 Bengal Shriram Hitech City Private Limited ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management 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.



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Bengal Shriram Hitech City Private Limited Independent Auditor's Report on the Audit of the Financial Statements

Annexure II (Contd)

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 2020, 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 Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013



Adi P. Sethna
Partner
Membership No:108840

UDIN:20108840AAAADJ9064

Place: Mumbai
Date: 01 September 2020

Balance Sheet as at 31 March 2020

(All amounts in ₹ millions unless otherwise specified)

	Note	31 March 2020	31 March 2019 (Restated)	01 April 2018 (Restated)
I ASSETS				
Non-current assets				
(a) Property, plant and equipment	2	104.57	108.08	122.64
(b) Other intangible assets	3	0.78	0.05	0.22
(c) Investments	4	10.89	10.89	-
(d) Financial assets				
(i) Loans	5A	2.72	2.67	2.56
(ii) Other financial assets		-	-	17.37
(d) Non-current tax assets (net)	6	5.43	4.82	4.62
(e) Other non-current assets	8A	78.08	78.08	19.08
Total non-current assets		202.47	204.59	166.49
Current assets				
(a) Inventories	9	8,334.13	6,977.73	6,009.70
(b) Financial Assets				
(i) Trade receivables	10	169.42	262.73	11.06
(ii) Cash and cash equivalents	11	51.97	132.95	14.13
(iii) Bank balances other than (ii) above	12	-	131.83	-
(iv) Loans	5B	128.15	2.20	1.01
(v) Other financial assets	7	22.01	-	-
(c) Other current assets	8B	285.02	303.43	311.11
Total current assets		8,990.70	7,810.87	6,347.01
TOTAL ASSETS		9,193.17	8,015.46	6,513.50
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	13	493.65	493.65	493.65
(b) Other equity	14	1,519.80	1,436.85	1,630.25
Total equity		2,013.45	1,930.50	2,123.90
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	15A	0.36	0.72	0.37
(ii) Other financial liabilities	17A	610.74	903.17	1,042.88
(b) Provisions	18A	3.01	2.78	1.84
Total non-current liabilities		614.11	906.67	1,045.09
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	15B	1,872.52	2,017.02	2,312.04
(ii) Trade payables	16			
a. Total outstanding due of micro and small enterprises		9.48	0.71	-
b. Total outstanding dues other than (ii)a above		188.31	115.19	174.01
(ii) Other financial liabilities	17B	1,893.89	1,414.56	333.20
(b) Other current liabilities	19	2,600.34	1,630.11	1.11
(c) Provisions	18B	1.07	0.70	524.15
Total current liabilities		6,565.61	5,178.29	3,344.51
TOTAL EQUITY AND LIABILITIES		9,193.17	8,015.46	6,513.50

Summary of significant accounting policies 1.2

The accompanying notes are integral part of the financial statements

As per report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Adi P. Sethna
 Partner
 Membership No.: 108840

Mumbai
 01 September 2020

**For and behalf of the board of directors of
 Bengal Shriram Hitech City Private Limited**

M Murali
 Director
 DIN: 00030096

Bengaluru
 01 September 2020

Krishna Veeraraghavan
 Director
 DIN: 06620405

Bengaluru
 01 September 2020

Suresh Sarawagi
 Chief Financial Officer

Kolkata
 01 September 2020

Ramaswamy K
 Company Secretary
 ACS No.: 28580

Bengaluru
 01 September 2020



Bengal Shriram Hitech City Private Limited
Statement of profit and loss for the year ended 31 March 2020
(All amounts in ₹ millions unless otherwise specified)

	Note	Year ended 31 March 2020	Year ended 31 March 2019
Revenue			
Revenue from operations	20	676.33	-
Other income	21	7.58	4.51
		683.92	4.51
Expenses			
Material and contract costs		697.73	622.22
Changes in inventories	22	(756.40)	(968.03)
Employee benefits expense	23	83.15	65.62
Finance expense - net	24	443.84	277.49
Depreciation and amortisation expense	2&3	22.08	18.90
Other expenses	25	110.53	181.81
Total expenses		600.93	198.01
Profit/(loss) before tax		82.99	(193.50)
Tax expense	26	-	-
Profit/(loss) after tax		82.99	(193.50)
Other comprehensive income			
(a) Items that will not be reclassified to profit & loss			
(i) Remeasurement of (loss)/gain on defined benefit plans		(0.03)	0.10
Total other comprehensive (loss)/income for the year		(0.03)	0.10
Total comprehensive income/(loss) for the year		82.96	(193.40)
Earnings per equity share			
Basic & diluted (₹)	27	2.31	(5.39)

The accompanying notes are integral part of the financial statements

As per report of even date.

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

Adi P. Sethna
Partner
Membership No.: 108840

**For and behalf of the board of directors of
Bengal Shriram Hitech City Private Limited**

M Murali
Director
DIN: 00030096

Krishna Veeraraghavan
Director
DIN: 06620405

Suresh Sarawagi
Chief Financial Officer

Ramaswamy K
Company Secretary
ACS No.: 28580

Mumbai
01 September 2020

Bengaluru Bengaluru
01 September 2020 01 September 2020

Kolkata
01 September 2020

Bengaluru
01 September 2020



Bengal Shriram Hitech City Private Limited
Cash Flow Statement for the year ended 31 March 2020
(All amounts in ₹ millions, unless otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flows from operating activities:		
Profit / (Loss) before tax	82.99	(193.50)
Adjustments to reconcile profit/(loss) before tax to net cash flows		
Depreciation and amortisation	22.08	18.90
Income from guarantee commission	(1.76)	-
Foreign exchange loss / (gain), net	-	9.76
Loss/(profit) on sale of fixed assets / written off	0.11	(0.03)
Unwinding of refundable deposits	(54.33)	-
Finance expense, net	443.84	277.49
Operating cash flow before working capital changes	492.93	112.62
Working capital changes :		
(Increase) in inventories	(1,356.40)	(968.03)
(Increase) in loans and advances and other assets	(123.19)	(52.62)
Decrease/(increase) in trade receivables	93.31	(251.67)
Increase/ (decrease) in trade payables	81.89	(58.11)
Increase in current liabilities and provisions	1,000.28	2,037.81
Cash flows generated from operating activities	188.82	820.00
Tax paid	(0.60)	(0.20)
Net cash flows generated operating activities	188.22	819.80
Cash flows from investing activities:		
Purchase of property, plant and equipment	(1.23)	(4.23)
Purchase of computer software	(1.02)	-
Proceeds from sale of property, plant and equipment	0.01	0.08
Movement in bank deposits	131.00	(113.80)
Interest received	6.29	1.31
Investment in subsidiary	-	(0.10)
Net cash flows generated from/(used in) investing activities	135.06	(116.74)
Cash flows from financing activities:		
Proceeds from long term loan	-	0.87
Repayments of long term loan	(0.36)	(0.25)
Proceeds from short term loan	160.00	234.18
Repayments of short term loan	(407.62)	(26.55)
Outflow towards principal component of lease liability	(1.28)	-
Repayment of buyers credit	-	(121.85)
(Repayment)/proceeds of borrowings from related parties (net)	(54.55)	(559.76)
Finance cost paid	(100.44)	(110.89)
Net cash flows used in financing activities	(404.26)	(584.25)
Net (decrease)/increase in cash and cash equivalents	(80.98)	118.82
Cash and cash equivalents at beginning of the year	132.95	14.13
Cash and cash equivalents at the end of the year (Refer Note 11)	51.97	132.95



