

## **Independent Auditor's Report**

**To the Members of Shriprop Builders Private Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

1. We have audited the accompanying financial statements of **Shriprop Builders Private Limited** ('the Company'), which comprise the Balance Sheet as at **31 March 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 loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

4. We draw attention to Note 34 to the accompanying financial statements, which describes the uncertainties due to the outbreak of 'COVID-19' pandemic and the management's evaluation of its impact on the accompanying financial statements and operations of the Company as at the balance sheet date, the extent of which is significantly dependent on future developments as they evolve. Our opinion is not modified in respect of this matter.



**Shriprop Builders Private Limited**  
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**Information other than the Financial Statements and Auditor's Report thereon**

5. 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**

6. 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.
7. 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**

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



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

**Report on Other Legal and Regulatory Requirements**

11. Based on our audit, we report that the 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.
12. 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.
13. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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;
  - 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



**Shriprop Builders Private Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

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- 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 28 to the financial statements, has disclosed the impact of pending litigation 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.;
  - 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. Setbna**  
Partner  
Membership No:108840

**UDIN:20108840AAAADH5565**

Place: Mumbai  
Date: 01 September 2020



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

**Abarna Bhaskar**  
Partner  
Membership No:025145

**UDIN: 20025145AAAAAN 6734**

Place: Bengaluru  
Date: 01 September 2020

**Shriprop Builders 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 Shriprop Builders 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 holds inventory in the form of land, properties under development and constructed properties. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (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) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) Undisputed statutory dues including income-tax, sales-tax, service tax, goods and services 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.
- (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 (₹ in million)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Interest on TDS u/s 201(1A)	0.99	-	2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Interest on TDS u/s 201(1A)	0.71	-	2017-18	Commissioner of Income Tax (Appeals)





**Shriprop Builders Private Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

**Annexure I (Contd)**

- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or government or any dues to debenture-holders during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained, though idle/surplus funds which were not required for immediate utilization were temporarily used for the purpose other than for which the loan was sanctioned but were ultimately utilized for the stated end-use.
- (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 Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No:001076N/N500013



**Adi P. Sethna**  
Partner  
Membership No:108840

**UDIN:20108840AAAADH5565**

Place: Mumbai  
Date: 01 September 2020



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



**Abarna Bhaskar**  
Partner  
Membership No:025145

**UDIN: 20025145AAAAAN 6734**

Place: Bengaluru  
Date: 01 September 2020

**Shriprop Builders Private Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

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



**Shriprop Builders 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 Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No:001076N/N500013



**Adi P. Sethna**  
Partner  
Membership No:108840

**UDIN:20108840AAAADH5565**

Place: Mumbai  
Date: 01 September 2020



For **Abarna & Ananthan**  
Chartered Accountants  
Firm's Registration No:0000035



**Abarna Bhaskar**  
Partner  
Membership No:025145

**UDIN: 20025145AAAAAN6734**

Place: Bengaluru  
Date: 01 September 2020



**Balance sheet as at 31 March 2020**  
 (All amounts in ₹ millions, unless otherwise specified)

	Note	As at 31 March 2020	As at 31 March 2019
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	0.08	0.18
(b) Financial assets			
(i) Investments	6A	0.75	0.00
(ii) Other financial assets	3A	0.03	0.03
(c) Non-current tax assets (net)	4	17.95	1.42
<b>Total non-current assets</b>		<b>18.81</b>	<b>1.63</b>
<b>Current assets</b>			
(a) Inventories	5	1,203.51	1,705.06
(b) Financial assets			
(i) Investments	6B	430.08	5.09
(ii) Trade receivables	7	207.19	401.39
(iii) Cash and cash equivalents	8	37.77	50.04
(iv) Other financial assets	3B	175.27	315.00
(c) Other current assets	9	37.74	105.02
<b>Total current assets</b>		<b>2,091.56</b>	<b>2,581.60</b>
<b>Total assets</b>		<b>2,110.37</b>	<b>2,583.23</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	10	0.20	0.20
(b) Other equity	11	(80.72)	(64.50)
<b>Total Equity</b>		<b>(80.52)</b>	<b>(64.30)</b>
<b>Liabilities</b>			
<b>Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	12A	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	12B	567.04	529.54
(ii) Trade payables	13		
- total outstanding dues of micro enterprises and small enterprises		12.67	8.66
- total outstanding dues of creditors other than micro enterprises and small enterprises		150.70	157.62
(iii) Other financial liabilities	14	27.52	209.09
(b) Current tax liabilities	15	-	35.81
(c) Other current liabilities	16	1,432.96	1,706.81
<b>Total current liabilities</b>		<b>2,190.89</b>	<b>2,647.53</b>
<b>Total equity and liabilities</b>		<b>2,110.37</b>	<b>2,583.23</b>