Bengal Shriram Hitech City Private Limited
Cash Flow Statement for the year ended 31 March 2020
(All amounts in ₹ millions, unless otherwise stated)

Cash flows from financing activities (continued):

Note:

Changes in current liabilities arising from cash and non-cash changes:

Liabilities	1 April 2018	Cash flow	Non cash changes			31 March 2019
			Amortisation of processing fee	Foreign exchange movements	Accrued interest	
Long-term borrowings (*)	0.55	0.62		-	-	1.17
Short-term borrowings (*)	613.67	207.63	2.05			823.34
Buyers credit	112.09	(121.85)	-	9.76	-	-
Loan from related party	1,586.28	(559.76)	-	-	167.16	1,193.68

Liabilities	1 April 2019	Cash flow	Non cash changes			31 March 2020
			Amortisation of processing fee	Foreign exchange movement	Accrued interest	
Long-term borrowings (*)	1.17	(0.36)		-		0.81
Short-term borrowings (*)	823.34	(247.62)	2.06		6.68	584.46
Loan from related party	1,193.68	(54.55)	-		148.93	1,288.06

(*) includes current maturities of long term borrowings classified under "other current financial liabilities"

As per report of even date.

For Walker Chandio & Co LLP

**For and behalf of the board of directors of
Bengal Shriram Hitech City Private Limited**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

M Murali
Director
DIN: 00030096

Krishna Veeraraghavan
Director
DIN: 06620405

Suresh Sarawagi
Chief Financial Officer

Ramaswamy K
Company Secretary
ACS No. :28580

Mumbai
01 September 2020

Bengaluru
01 September 2020

Bengaluru
01 September 2020

Kolkata
01 September 2020

Bengaluru
01 September 2020



Bengal Shriram Hitech City Private Limited
Statement of changes in equity for the year ended 31 March 2020
(All amounts in ₹ millions, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 1 April 2018	493.65
Changes in equity share capital during the year	-
Balance as at 31 March 2019	493.65
Changes in equity share capital during the year	-
Balance as at 31 March 2020	493.65

B. Other equity

Particulars	Reserves and surplus		
	Securities premium	Retained earnings	Total
Balance as at 1 April 2018	2,780.11	(1,149.86)	1,630.25
Loss for the year	-	(193.50)	(193.50)
Other comprehensive income	-	0.10	0.10
Balance as at 31 March 2019	2,780.11	(1,343.26)	1,436.85
Profit for the year	-	82.99	82.99
Other comprehensive income	-	(0.03)	(0.03)
Balance as at 31 March 2020	2,780.11	(1,260.30)	1,519.80

As per report of even date

For Walker Chandiook & Co LLP

Chartered Accountants

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1 Company overview and significant accounting policies

1.1 Company overview

Bengal Shriram Hitech City Private Limited ('the Company'), was incorporated on 17 November 2006. The registered office of the Company is located at Bengaluru, Karnataka, India. The Company is engaged in the business of real estate construction, development and other related activities. The company is a subsidiary of Shriram Properties Limited.

1.2 Significant accounting policies

a. Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 by Ministry of Corporate Affairs ('MCA'). The Company has uniformly applied the accounting policies during the periods presented.

The financial statements for the year ended 31 March 2020 were authorized and approved for issue by the Board of Directors on 01 September 2020.

b. Basis of preparation of financial statements

Going Concern

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.

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, except for share based payment transactions that are within the scope of Ind AS 102, 'Share-based Payment', leasing transactions that are within the scope of Ind AS 116, 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 'Inventories', or value in use in Ind AS 36 'Impairment of assets'.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which 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 year. 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. New and amended standards adopted by the Company

Amendments to Ind AS 12: Income taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events. An entity applies the amendments for annual reporting periods beginning on or after 1 April 2019, with early application permitted. When the entity first applies those amendments, it applies them to the income tax consequences of dividends recognised on or after the beginning of the earliest comparative period. These amendments had no impact on the financial statements of the Company.

Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete. The entity applies the amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019, with early application permitted. The amendment did not have any material impact on the financial statements of the Company.



1.2 Significant accounting policies (continued)

Transition to Ind AS 116

Ind AS 116 Leases replaces the existing lease standard, Ind AS 17 leases and other interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all ongoing lease contracts existing on 01 April 2019 using the modified retrospective method prescribed in para C8(b)(ii). The right-of-use asset is recognised at the date of initial application i.e., 1 April 2019 for leases previously classified as an operating lease at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Accordingly, the comparatives have not been restated.

Company as a lessee

The Company lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (1) the contract involves the use of an identified asset
- (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (3) the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset ("ROU") representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date.

The right-of-use assets is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of profit and loss.

The lease liability is initially measured at the present value of the future lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Company. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Appendix C to Ind AS 12: Income taxes

Appendix C - Uncertainty over Income Tax Treatment has been inserted in Ind AS 12. The appendix C to Ind AS 12 addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Company applies significant judgement in identifying uncertainties over income tax treatments. Upon adoption of the Interpretation, the Company considered whether it has any uncertain tax positions. The Company's tax filings include deductions based on the management judgement and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The amendment did not have any material impact on the financial statements of the Company.

e. Standards issued but not yet effective

Since there were no standard issued but not effective as at the financial statements issue date, the disclosure is not applicable.



1.2 Significant 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 million, 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. Current versus non-current classification

(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.

h. Revenue recognition

The Company has applied the following accounting policy in the preparation of its financial statements:

Revenue from contracts with customers

The Company recognises revenue from contracts with customers based on a five step model as set out in IndAS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

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.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in most of its revenue arrangements.



1.2 Significant accounting policies (continued)

h. Revenue recognition (continued)

Interest Income

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

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

i. Inventories

Properties under development

Properties plant and equipment are stated at their cost of acquisition. On transition to Ind AS i.e., on 01 April 2015, the Company had elected to measure all its property, plant and equipment at the 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 in arriving at the purchase price.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

j. Property, Plant and Equipment (PPE)

Recognition and initial measurement

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

Subsequent measurement

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

Depreciation and useful lives

Depreciation/amortization on fixed assets is provided on the straight-line method, based on the useful life of asset specified in Schedule II to the Companies Act, 2013. The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013 except shuttering materials whose life is estimated as 7 years. Residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Furniture and fixtures	10 years
Office equipment	5 years
Computer equipment	3 years
Vehicles	8 years
Right to use asset	6 years
Plant and machinery	10 years
Shuttering Material	7 years

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

The Company based on technical assessment made by technical expert and management estimated, depreciates shuttering material over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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.

k. Intangible assets

Recognition and initial measurement

Intangible assets (software) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortization)

The cost of capitalized software is amortized over a period of 3 years from the date of its acquisition on a straight line basis.

l. 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 capitalisation 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 capitalisation 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.

m. 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.



1.2 Significant accounting policies (continued)

n. Employee benefits

Defined contribution plan

The Company's contribution to provident fund is charged to the statement of profit and loss. The Company's contributions towards provident fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Defined benefit plan

The liability recognized in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries who use the projected unit credit method to calculate the defined benefit obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the year in which such gain or loss arise.

Vacation pay

The Company also provides benefit of vacation pay to its employees. Liability in respect of vacation pay becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss or inventorized as a part of project under development, as the case may be in the year in which such gains or losses arise.

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Other short-term benefits

Short-term employee benefits comprising employee costs including performance bonus is recognized in the statement of profit and loss on the basis of the amount paid or payable for the period during which services are rendered by the employee.

o. Tax expense

Income taxes

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

Current tax

Current tax is the amount of tax payable based on the taxable profit for the 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 are 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.

p. Earnings per share

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

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

q. Provisions

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

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

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



1.2 Significant accounting policies (continued)

r. Financial instruments

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.

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

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.

De-recognition of financial assets

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

s. 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.

t. 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 recognised 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 recognised less cumulative amortization.

De-recognition

A financial liability is de-recognised 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 recognised in the statement of profit or loss.



1.2 Significant accounting policies (continued)

u. 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.

v. 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

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.

w.. Investment In subsidiaries and joint ventures

The Company's investment in equity instruments of subsidiaries and joint ventures are accounted for at cost.

x. Segment reporting

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

y. Cash flow statement

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

The loans from related parties are in nature of current accounts. Hence, the transaction has been shown on a net basis in the cash flow statement.



1.3 Significant estimates in applying accounting policies

- a. Revenue from contracts with customers - The company has applied judgements as detailed in note 2.1(e) that significantly affect the determination of the amount and timing of revenue from contracts with customers.
- b. Net realizable value of inventory - The determination of net realisable value of inventory involves estimates based on prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling cost.
- c. 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.
- d. Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other assets.
- e. Defined Benefit Obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- f. 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.
- g. 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.
- h. Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- i. Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgement.



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 year is as follows:

Particulars	Shuttering material	Furniture and	Vehicles	Office equipment	Computers	Plant and machinery	Right to use of asset	Total
Gross carrying amount								
At 01 April 2018	119.50	0.36	1.76	1.87	2.45	0.76	-	126.70
Additions	1.34	0.05	0.96	0.37	1.47	-	-	4.19
Disposals/Adjustments	-	-	(0.87)	(0.12)	-	-	-	(0.99)
At 31 March 2019	120.84	0.41	1.85	2.12	3.92	0.76	-	129.90
Additions	0.09	-	-	0.38	0.75	-	17.18	18.41
Disposals/Adjustments	-	-	(0.06)	(0.51)	(0.04)	-	-	(0.62)
At 31 March 2020	120.94	0.41	1.79	1.99	4.64	0.76	17.18	147.69
Accumulated depreciation								
At 01 April 2018	1.40	0.06	0.92	0.26	1.29	0.13	-	4.06
Charge for the year (*)	17.14	0.04	0.16	0.53	0.74	0.08	-	18.69
Adjustments for disposals	-	-	(0.87)	(0.06)	-	-	-	(0.93)
At 31 March 2019	18.54	0.10	0.21	0.73	2.03	0.21	-	21.82
Charge for the year (*)	17.39	0.04	0.23	0.58	0.88	-	2.68	21.80
Adjustments for disposals	-	-	-	(0.45)	(0.04)	-	-	(0.49)
At 31 March 2020	35.93	0.14	0.44	0.86	2.87	0.21	2.68	43.13
Net block								
At 01 April 2018	118.10	0.30	0.84	1.61	1.16	0.63	-	122.64
At 31 March 2019	102.30	0.31	1.64	1.39	1.89	0.55	-	108.08
At 31 March 2020	85.00	0.27	1.35	1.13	1.77	0.55	14.50	104.57

(*) includes depreciation inventorized amounting to ₹ 17.39 million (31 March 2019 : ₹ 17.14 million).

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 2020 and 31 March 2019.

c. Property, plant and equipment pledged as security

Details of properties pledged are as per note no.28

3 Other intangible assets

Details of the Company's other intangible assets and reconciliation of their carrying amounts from beginning to end of reporting year is as follows:

Particulars	Computer software	Total
Gross carrying amount		
At 01 April 2018	0.66	0.66
Additions	0.04	0.04
Disposals/adjustments	-	-
At 31 March 2019	0.70	0.70
Additions	1.02	1.02
Disposals/adjustments	0.50	0.50
At 31 March 2020	2.22	2.22
Accumulated amortization		
At 01 April 2018	0.44	0.44
Charge for the year	0.21	0.21
Disposals/adjustments	-	-
At 31 March 2019	0.65	0.65
Charge for the year	0.28	0.28
Disposals/adjustments	0.50	0.50
At 31 March 2020	1.43	1.43
Net block		
At 31 March 2019	0.05	0.05
At 31 March 2020	0.78	0.78



Bengal Shriram Hitech City Private Limited
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	31 March 2020	31 March 2019
4 Investments - non-current		
(I) Investment in equity shares		
Unquoted		
Joint venture		
SPL Estates Private Limited (w.e.f. 01 April 2020) (*)	10.89	-
9,999 (31 March 2019- Nil) fully paid equity shares of ₹ 10 each		
Subsidiary		
SPL Estates Private Limited (upto 31 March 2020) (*)	-	10.89
Nil (31 March 2019- 9,999) fully paid equity shares of ₹ 10 each		
	<u>10.89</u>	<u>10.89</u>
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	10.89	10.89
Aggregate amount of impairment in value of investments	-	-
	<u>10.89</u>	<u>10.89</u>
(*) Pursuant to 'Debenture Trust Deed', the company along with the investor has the practical ability to control and direct the relevant activities of the project in SPL Estates and accordingly the project has been classified and accounted as a joint venture in accordance with Ind AS 111 'Joint arrangements'.		
5 Loans	31 March 2020	31 March 2019
A Non-current		
Unsecured, considered good		
Security deposits	2.72	2.67
	<u>2.72</u>	<u>2.67</u>
B Current		
Unsecured, considered good		
Loan to related parties (refer note 34)	112.68	-
Other advances	15.47	2.20
	<u>128.15</u>	<u>2.20</u>
6 Non-current tax assets(net)	31 March 2020	31 March 2019
Advance income tax, including tax deducted at source	5.43	4.82
	<u>5.43</u>	<u>4.82</u>
7 Other financial assets	31 March 2020	31 March 2019
Current		
Unbilled revenue	22.01	-
	<u>22.01</u>	<u>-</u>
8 Other assets	31 March 2020	31 March 2019
A Non-current		
Advance for purchase of land	78.08	78.08
	<u>78.08</u>	<u>78.08</u>
B Other current assets	31 March 2020	31 March 2019
Advance for project	167.64	156.10
Prepaid expenses	78.26	24.72
Balances with statutory authorities	39.12	72.61
Other deposits	-	50.00
	<u>285.02</u>	<u>303.43</u>
9 Inventories (*)	31 March 2020	31 March 2019 (Restated)
Properties under development		
Land cost	4,378.87	4,436.28
Material and construction cost (#)	3,955.26	2,541.45
	<u>8,334.13</u>	<u>6,977.73</u>

(*) Details of assets pledged are as per note 28

(#) Includes company's entitlement on proportionate share of constructed properties amounting to ₹ 600 million (31 March 2019 : ₹ Nil) pursuant to Joint Development Agreement entered with related parties. Refer note 34.