**Significant accounting policies**

1.2

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

As per report of even date

**For Walker Chandlok & Co LLP**  
 Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Adi P. Sethna**  
 Partner  
 Membership No.: 108840

Mumbai  
 01 September 2020



**For Abarna & Ananthan**  
 Chartered Accountants

Firm's Registration No.: 000003S

**Abarna Bhaskar**  
 Partner  
 Membership No.: 025145

Bengaluru  
 01 September 2020



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

**Krishna Veeraraghavan**  
 Director  
 DIN: 06620405

Bengaluru  
 01 September 2020

**Nagendra. N**  
 Director  
 DIN: 07781675

Bengaluru  
 01 September 2020



**Shriprop Builders Private Limited**  
**Statement of profit and loss for the year ended 31 March 2020**  
**(All amounts in ₹ millions, unless otherwise specified)**

		Year ended 31 March 2020	Year ended 31 March 2019
	<b>Note</b>		
<b>Revenue</b>			
Revenue from operations	17	919.31	393.16
Other income	18	55.17	89.46
<b>Total Revenue</b>		<b>974.48</b>	<b>482.62</b>
<b>Expenses</b>			
Land Cost		-	78.50
Material and construction cost		344.91	527.22
Changes in inventories	19	501.55	(408.21)
Finance expense, net	20	78.03	58.42
Depreciation expense	2	0.09	0.11
Other expenses	21	66.12	72.63
<b>Total expenses</b>		<b>990.70</b>	<b>328.67</b>
<b>(Loss) / profit before tax</b>		<b>(16.22)</b>	<b>153.95</b>
Tax expense	22	-	34.47
<b>(Loss) / profit after tax</b>		<b>(16.22)</b>	<b>119.48</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive (loss) / income for the year</b>		<b>(16.22)</b>	<b>119.48</b>
<b>(Loss) / Earnings per equity share</b>	23		
Basic and diluted		(827.21)	6,093.43

**Significant accounting policies**

1.2

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

As per report of even date

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



**Adi P. Sethna**

Partner

Membership No.: 108840

Mumbai  
01 September 2020



**For Abarna & Ananthan**

Chartered Accountants

Firm's Registration No.: 000003S



**Abarna Bhaskar**

Partner

Membership No.: 025145

Bengaluru  
01 September 2020



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



**Krishna Veeraraghavan**

Director

DIN: 06620405

Bengaluru  
01 September 2020



**Nagendra. N**

Director

DIN: 07781675

Bengaluru  
01 September 2020



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**Shriprop Builders Private Limited**  
**Cash flow statement for the year ended 31 March 2020**  
(All amounts in ₹ millions, unless otherwise specified)

	Year ended 31 March 2020	Year ended 31 March 2019
<b>A. Cash flow from operating activities</b>		
Profit/ (loss) for the year before tax	(16.22)	153.95
Adjustments to reconcile profit/ (loss) before tax to net cash flows		
Depreciation	0.09	0.11
Profit on sale of mutual funds	(0.12)	(0.07)
Dividend income from mutual funds	-	(0.75)
Finance expense, net	78.03	58.42
(Gain)/ Loss arising from financial instrument designated as FVTPL	(55.00)	(2.19)
Interest on income tax refund	(0.05)	(0.06)
Loss recognised under expected credit loss model	23.73	-
Interest income	-	(86.39)
<b>Operating profit before working capital changes</b>	<b>30.46</b>	<b>123.02</b>
Working capital adjustments:		
(Increase)/Decrease in trade receivables	194.20	(305.01)
(Increase)/Decrease in inventories	501.55	(408.21)
(Increase)/Decrease in other assets	182.62	(98.33)
Increase/(Decrease) in trade payables	(2.91)	131.98
Increase/(Decrease) in current liabilities	(354.67)	621.89
<b>Cash generated from operations</b>	<b>551.25</b>	<b>65.34</b>
Income tax paid	(52.28)	(0.50)
<b>Net cash flows generated from operating activities</b>	<b>498.97</b>	<b>64.84</b>
<b>B. Cash flows from investing activities</b>		
Investment in mutual funds, net	(21.25)	(50.82)
Sale on mutual fund investments	26.46	45.82
Investment in optionally convertible debentures & equity Shares of Shrivision Homes Private Limited	(330.00)	-
Dividend income received	-	0.75
<b>Net cash flows used in investing activities</b>	<b>(324.79)</b>	<b>(4.25)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from term loans	221.74	50.00
Repayment of term loans	(456.77)	(44.09)
Proceeds from issue of debentures	-	200.00
Redemption of debentures	(200.00)	(195.83)
Proceeds/(repayment) of borrowings from related party (net)	291.99	(54.94)
Interest and other finance charges paid	(43.42)	(39.57)
<b>Net cash (used in) from financing activities</b>	<b>(186.45)</b>	<b>(84.43)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A + B + C)</b>	<b>(12.27)</b>	<b>(23.84)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>50.04</b>	<b>73.88</b>
<b>Cash and cash equivalents at the end of the year (refer note 8)</b>	<b>37.77</b>	<b>50.04</b>