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10 Trade receivables (*)	31 March 2020	31 March 2019
Break up of security details		-
Trade receivables considered good - Secured	169.42	262.73
Trade receivables considered good- Unsecured	-	-
Receivables which have significant increase in credit risk	-	-
Credit impaired	-	-
	<u>169.42</u>	<u>262.73</u>

(*) Details of assets pledged are as per note 28

11 Cash and cash equivalents	31 March 2020	31 March 2019
Cash on hand	0.45	0.21
Balances with banks		
In current accounts	51.52	112.74
Bank deposits with original maturity upto three months	-	20.00
	<u>51.97</u>	<u>132.95</u>

Note:

As at 31 March 2020, the Company had available ₹20 million (31 March 2019 : ₹180 million) of undrawn committed borrowing facilities.

12 Other bank balances	31 March 2020	31 March 2019
With maturity of more than three months and upto twelve months	-	131.83
	<u>-</u>	<u>131.83</u>



Bengal Shriram Hitech City Private Limited
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13 Equity share capital	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Authorised				
Class A 'Equity share capital of face value of ₹ 10 each	2,15,00,000	215.00	2,15,00,000	215.00
Class B 'Equity share capital of face value of ₹ 10 each	1,25,00,000	125.00	1,25,00,000	125.00
Class C 'Equity share capital of face value of ₹ 10 each	15,00,000	15.00	15,00,000	15.00
Class D 'Equity share capital of face value of ₹ 10 each	7,50,000	7.50	7,50,000	7.50
Class 'A' compulsorily convertible cumulative preference shares of ₹ 10 each	1,35,00,000	135.00	1,35,00,000	135.00
	4,97,50,000	497.50	4,97,50,000	497.50
Issued, subscribed and fully paid up				
Class A 'Equity share capital of face value of ₹ 10 each	2,15,00,000	215.00	2,15,00,000	215.00
Class B 'Equity share capital of face value of ₹ 10 each	1,25,00,000	125.00	1,25,00,000	125.00
Class C 'Equity share capital of face value of ₹ 10 each	11,35,398	11.35	11,35,398	11.35
Class D 'Equity share capital of face value of ₹ 10 each	7,50,000	7.50	7,50,000	7.50
Class 'A' compulsorily convertible cumulative preference shares of ₹ 10 each	1,34,80,000	134.80	1,34,80,000	134.80
	4,93,65,398	493.65	4,93,65,398	493.65
(i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Equity shares				
Class A				
Balance at the beginning of the year	2,15,00,000	215.00	2,15,00,000	215.00
Movement during the year	-	-	-	-
Outstanding at the end of the year	2,15,00,000	215.00	2,15,00,000	215.00
Class B				
Balance at the beginning of the year	1,25,00,000	125.00	1,25,00,000	125.00
Movement during the year	-	-	-	-
Outstanding at the end of the year	1,25,00,000	125.00	1,25,00,000	125.00
Class C				
Balance at the beginning of the year	11,35,398	11.35	11,35,398	11.35
Movement during the year	-	-	-	-
Outstanding at the end of the year	11,35,398	11.35	11,35,398	11.35
Class D				
Balance at the beginning of the year	7,50,000	7.50	7,50,000	7.50
Movement during the year	-	-	-	-
Outstanding at the end of the year	7,50,000	7.50	7,50,000	7.50
Balance at the end of the period	3,58,85,398	358.85	3,58,85,398	358.85
(ii) Reconciliation of number of compulsory convertible shares outstanding at the beginning and at the end of the year				
	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Preference shares				
Balance at the beginning of the year	1,34,80,000	134.80	1,34,80,000	134.80
Movement during the year	-	-	-	-
Balance at the end of the year	1,34,80,000	134.80	1,34,80,000	135
(iii) Details of shareholder holding more than 5% share capital				
(a) Name of the equity shareholder	Number of shares	% holding in the class	Number of shares	% holding in the class
Class A	2,14,98,000	99.99%	2,14,98,000	99.99%
Shriram Properties Limited (Holding company)				
Class B	1,25,00,000	100.00%	1,25,00,000	100.00%
Shriram Properties Limited (Holding company)				
Class C	11,35,398	100.00%	11,35,398	100.00%
Shriram Properties Limited (Holding company)				
Class D	7,50,000	100.00%	7,50,000	100.00%
Shriram Properties Limited (Holding company)				
(b) Name of the preference shareholder	Number of shares	% holding in the class	Number of shares	% holding in the class
Shriram Properties Limited (Holding company)	1,34,80,000	100.00%	1,34,80,000	100.00%



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(iv) Rights, preferences and restrictions attached to each class of equity shares:

(a) Class A equity shares

Class A equity shares shall be entitled to one vote per equity share outstanding. Each Class A equity share shall be entitled to receive equal dividends. These shares are subject to the limitations on transfer specified in the Articles of Association. No dividends may be paid in respect of the Class A equity shares and no buy backs or redemptions of the Class A equity shares shall be allowed while any of the Class B equity shares, Class C equity shares and Class D equity shares remain outstanding.

(b) Class B, Class C and Class D equity shares

Class B, Class C and Class D equity shares shall not be entitled to vote on matters brought for a vote of the shareholders of the Company, except that no modification to the rights and obligations of Class B, Class C or Class D equity shares shall be made by the Company without the approval of the holders of the respective class of equity shares. These shares are subject to the limitations on transfer specified in the Articles of Association. In the event of a merger or amalgamation of the Company with another company, the holders of the Class B, Class C and Class D equity shares shall be entitled to receive an instrument providing substantially similar economic rights as they currently enjoy.

Class B equity shares shall be subject to re-purchase by the Company at a per share price of not less than the par value thereof.

Class C and Class D equity shares shall be subject to re-purchase by the Company at a price equal to the par value thereof or such other price as may be determined by the Company.

In the event of a public offering or sale of all the shares of the Company to third party, the Class C shares will convert, prior to such event, into such number of Class A equity shares which shall equal the aggregate par value of the Class C shares. The holder of Class C equity shares [other than Shriram Properties Limited ("SPL")] shall not be entitled to sell/ transfer such shares without prior written consent of SPL. SPL or any person/(s) nominated by it shall at all times be entitled to purchase from the holders of Class C equity shares (other than SPL), such shares at a price mutually agreed but not exceeding the aggregate par value of such shares. The Company may at any time at its option, convert all or any of the Class C equity shares into Class A equity shares, the value of which shall be equal to par value of such shares so converted. In case of liquidation/ winding up of the Company, the Class C equity share holders shall be entitled to receive the par value of such shares held.

(v) Rights attached to the preference shares:

Class A preference shares

The Class A preference shares shall be convertible at the election of the Company into Class A equity shares at the conversion rate of 0.000178 per share at any time after the tenth anniversary of the date of issuance of the Class A preference shares. Prior to any liquidation or winding up of the Company, the Class A preference shares shall be automatically converted into Class A equity shares at the aforesaid conversion rate. On the twentieth anniversary of the date of issuance of the Class A preference shares, the Class A preference shares that remain outstanding on that date shall be automatically converted into Class A equity shares at the aforesaid conversion rate.

(vi) 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:

There have been no buy-back of shares, issue of bonus share and issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the reporting date.

14 Other equity

Reserves and surplus
Securities premium
Retained earnings

31 March 2020	31 March 2019
2,780.11	2,780.11
(1,260.30)	(1,343.26)
<u>1,519.80</u>	<u>1,436.85</u>

(i) Nature and purpose of other reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act 2013.

15 Borrowings (*)

A Non-current

Secured loans

Term loans

From banks

Less :Amount disclosed under other financial liabilities (refer note 18)

31 March 2020	31 March 2019
0.81	1.17
(0.45)	(0.45)
<u>0.36</u>	<u>0.72</u>

B Current

Secured loans

Term loans

From others

Other facilities

Letter of credit

Unsecured loans

Loans and advances from related parties (refer note 34)

584.46	789.16
-	34.18
1,288.06	1,193.68
<u>1,872.52</u>	<u>2,017.02</u>

(*) Refer note 28 for assets pledged as security against borrowings.



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Summary of significant accounting policies and other explanatory information
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15 Borrowings (Continued)

Details on terms of repayment and security for outstanding borrowings:

SI.No	Particulars	Nature of security	Repayment details	Interest Rate	31 March 2020	31 March 2019
Non-Current borrowings						
Term loans from Banks (secured)						
1	IndusInd Bank Ltd	First charge by hypothecation of vehicle (Maruti New Ertiga Smart Hybrid).	Repayable in 47 equated monthly instalments commencing from November 2018	9.27%	0.55	0.76
2	IndusInd Bank Ltd	First charge by hypothecation of vehicle (M&M Bolero Power)	Repayable in 47 equated monthly instalments commencing from October 2017	8.54%	0.26	0.41
Total term loans from Banks (secured)					0.81	1.17
Current borrowings						
Term loans from others (secured)						
1	LIC Housing Finance Corporation	(a) Registered mortgage of 15.03 acres of land and structure thereon of project 'Shriram Grand City Phase 1' situated in Uttarpara, West Bengal (b) Assignment of receivables of project 'Shriram Grand City Phase 1' and project escrow account. (c) Corporate Guarantee of M/s Shriram Properties Limited.	Repayable after a moratorium period of 36 months in 20 monthly instalments of ₹ 40 million each and 4 monthly instalments of ₹ 50 million each starting June 2019	13.60%	586.68	793.44
Unamortized upfront fees on borrowing					-2.22	-4.28
					584.46	789.16
Letter of Credit (LC)						
2	Punjab National Bank	(a) Hypothecation of MFE Aluminium Formwork System including necessary accessories for residential project "Grand One" at Shriram Grand City Uttarpara, West Bengal. (b) Mortgage of 7.55 acres of project land and creation of exclusive first charge on the same. (c) Corporate guarantee of M/s Shriram Properties Limited.	All the LCs are repayable before 31 July 2019	-	-	34.18
Loans and advances from related parties (Unsecured loans)						
3	Shriram Properties Limited	Unsecured	Repayable on demand	13.00%	1,288.06	1,193.68
					1,288.06	1,193.68



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	31 March 2020	31 March 2019
16 Trade payables		
Dues to micro enterprises and small enterprises (*)	9.48	0.71
Due to others	188.31	115.19
	<u>197.79</u>	<u>115.90</u>

(*) Disclosure of dues

The Ministry of Micro, Small and Medium Enterprises has issue an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSME Act'). Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2019 has been made in the financial statements based on the information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. The disclosures as required under Section 22 of MSMED Act, 2006 under the Chapter on Delayed Payments to Micro, Small and Medium Enterprises is as follows:

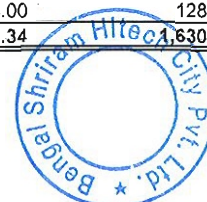
Particulars	31 March 2020	31 March 2019
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	9.48	0.71
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier 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.	Nil	Nil

	31 March 2020	31 March 2019 (Restated)
17 Financial liabilities		
A Non-current		
Non-compete fees payable (#)	596.68	903.17
Lease liability (refer note 33)	14.06	-
	<u>610.74</u>	<u>903.17</u>
B Current		
Non-compete fees payable (#)	982.02	493.44
Lease liability (refer note 33)	1.83	-
Other payables (*)	48.39	20.67
Current maturities of non-current borrowings (refer note 15)	0.45	0.45
Advances towards joint development agreement (refer note 34)	261.20	300.00
Security deposit (refer note 34)	600.00	600.00
	<u>1,893.89</u>	<u>1,414.56</u>

(#) In the earlier years, the Company had acquired land from an independent seller for a consideration of ₹ 2,794.68 million. In addition to above, the Company has agreed to take certain liability amounting to ₹ 1,944.7 million payable to Government of West Bengal. As per the arrangement, the payment was payable in the form of 4% of sales proceed from the project with a moratorium period of 3 years starting from 01 November 2014. The amount is payable along with interest of 6.25% p.a on a reducing balance method. The Company had erroneously not recorded the aforesaid liability in the previous years which has now been appropriately recorded. The above error did not had any impact on the retained earnings of the earlier years.

	31 March 2020	31 March 2019
18 Provisions		
A Non-current		
Provision for employee benefits:		
Gratuity (refer note 32)	3.01	2.78
	<u>3.01</u>	<u>2.78</u>
B Current		
Provision for employee benefits:		
Gratuity (refer note 32)	0.05	0.05
Compensated absences	1.02	0.65
	<u>1.07</u>	<u>0.70</u>

	31 March 2020	31 March 2019
19 Other current liabilities		
Payable to statutory authorities	19.56	13.16
Deferred income	9.03	10.79
Advance from customers	2,333.75	1,368.16
Security deposit	110.00	110.00
Advances towards joint development agreement	128.00	128.00
	<u>2,600.34</u>	<u>1,630.11</u>