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

Particulars	01 April 2019	Cash flows	Non Cash Changes			31 March 2020
			Accrued Interest	Amortisation of processing fees	Fair Value changes	
Optionally convertible debentures	110.00	-	-	-	(55.00)	55.00
Non convertible debentures	201.60	(200.00)	(1.60)	-	-	-
Term loan from financial institutions	234.33	(235.03)	(1.23)	1.93	-	-
Loan from related party	185.21	291.99	34.84	-	-	512.04
<b>Total</b>	<b>731.14</b>	<b>(143.04)</b>	<b>32.01</b>	<b>1.93</b>	<b>(55.00)</b>	<b>567.04</b>

Particulars	01 April 2018	Cash flows	Non Cash Changes			31 March 2019
			Accrued interest	Amortisation of processing fees	Fair Value changes	
Optionally convertible debentures	308.00	(195.83)	-	-	(2.17)	110.00
Non convertible debentures	-	200.00	1.60	-	-	201.60
Term loan from financial institutions	226.20	5.91	1.23	0.99	-	234.33
Loan from related party	212.38	(54.94)	27.77	-	-	185.21
<b>Total</b>	<b>746.58</b>	<b>(44.86)</b>	<b>30.60</b>	<b>0.99</b>	<b>(2.17)</b>	<b>731.14</b>

As per report of even date  
**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

  
**Adi P. Sharma**  
Partner  
Membership No.: 108840

Mumbai  
01 September 2020



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

  
**Abarna Bhaskar**  
Partner  
Membership No.: 025145

Bengaluru  
01 September 2020



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

  
**Krishna Veeraraghavan**  
Director  
DIN: 06620405

Bengaluru  
01 September 2020



  
**Nagendra N**  
Director  
DIN: 07781675

Bengaluru  
01 September 2020

**Shriprop Builders Private Limited****Statement of Changes in Equity for the year ended 31 March 2020**

(All amounts in ₹ millions, unless otherwise specified)

**A. Equity share capital****Particulars****Balance as at 01 April 2018**

Changes in equity share capital during the year

**Balance as at 31 March 2019**

Changes in equity share capital during the year

**Balance as at 31 March 2020****Amount**

0.20

0.20

0.20

**B. Other equity****Particulars****Balance as at 01 April 2018**

Profit for the year

**Balance as at 31 March 2019**

(Loss) for the year

**Balance as at 31 March 2020****Reserves and surplus****Retained earnings****Total**

(183.98)

(183.98)

119.48

119.48

(64.50)

(64.50)

(16.22)

(16.22)

(80.72)

(80.72)

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

Mumbai

01 September 2020

**For Abarna & Ananthan**

Chartered Accountants

Firm's Registration No.: 000003S


**Abarna Bhaskar**

Partner

Membership No.: 025145

Bengaluru

01 September 2020

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

**Krishna Veeraraghavan**

Director

DIN: 06620405

Bengaluru

01 September 2020



**Nagendra. N**

Director

DIN: 07781675

Bengaluru

01 September 2020

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**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ millions, unless otherwise specified)