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	Year ended 31 March 2020	Year ended 31 March 2019
20 Revenue from operations		
Revenue from transfer of development rights (*) (refer note 34)	654.33	-
Other operating revenue		
Administrative income (refer note 34)	22.01	-
	<u>676.33</u>	<u>-</u>
(*) During the previous year, the company had transferred development rights w.r.t. 19.71 acres of land to SPL Estates Private Limited vide joint development agreement in consideration for a certain percentage in the project, which has been measured at fair value. In the current year, necessary project approvals were received from the respective government authorities. The company have recognised 654.33 million as "Revenue from transfer of development rights". Further the Company has recognised the aforesaid share in the project under "Project under development".		
21 Other income		
Profit on sale of fixed assets	-	0.03
Guarantee commission (refer note 34)	1.76	-
Miscellaneous income	5.82	4.48
	<u>7.58</u>	<u>4.51</u>
22 Changes in inventory		
Inventory at the beginning of the year	6,977.73	6,009.70
Inventory at the end of the year	8,334.13	6,977.73
	<u>-1,356.40</u>	<u>-968.03</u>
Add: Adjustment of fair value of revenue share of Joint Development agreement (*)	600.00	-
	<u>-756.40</u>	<u>-968.03</u>
(*) The Company has transferred development rights to its joint venture, SPL Estates Private Limited in the previous year in consideration for a certain percentage share in the project. Accordingly, the Group has recognised the aforesaid share in the project under the head 'properties under development'.		
23 Employee benefits expense		
Salaries and wages	74.34	58.51
Contribution to provident fund and other funds (refer note 31)	3.13	2.60
Staff welfare expenses	5.39	3.69
Gratuity (refer note 32)	0.29	0.82
	<u>83.15</u>	<u>65.62</u>
24 Finance expense, net(*)		
Finance expense:		
Interest expense		
- Term loans	104.96	95.76
- on loan from related party (refer note 34)	148.93	167.16
- on buyers' credit	-	12.54
Unwinding of discount on land cost payable	182.09	-
Unwinding of refundable deposit received	15.52	-
Interest on lease liability	2.16	-
Loan and other processing charges	2.06	4.00
	<u>455.73</u>	<u>279.46</u>
Finance income:		
Interest income		
- Fixed deposit	5.49	1.97
- on loan to related party (refer note 34)	6.40	-
	<u>11.89</u>	<u>1.97</u>
Finance expense, net	<u>443.84</u>	<u>277.49</u>
(*) Includes finance expense capitalized amounting to ₹ 425.27 millions for the year ended 31 March 2020 (31 March 2019 ₹ 265.68 millions)		



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	Year ended 31 March 2020	Year ended 31 March 2019
25 Other expenses		
Advertisement and sales promotion	37.49	63.68
Legal and professional charges (*)	12.17	15.62
Traveling and conveyance expenses	12.14	8.95
Power and fuel expenses	1.95	1.66
Printing and stationery	1.02	0.81
Rates and taxes	20.97	62.69
Rent expenses	0.96	3.95
Repairs and maintenance		
Buildings	-	0.01
Others	8.41	5.73
Brokerage expenses	-	2.67
Communication expenses	2.50	1.83
Security expenses	7.88	4.55
Insurance expenses	0.15	0.19
Bank charges	0.59	5.17
Miscellaneous expenses	4.20	2.15
Site expenses	0.11	2.15
	110.53	181.81

(*) Payment to auditors (excluding applicable taxes) [included in legal and professional charges]

Audit fee	0.80	0.80
Reimbursement of expenses	0.04	0.03
	0.84	0.83

26 Income tax

A. Income tax expense reported in the statement of profit and loss Nil Nil

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

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% and the reported tax expense in profit or loss are as follows:

	Year ended 31 March 2020	Year ended 31 March 2019
Accounting profit before tax from continuing operations	82.99	-193.50
At India's statutory income tax rate of 25.168% (31 March 2019 : 26.00%)	20.89	-50.31
Less: Unrecorded deferred tax asset on carry forward losses and other temporary differences		50.31
Less: Adjustment of brought forward losses of previous year	-20.89	-
Income tax expense	-	-

C. 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 ₹1,259.97 million (31 March 2019- ₹1,117.93 million) as at 31 March 2020. The above losses will expire over 1-8 years.

27 Earnings per share (EPS)

The Company's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders' of the Parent. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options (using the treasury stock method for options), except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended 31 March 2020	Year ended 31 March 2019
Net profit/(loss) after tax attributable to equity shareholders	82.99	(193.50)
Equity shares	3,58,85,398	3,58,85,398
Potential equity shares on conversion of compulsorily convertible preference shares	2,400	2,400
Weighted average number of equity shares outstanding during the year	3,58,87,798	3,58,87,798
Earnings per share		
Basic and diluted (₹)	2.31	(5.39)



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	31 March 2020	31 March 2019
28 Assets pledged as security		
The carrying amounts of assets pledged as security for current borrowings are:		
Non-current		
First charge		
Financial assets		
Trade receivables	169.42	262.73
Non-financial assets		
Shuttering material	-	102.30
Vehicles	1.32	1.52
Current		
Non-financial assets		
First charge		
Inventories	4,540.85	3,008.84
Total current assets pledged as securities	4,711.59	3,375.40

29 Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2020 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Loans	5A & 5B	-	-	130.87	130.87	130.87
Trade receivables	10	-	-	169.42	169.42	169.42
Cash and cash equivalents including other bank balances	11 & 12	-	-	51.97	51.97	51.97
Other financial assets	7	-	-	-	-	-
Total financial assets		-	-	352.26	352.26	352.26
Financial liabilities :						
Borrowings(*)	15A & 15B	-	-	1,873.33	1,873.33	1,873.33
Trade payables	16	-	-	197.79	197.79	197.79
Other financial liabilities	17A & 17B	-	-	2,504.19	2,504.19	2,504.19
Total financial liabilities		-	-	4,575.30	4,575.30	4,575.30

(*) including current maturities of long term borrowings.

The carrying value and fair value of financial instruments by categories as at 31 March 2019 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Loans	5A & 5B	-	-	4.87	4.87	4.87
Trade receivables	10	-	-	262.73	262.73	262.73
Cash and cash equivalents including other bank balances	11 & 12	-	-	264.78	264.78	264.78
Total financial assets		-	-	532.38	532.38	532.38
Financial liabilities :						
Borrowings(*)	15A & 15B	-	-	2,018.19	2,018.19	2,018.19
Trade payables	16	-	-	115.90	115.90	115.90
Other financial liabilities	17A & 17B	-	-	2,317.28	2,317.28	2,317.28
Total financial liabilities		-	-	4,451.37	4,451.37	4,451.37

(*) including current maturities of long term borrowings.

i. Notes to financial instruments

The management assessed that the fair value of cash and cash equivalents, loans, other financial assets, trade payables, short term borrowings 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.

ii. Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position 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: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: Inputs for the assets or liabilities that are not based on the observable market data (unobservable inputs)

iii. Financial assets and liabilities measured at fair value - recurring fair value measurements

The Company does not have any financial instruments which are measured at fair value either through statement of profit and loss or through other comprehensive income.



30 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, trade receivables, financial assets measured at	Ageing analysis
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts
Market risk – Foreign currency	Recognised financial liabilities not denominated in Indian Rupees (INR)	Sensitivity analysis
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 as interest rate risk, credit risk and investment of excess liquidity.

A. Credit risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortized cost and deposits with banks and

Credit risk management

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

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. 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 provides for expected credit loss based on the following:

Asset group	Description	Provision for expenses credit	31 March 2020	31 March 2019
Low credit risk	Cash and cash equivalent, other bank balances, trade receivables, loss/life time expected credit loss loans and other financial assets.	12 months expected credit	352.26	532.38

(*) 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 Group 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 Group provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets:

31 March 2020

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	169.42	-	169.42
Loans	130.87	-	130.87
Cash and cash equivalents and other bank balances	51.97	-	51.97
Other financial assets	22.01	-	22.01

31 March 2019

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	262.73	-	262.73
Loans	4.87	-	4.87
Cash and cash equivalents and other bank balances	264.78	-	264.78



Expected credit loss for trade receivables under simplified approach

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

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

Maturities of financial liabilities

The tables below analyse 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 2020	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	1,746.76	183.05	-	1,929.81
Trade payables	193.15	4.64	-	197.79
Other financial liabilities	764.35	2,596.34	165.92	3,526.61
Total	2,704.26	2,784.03	165.92	5,654.21
31 March 2019	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	1,657.88	475.69	-	2,133.57
Trade payables	114.82	1.08	-	115.90
Other financial liabilities	648.96	1,708.81	1,118.58	3,476.35
Total	2,421.66	2,185.58	1,118.58	5,725.82

c. Market risk

a. Interest rate risk

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

	31 March 2020	31 March 2019
Variable rate borrowing	580.81	828.79
Fixed rate borrowing	1,288.06	1,193.68
Total borrowings	1,868.87	2,022.47

Interest rate risk

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

Particulars	31 March 2020	31 Mar 2019
Interest rates – increase by 50 basis points (50 bps)	(3.86)	(3.52)
Interest rates – decrease by 50 basis points (50 bps)	3.86	3.52

31 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. 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.

Particulars	31 March 2020	31 Mar 2019
Long term borrowings	0.36	0.72
Current maturities of non-current borrowings	0.45	0.45
Short term borrowings	1,872.52	2,017.02
Less: Cash and cash equivalents	(51.97)	(132.95)
Less: Bank balances other than cash and cash equivalents	-	(131.83)
Net debt	1,821.36	1,753.41
Total equity	2,013.45	1,930.50
Gearing ratio	0.90	0.91

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

(ii) Debt is defined long term and short term borrowings

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets the requirements of the regulatory framework. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2020 and 31 March 2019.



32 A. Defined benefit plan

The Company has gratuity and vacation pay as defined benefit retirement plans for its employees. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age. The company have no plan assets as at 31 March 2020 and 31 March 2019.

The following tables set out the funded status of gratuity plans and the amount recognized in Company's financial statements:

	31 March 2020	31 March 2019
1 The amounts recognized in the Balance Sheet are as follows:		
Present value of the obligation as at the end of the year	3.06	2.83
Fair value of plan assets as at the end of the year	-	-
Net liability recognized in the Balance Sheet	<u>3.06</u>	<u>2.83</u>
2 Changes in the present value of defined benefit obligation		
Defined benefit obligation as at beginning of the year	2.83	2.11
Service cost	0.13	0.64
Interest cost	0.16	0.18
Actuarial losses/(gains) arising from		
- change in demographic assumptions	-	(0.02)
- change in financial assumptions	0.28	(0.25)
- experience variance (i.e. Actual experiences assumptions)	(0.25)	0.17
Benefits paid	(0.09)	-
Defined benefit obligation as at the end of the year	<u>3.06</u>	<u>2.83</u>
3 Fair value of planned assets as at the end of the year		
Non-current	3.01	2.78
Current	0.05	0.05
Assumptions used in the above valuations are as under:		
Discount rate	6.84%	7.78%
Salary increase	4.14%	4.14%
Attrition rate	3.43%	3.43%
Retirement age	60 years	60 years
4 Net gratuity cost		
Service cost	0.13	0.64
Net interest cost on the net defined benefit liability	0.16	0.18
Components of defined benefit costs recognized in Statement of Profit and Loss	<u>0.29</u>	<u>0.82</u>
5 Other comprehensive Income		
Change in financial assumptions	(0.28)	0.25
Change in demographic assumptions	-	0.02
Experience variance (i.e. actual experience versus assumptions)	0.25	(0.17)
Components of defined benefit costs recognized in other comprehensive income	<u>(0.03)</u>	<u>0.10</u>
6 Experience Adjustments		
Defined benefit obligation at the end of the year	3.06	2.83
Plan assets	-	-
Surplus/(deficit)	3.06	2.83
Experience adjustments on plan liabilities	(0.25)	0.17
Experience adjustments on plan assets	-	-
7 Maturity Profile of Defined Benefit Obligation		
Year	31 March 2020	31 March 2019
a) April 2019 - March 2020	-	0.06
b) April 2020 - March 2021	0.05	0.07
c) April 2021 - March 2022	0.05	0.06
d) April 2022 - March 2023	0.06	0.06
e) April 2023 - March 2024	0.10	0.07
f) April 2024 onwards	7.41	6.72
	<u>7.68</u>	<u>7.03</u>

B. Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees State Insurance Scheme as per the Employees' State Insurance Act, 1948. This is a defined contribution and contribution made was ₹ 3.13 millions for the year ended 31 March 2020 (31 March 2019 - ₹ 2.60 millions)

C. Compensated absences

Assumptions used in accounting for vacation pay:

Interest rate	6.84%	7.78%
Discount rate	4.14%	4.14%
Salary increase	3.43%	3.43%
Attrition rate	60 years	60 years
Retirement age		



32 Defined benefit plan (contd.)

D. Sensitivity analysis

Description of risk exposures

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

Interest rate risk :	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of liability (as shown in financial statements).
Liquidity Risk:	This is the risk that the Company is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Salary Escalation Risk:	The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic Risk:	The company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Regulatory Risk:	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (for example, increase in the maximum liability on gratuity of ₹ 2.00 million).
Asset Liability Mismatching or Market Risk:	The duration of the liability is longer compared to duration of assets exposing the company to market risks for volatilities/fall in interest rate.
Investment Risk:	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Gratuity	31-Mar-20		31-Mar-19	
	Decrease	Increase	Decrease	Increase
Discount rate (+ / - 1.0%)	12.45%	10.62%	10.61%	9.23%
Salary growth rate (+ / - 1.0%)	10.90%	12.61%	9.57%	10.86%
Attrition rate (+ / - 1.0%)	0.73%	0.49%	1.15%	0.92%

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There are no changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

There is no change in the method of valuation for the prior period.

33 Leases

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2020:

		3.79
		16.86
	ROU asset	1.90
Particulars	Buildings	
Gross block as on 01 April 2019	-	
Impact on account of adoption of Ind As 116	17.18	17.18
Depreciation for the period	(2.68)	(2.68)
Gross block as on 31 March 2020	14.50	14.50

The following is the movement in lease liabilities during the year ended 31 March 2020

Particulars	Lease liability	Total
As on 01 April 2019	-	-
Additions on account of adoption of Ind As 116	17.18	17.18
Payments	(1.28)	(1.28)
As on 31 March 2020	15.89	15.89
Current	1.83	1.83
Non-current	14.07	14.07

The incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 13%

Lease liabilities:

The maturity analysis of lease liabilities are disclosed below:

	31 March 2020
Not later than one year	3.79
Later than one year and not later than five year	16.86
Later than five years	1.90
Total	22.55

Carrying value of lease liability as at 31 March 2020 is ₹ 15.89 million

The following are the amounts recognised in profit & loss

	31 March 2020
Depreciation expense of right-of-use assets	2.68
Interest expense on lease liabilities	1.38
Expense relating to short-term leases	0.96
Total amount recognised in profit or loss	5.02



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34 Related party transactions