**1 Company overview and significant accounting policies**

**1.1 Company overview**

Shriprop Builders Private Limited was incorporated on 13 February 2008 under the erstwhile Companies Act, 1956. The registered office of the company is located at No. 31, 2nd Main Road, T. Chowdaiah Road, Sadashivanagar, Bengaluru- 560080, India. The Company is engaged in the business of development and sale of real estate projects. The Company is a 100% subsidiary of Shriram Properties Limited (formerly Shriram Properties Private 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 per Companies (Indian Accounting Standards) Rules 2015 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**

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

As at 31 March 2020, the Company has accumulated losses aggregated to ₹ 80.72 million. The Company has been generating operating cash flows from their operation. Further, based on the long-term business strategy and business plan, duly approved by the Board of Directors, the Company will continue to generate positive cash flows going forward as well. The Holding Company has stated its intention to continue to provide financial support towards project costs and other obligations of the Company as and when they fall due. Accordingly the financial statement are prepared on going concern basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, 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. Functional and presentation currency**

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

**d. Use of estimates**

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

**e. New and amended standards adopted by the Company**

**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.

**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.





**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

**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.

**Amendment to Ind AS 109: Prepayment Features with Negative Compensation**

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of an event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract. These amendments had no impact on the financial statements of the Company.

**Amendment to Ind AS 19: Plan Amendment, Curtailment or Settlement**

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset). These amendments had no impact on the financial statements of the Company.

**f. 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.

**g. Current versus non-current classification**

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

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

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

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

(iii) A liability is classified as current when:

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

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

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

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

**h. Foreign currency transactions**

(a) Initial recognition

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

(b) Conversion

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

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

**i. Revenue recognition**

**Revenue from projects**

**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 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.



**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

**1.2 Significant accounting policies (continued)**

**Revenue from contracts with customers (continued)**

For performance obligations where none 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 all of its revenue arrangements.

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

Revenue is recognised in the consolidated income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

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

**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.

**Dividend Income**

Income from dividends are recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**j. Inventories**

**Properties under development**

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

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.

**k. Property, Plant and Equipment (PPE)**

**Recognition and initial measurement**

Properties plant and equipment are stated at their cost of acquisition. On transition to Ind AS i.e., on 01 April 2015, the Company had elected to measure all its property, plant and equipment at previous GAAP carrying value (deemed cost). The cost comprises purchase price, borrowing cost if capitalization criteria are met, any expected costs of decommissioning and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted while arriving at the purchase price.

**Subsequent measurement**

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

**Depreciation and useful lives**

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

Office equipments	-	5 years
Computers	-	3 years

**De-recognition**

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

**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 expenditure incurred on that asset.

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

**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.



**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

**1.2 Significant accounting policies (continued)**

**n. 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.

**o. 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.

**p. 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.

**q. Contingent liability**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in

**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 recognized in the Statement of Profit and

**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.

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

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

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

**De-recognition of financial assets**

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





**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ millions, unless otherwise specified)

**1.2 Significant accounting policies (continued)**

**Financial liabilities**

**Initial recognition**

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

**Subsequent measurement**

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

**De-recognition of financial liabilities**

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

**Offsetting of financial instruments**

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

**s. 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.

**t. Impairment of non-financial assets**

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

**u. 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.

**v. 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.



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**Shriprop Builders Private Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ millions, unless otherwise specified)

**1.3 Significant judgements and estimates in applying accounting policies**

- a. Revenue from contracts with customers - The Company has applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers.
- b. 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.
- f. Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.
- h. 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.
- i. 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.
- j. 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.
- l. 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.



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**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

**2 Property, plant and equipment**

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

Particulars	Computers	Office equipment	Total
<b>Gross carrying amount</b>			
At 01 April 2018	0.13	0.48	0.61
Additions	-	-	-
At 31 March 2019	0.13	0.48	0.61
Additions	-	-	-
At 31 March 2020	0.13	0.48	0.61
<b>Accumulated depreciation</b>			
At 01 April 2018	0.10	0.22	0.32
Charge for the year	0.02	0.09	0.11
At 31 March 2019	0.12	0.31	0.43
Charge for the year	0.01	0.09	0.10
At 31 March 2020	0.13	0.40	0.53
<b>Net block</b>			
At 31 March 2019	0.01	0.17	0.18
At 31 March 2020	-	0.08	0.08

**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 to property, plant and equipment during the year ended 31 March 2020 and 31 March 2019.

**c. Property, plant and equipment pledged as security**

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



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**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

	As at 31 March 2020	As at 31 March 2019
<b>3 Other financial assets</b>		
<b>A Non current</b>		
Security deposits	0.03	0.03
	<b>0.03</b>	<b>0.03</b>
<b>B Current</b>		
Advances towards joint development agreements	-	30.00
Other receivables (#)	199.00	285.00
	<b>199.00</b>	<b>315.00</b>
Less: Provision for expected credit losses	(23.73)	-
	<b>175.27</b>	<b>315.00</b>
<p>(#) During the year 2017-18, the Company has entered into a settlement agreement for ₹ 320 million with the land owner to cancel the Joint development arrangement (JDA) due to specific performance not being met by the land owner under the aforesaid arrangement. However, the income under the aforesaid settlement agreement was not recorded in that year on account of uncertainty over recoverability of the settlement amount. During the previous year, the Company has reassessed the recoverability of the compensation under the agreement and have assessed that the same was recoverable and accordingly recorded the income in the previous year.</p>		
<b>4 Non-current tax assets</b>		
Advance income tax and tax deducted at source (net of provision for tax)	17.95	1.42
	<b>17.95</b>	<b>1.42</b>
<b>5 Inventory (*)</b>		
<b>Project Under Development</b>		
Land cost	523.17	823.15
Material and construction cost	680.34	881.91
	<b>1,203.51</b>	<b>1,705.06</b>
<p>(*) Details of assets pledged are as per note 24</p>		
<b>6 Investments</b>		
<b>A Non Current</b>		
<b>Investment in equity instruments</b>		
<b>Investment valued at cost unless stated otherwise (fully paid)</b>		
<b>Unquoted</b>		
<b>Fellow subsidiary</b>		
Shrivision Homes Private Limited		
75,000 (31 March 2019: Nil) fully paid equity shares of ₹ 10 each	0.75	-
	<b>0.75</b>	
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	0.75	-
Aggregate amount of impairment in the value of investments	-	-
<b>B Current</b>		
<b>Investment in debentures</b>		
<b>Investments carried at fair value through profit or loss (FVTPL)</b>		
<b>Unquoted</b>		
<b>Fellow subsidiary</b>		
Shrivision Homes Private Limited (refer note 16)		
2,095,625 (31 March 2019: Nil) fully paid debentures of ₹ 100 each	430.08	-
<b>Investment in mutual funds (quoted)</b>		
<b>Investment carried at fair value through profit or loss (FVTPL)</b>		
Nil (31 March 2019: 400,069) units in IDFC Corporate Bond Fund Regular Plan - Growth	-	5.09
	<b>430.08</b>	<b>5.09</b>
Aggregate amount of quoted investments and market value thereof	-	5.09
Aggregate amount of unquoted investments	430.08	-
Aggregate amount of impairment in the value of investments	-	-
<b>7 Trade receivables (*)</b>		
Trade receivables considered good - Secured	203.71	401.39
Trade receivables considered good - Unsecured	3.48	-
	<b>207.19</b>	<b>401.39</b>
Credit impaired	-	-
	<b>207.19</b>	<b>401.39</b>
<p>(*) Details of assets pledged are as per note 24</p>		
<b>8 Cash and cash equivalents</b>		
Cash on hand	2.08	0.02
Balances with banks (*)		
In current accounts	10.09	30.27
In escrow accounts	25.60	19.75
	<b>37.77</b>	<b>50.04</b>
<p>As at 31 March 2020, the company had available ₹ Nil (31 March 2019: ₹ 220 millions) of undrawn committed borrowing facilities.</p>		
<p>(*) Details of assets pledged are as per note 24</p>		
<b>9 Other current assets</b>		
Balances with government authorities	0.71	30.81
Advances for purchase of goods and rendering services	9.33	41.66
Prepaid expenses	24.25	32.51
Other Receivables	3.45	0.04
	<b>37.74</b>	<b>105.02</b>



**Shriprop Builders Private Limited**

**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ millions, unless otherwise specified)

**10 Equity share capital**

**Authorized shares**

Equity shares of ₹10 each

As at 31 March 2020		As at 31 March 2019	
Number	Amount	Number	Amount
40,000	0.40	40,000	0.40
<b>40,000</b>	<b>0.40</b>	<b>40,000</b>	<b>0.40</b>