(i) Names of the related parties and description of relationship

(a) Party exercising control	Relationship
Shriram Properties Limited	Holding company
(b) Key management personnel (KMP)	
M Murali	Director
Krishna Veeraraghavan	Director
Sundaram Balasubramanian	Whole time director
Vaidyanathan Ramamurthy	Independent director (w.e.f. 9 July 2018)
Balamurugan Jeeva Rathinam	Independent director (w.e.f. 27 March 2020)
(c) Subsidiaries or Joint ventures	
SPL Estates Private Limited	Joint venture (w.e.f. 01 April 2019)
SPL Estates Private Limited	Subsidiary company (untill 31 March 2020)
(d) Entities controlled/significantly influenced by key management personnel (other related parties)	
Shriprop Properties Private Limited	Fellow subsidiary
SPL Properties BNE Private Limited	Other related party (untill 21 September 2018)
Twentyfirst Century Infrastructure Private Limited	Other related party (untill 21 September 2018)

(ii) Balances with related parties

Particulars	31 March 2020	31 March 2019
Shriram Properties Limited		
Borrowings	1,288.06	1,193.68
SPL Estates Private Limited		
Corporate guarantee given	400.00	400.00
Advances received towards	261.20	300.00
Unbilled revenue	22.01	-
Advance given by the Company	112.68	3.10
Proportionate share of revenue receivable	600.00	
Shriprop Properties Private Limited		
Security deposit received	600.00	600.00

(iii) Transactions during the year

Particulars	31 March 2020	31 March 2019
Sundaram Balasubramanian		
Remuneration paid(*)/(#)	-	0.58
Shriram Properties Limited		
Loan taken	218.26	250.17
Loan repaid	123.91	642.79
Interest expense on borrowings	148.93	167.16
SPL Properties BNE Private Limited		
Deposit given	-	12.00
Shriprop Properties Private Limited		
Security deposit received	-	600.00
SPL Estates Private Limited		
Interest Income on advances	6.40	-
Loan given	103.18	3.10
Deposit received	-	300.00
Income from guarantee comission	1.76	-
Administrative income	22.01	-
Corporate guarantee given	-	400.00
Revenue from transfer of development rights	654.33	-

(*) As the provision for liability for gratuity and vacation pay is provided on an actuarial basis for the company as a whole, the amount pertaining to individuals is not ascertainable and therefore not included above.

(#) Includes contribution to provident fund



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(All amounts in ₹ millions, unless otherwise stated)

35 Reclassification and restatement

A. Restatement:

While preparing the financial statements for the previous years, the Company has erroneously not recorded the liability arising out of acquisition of land as detailed in note 18. The aforementioned errors have impacted Inventories and other financial liabilities. The management has identified and corrected the error retrospectively by restating the comparative amounts for prior year presented.

B. Reclassification:

Certain previous year numbers have been regrouped/reclassified to conform to the current year's classification. The effect of restatement and reclassification on financial statement line items for prior years as follows:

Particulars	01 April 2018 Reported	Restatement (refer note A above)	1 April 2018 (Restated)	
Asset				
Inventories	4,651.66	1,358.04	6,009.70	
Liabilities				
Other financial liabilities (Non Current)	-	1,042.88	1,042.88	
Other financial liabilities (Current)	18.05	315.16	333.20	
Particulars	31 March 2019 Reported	Reclassification (refer note B above)	Restatement (refer note A above)	31 March 2019 (Restated)
Asset				
Inventories	5,619.69	-	1,358.04	6,977.73
Liabilities		-		
Other financial liabilities (Non Current)	-	-	903.17	903.17
Other financial liabilities (Current)	659.69	300.00	454.87	1,414.56
Other current liabilities	1,930.11	-300.00	-	1,630.11

36 Disclosures required under Ind AS 115 (Revenue from contract with customers)

a. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	As at 31 March 2020	As at 31 March 2019
Contract assets		
Unbilled revenue	22.01	-
Total contract assets	22.01	-
Contract liabilities		
Advance from customers	2,333.75	1,368.16
Total contract liabilities	2,333.75	1,368.16
Receivables		
Trade receivables	169.42	262.73
Total receivables	169.42	262.73

Contract asset is the right to consideration that is conditional upon factors other than the passage of time. Contract assets are initially recognised for revenue earned from property under development rendered but yet to be billed to customers. Upon billing of invoice, the amounts recognised as contract assets are reclassified to trade receivables. During the year ended 31 March 2020 and 31 March 2019, the Company does not have any contract assets (conditional upon factors other than passage of time).

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

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

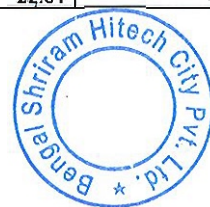
Particulars	Contract liabilities Advances from customers	
	As at 31 March 2020	As at 31 March 2019
Opening balance	1,368.16	281.57
Addition during the year	965.59	1,086.59
Revenue recognised during the year	-	-
Closing balance	2,333.75	1,368.16

c. The performance obligation of the Company in case of sale of residential plots and apartments and commercial office space 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 installment stipulated in the customers's Agreement.

The transaction price of the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2020 is ₹4,663.83 million (31 March 2019 is ₹2,800.32 million). The same is expected to be recognised within 1 to 4 years.

d. Reconciliation of revenue recognised with contract revenue:

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Contract revenue	22.01	-
Revenue recognised	22.01	-



Bengal Shriram Hitech City Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, unless otherwise stated)

37 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 Ind AS 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.

38 Other commitments and contingencies :

A. Contingent liabilities

- The Company is involved in a legal case on land for environmental issues. The same is pending with the Writ Court and scheduled for hearings shortly. After considering the circumstances and legal advice received the management believes that this case will not adversely affect its financial statements.
- The Company received tax demands from the Income tax authorities, arising on disallowance of business loss due to non-commencement of business for the fiscal years ended 31 March 2012, 31 March 2013 and 31 March 2014. The Company is contesting the above demands and considering the facts and nature of disallowances the management believes that the final outcome of the disputes should be in favour of the Company and will not have any material adverse effect on the financial position and results of operations.

B. Financial guarantees

Guarantee given by the company on behalf of joint venture (refer note 33)

31 March 2020	31 March 2019
400.00	400.00

- World Health Organisation (WHO) declared outbreak of Corona virus Disease (COVID-19) a global pandemic on 11 March 2020. Consequent to this, the Government of India declared national wide lockdown on 25 March 2020 and the Company suspended the operations in all ongoing project in compliance with the lockdown instructions issued by the Central and respective State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in project execution, supply chain disruption and unavailability of personnel during the lockdown period.

The Company has made detailed assessment of its liquidity position and going concern, recoverability and carrying value of its financial and non-financial assets. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these consolidated financial statements.

The Central and State Governments have initiated steps to lift the lockdown and the Company has resumed its operations gradually. The Company will continue to monitor any material changes to future economic conditions.

39 Corporate social responsibility expenses

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2020.

40 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2020 and the date of authorization of these financial statements.

As per report of even date

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

For and behalf of the board of directors of
Bengal Shriram Hitech City Private Limited

Adi P. Sethna
Partner
Membership No. : 108840

M Murali
Director
DIN: 00030096

Krishna Veeraraghavan
Director
DIN: 06620405

Suresh Sarawagi
Chief Financial Officer

Ramaswamy K
Company Secretary
ACS No. :28580

Mumbai
01 September 2020

Bengaluru
01 September 2020

Bengaluru
01 September 2020

Kolkata
01 September 2020

Bengaluru
01 September 2020