**Issued, subscribed and fully paid-up shares**

Equity shares of ₹10 each

As at 31 March 2020		As at 31 March 2019	
Number	Amount	Number	Amount
19,608	0.20	19,608	0.20
<b>19,608</b>	<b>0.20</b>	<b>19,608</b>	<b>0.20</b>

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

**Equity shares**

Balance at the beginning of the year

Issued during the year

Outstanding at the end of the year

As at 31 March 2020		As at 31 March 2019	
Number	Amount	Number	Amount
19,608	0.20	19,608	0.20
<b>19,608</b>	<b>0.20</b>	<b>19,608</b>	<b>0.20</b>

**b. Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 10. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

**c. Details of shareholders holding more than 5% shares in the company**

**Equity shares of ₹ 10 each fully paid-up**

Shriram Properties Limited

As at 31 March 2020		As at 31 March 2019	
Number of shares	% holding in the class	Number of shares	% holding in the class
19,608	100%	19,608	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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

The Company has neither issued any bonus shares or shares without consideration other than cash nor there has been any buy back of shares during five years immediately preceding 31 March 2020. Company does not have any shares reserved for issue under options.



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**Shriprop Builders Private Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ millions, unless otherwise specified)

	As at 31 March 2020	As at 31 March 2019
<b>11 Other equity</b>		
Retained Earnings	(80.72)	(64.50)
	<u>(80.72)</u>	<u>(64.50)</u>
<b>12 Borrowings</b>		
<b>A Non current</b>		
<b>Debentures (Secured)</b>		
Nil (31 March 2019: 200,000) 12% Redeemable, non-convertible debentures of ₹1,000	-	201.60
Less: Current maturity of long term borrowing (refer note 14)	-	(201.60)
	<u>-</u>	<u>-</u>
<b>B Current</b>		
<b>Term loans (Secured)</b>		
From others	-	234.33
<b>Debentures (Unsecured)</b>		
1,224,005 (31 March 2019 - 1,224,005) 15% optionally convertible debentures of ₹100 each (*)	55.00	110.00
<b>Unsecured</b>		
Loans and advances from related party (refer note 32)	512.04	185.21
Preference shares (**)	-	-
	<u>567.04</u>	<u>529.54</u>

**(\*) Rights attached to the optionally convertible debentures**

Pursuant to the Securities Subscription and Shareholders Agreement dated 27 May 2014 ('the Agreement'), the Company issued 1,224,005 optionally convertible debentures (OCD's) of ₹100 each to Shriram Properties Limited ('SPL') and 1,300,495 to IL & FS Trust Company Limited (in its capacity as trustee of Amplus Capital Advisors Private Limited) respectively.

The aforesaid debentures are issued on the following terms:

- Debentures to carry a minimum coupon rate of 15% p.a.
  - No coupon shall however accrue and be payable by the Company for a moratorium period of 12 months elapse from the issuance of the first Tranche OCD.
  - The OCDs must be repaid with a maximum period of 72 months commencing from 27 July 2014 and ending on 27 July 2020. The original period of 72 months has been further extended by 36 months i.e till 27 July 2023.
  - Debentures are eligible for conversion, such that post conversion the shareholding ratio of Amplus Capital Advisors Private Limited and Shriram Properties Limited in the Company is 30:70 respectively.
  - Debentures are eligible for redemption after achieving an IRR of 22.5% on the investment amount.
- In the event of default, the net cash flows shall be distributed to Shriram Properties Limited and Amplus Capital Advisors Private Limited as follows:
- i) Interest and principal amount
  - ii) Interest/coupon on optionally convertible debentures and dividend on optionally convertible redeemable preference shares
  - iii) In the ratio of 51:49 till the investor receives an IRR of 22.5% on invested amount.
- During the previous year, the company has redeemed the OCD issued to Amplus Capital Advisors Private Limited for ₹ 195.83 million.

**(\*\*) Rights attached to the 0.01% optionally convertible redeemable preference shares (OCRPS):**

The preference shares do not carry any voting rights.

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

The term of OCRPS shall be maximum of 72 months subject to redemption/conversion. The original period of 72 months has been further extended by 36 months i.e till 27 July 2023.

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



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12 Borrowings (continued)

C Note on security





**Shriprop Builders Private Limited**
**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ millions, unless otherwise specified)

**13 Trade payables**

Dues of micro enterprises and small enterprises (\*)  
Dues of creditors other than micro enterprises and small enterprises

As at 31 March 2020	As at 31 March 2019
12.67	8.66
150.70	157.62
<b>163.37</b>	<b>166.28</b>

(\*) The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' (the MSME Act). Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2020 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 the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as follows:

Particulars	As at 31 March 2020	As at 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;	12.67	8.66
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;	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.	0.13	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

**14 Other financial liabilities**
**Current**

Payable to land owner  
Other payables (\*)  
Current maturity of long-term borrowing (Refer note 12A)

9.88	-
17.64	7.49
-	201.60
<b>27.52</b>	<b>209.09</b>

(\*) Includes ₹ Nil as at 31 March 2020 (31 March 2019: ₹ 0.01 million) towards payable to Micro and Small Enterprises

**15 Tax liabilities**
**Current**

Provision for income tax, net of advance tax

-	35.81
-	<b>35.81</b>

**16 Other current liabilities**

Advances received from customers  
Deferred income (\*)  
Statutory dues payable  
Payable to land owner

1,251.02	1,516.03
100.83	-
6.68	6.12
74.43	184.66
<b>1,432.96</b>	<b>1,706.81</b>

(\*) During the year ended 31 March 2020, the Company has acquired 10% optionally convertible debentures of Shrivision Homes Private Limited, repayable on demand for a purchase consideration of ₹ 329.25 millions. The difference between the transaction price and the fair value of the instrument amounting to ₹ 100.83 million is not recognised immediately in the income statement as the fair value is based on significant unobservable inputs. The management has accordingly accounted for the gain on this acquisition as deferred income, which would be realised through the settlement of the instrument.



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**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

	Year ended 31 March 2020	Year ended 31 March 2019
<b>17 Revenue from operations</b>		
Proceeds from the sale of constructed properties	919.12	268.07
<b>A</b>	<b>919.12</b>	<b>268.07</b>
<b>Other operating revenue</b>		
Income from cancellation and other charges	0.19	0.48
Income arising on account of foregoing of development right (refer note 3B)	-	124.61
<b>B</b>	<b>0.19</b>	<b>125.09</b>
<b>(A+B)</b>	<b>919.31</b>	<b>393.16</b>
<b>18 Other income</b>		
Gain arising from financial instrument designated as FVTPL	55.00	2.19
Dividend income from mutual funds	-	0.75
Profit on sale of mutual funds	0.12	0.07
Interest on income tax refund	0.05	0.06
Interest income	-	86.39
	<b>55.17</b>	<b>89.46</b>
<b>19 Changes in inventories</b>		
Inventory at the beginning of the period	1,705.06	1,296.85
Inventory at the end of the period	1,203.51	1,705.06
	<b>501.55</b>	<b>(408.21)</b>
<b>20 Finance expense, net (*)</b>		
<b>Finance expense:</b>		
Interest		
- on term loans	21.84	26.46
- on loans from related party (refer note 32)	34.84	27.77
- on non convertible debentures	18.49	13.78
Bank charges	0.14	0.08
Interest (MSME)	0.13	-
Loan and other processing charges	2.59	1.32
Interest on delay in remittance of advance tax	-	2.67
Others	-	1.45
	<b>78.03</b>	<b>73.53</b>
<b>Finance income:</b>		
Unwinding of discount relating to refundable security deposits	-	15.11
	<b>-</b>	<b>15.11</b>
<b>Finance expense, net</b>	<b>78.03</b>	<b>58.42</b>
(*) Includes finance expense capitalized amounting to ₹ 27.08 millions (31 March 2019: ₹ 55.67 millions)		
<b>21 Other expenses</b>		
Advertisement expenses	1.26	6.54
Development management fees (refer note 32)	-	41.30
Legal and professional charges (*)	4.17	3.44
Printing and stationery	0.16	0.34
Rates and taxes	3.72	1.62
Sales promotion	15.94	13.14
Security expenses	3.32	2.41
Traveling and conveyance expenses	0.18	0.16
Bad debts	7.64	-
Loss recognised under expected credit loss model	23.73	-
Corporate social responsibility expenses	0.04	-
Miscellaneous expenses	5.96	3.68
	<b>66.12</b>	<b>72.63</b>
(*) Remuneration paid to auditor (on accrual basis, excluding goods and services tax)		
<b>As auditor:</b>		
Audit fee	0.70	0.75
Tax audit Fee	0.10	-
Reimbursement of expenses	-	0.06
	<b>0.80</b>	<b>0.81</b>



**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

	Year ended 31 March 2020	Year ended 31 March 2019
<b>22 Income tax</b>		
<b>A. Tax expense comprises of:</b>		
Current income tax	-	34.47
Deferred tax	-	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>-</b>	<b>34.47</b>
The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company and the reported tax expense in profit or loss are as follows:		
<b>B. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>		
Accounting (loss) / profit before tax from continuing operations	(16.22)	153.95
<b>Accounting (loss) / profit before income tax</b>	<b>(16.22)</b>	<b>153.95</b>
At India's statutory income tax rate of 25.17% (31 March 2019: 27.82%)	(4.08)	42.83
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Unrecorded deferred tax asset on current year temporary differences	(23.75)	6.50
Unrecorded deferred tax asset on brought forward losses utilised in the current year	-	(39.98)
MAT credit not created during the year	-	24.66
Tax impact on permanent differences	-	0.75
Difference in the rates of income tax and deferred tax	-	(0.29)
Unrecorded deferred tax on carry forward losses	27.86	-
Utilization of current year business losses to set off short term capital gain	(0.03)	-
<b>Income tax expense</b>	<b>-</b>	<b>34.47</b>
<b>C. Recognised deferred tax assets and liabilities</b>		
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 amounting to ₹ 110.62 millions.		
<b>23 Earnings / (loss) per share (EPS)</b>		
Weighted average number of shares outstanding during the year	19,608	19,608
Net profit /(loss) attributable to equity shareholders	(16.22)	119.48
Earnings / (loss) per share ( ₹ ):		
Basic and diluted	(827.21)	6,093.43
Nominal value - Rupees ( ₹ ) per equity share	10.00	10.00
<b>24 Assets pledged as security</b>		
The carrying amounts of assets pledged as security for current and non-current borrowings are:		
<b>First charge</b>	<b>As at</b>	<b>As at</b>
<b>Current assets</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
<b>Financial assets</b>		
Trade receivables	-	401.39
<b>Non-financial assets</b>		
Inventories	-	1,602.78
<b>Cash and cash equivalents</b>		
Balance in escrow accounts	-	19.75
<b>Total current assets pledged as securities</b>	<b>-</b>	<b>2,023.92</b>



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**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

**25 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
<b>Financial assets :</b>						
Investments (*)	6B	430.08	-	-	430.08	430.08
Trade receivables	7	-	-	207.19	207.19	207.19
Cash and cash equivalents including other bank balances	8	-	-	37.77	37.77	37.77
Other financial assets	3A & 3B	-	-	175.30	175.30	175.30
<b>Total financial assets</b>		<b>430.08</b>	<b>-</b>	<b>420.26</b>	<b>850.34</b>	<b>850.34</b>
<b>Financial liabilities :</b>						
Borrowings (*)	12A & 12B	55.00	-	512.04	567.04	567.04
Trade payables	13	-	-	163.37	163.37	163.37
Other financial liabilities	14	-	-	27.52	27.52	27.52
<b>Total financial liabilities</b>		<b>55.00</b>	<b>-</b>	<b>702.93</b>	<b>757.93</b>	<b>757.93</b>

(\*) includes current maturities of long term borrowings (refer note 14)

(\*) Investment in equity shares of fellow subsidiary is measured as per Ind AS 27, 'Separate financial statements' and has been excluded above.

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
<b>Financial assets :</b>						
Investments	6B	5.09	-	-	5.09	5.09
Trade receivables	7	-	-	401.39	401.39	401.39
Cash and cash equivalents including other bank balances	8	-	-	50.04	50.04	50.04
Other financial assets	3A & 3B	-	-	315.03	315.03	315.03
<b>Total financial assets</b>		<b>5.09</b>	<b>-</b>	<b>766.46</b>	<b>771.55</b>	<b>771.55</b>
<b>Financial liabilities :</b>						
Borrowings (*)	12A & 12B	110.00	-	621.14	731.14	731.14
Trade payables	13	-	-	166.28	166.28	166.28
Other financial liabilities	14	-	-	7.49	7.49	7.49
<b>Total financial liabilities</b>		<b>110.00</b>	<b>-</b>	<b>794.91</b>	<b>904.91</b>	<b>904.91</b>

(\*) includes current maturities of long term borrowings (refer note 14)

**Notes to financial instruments**

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

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



**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

**25 Financial instruments (contd.)**

**(i) Fair values hierarchy**

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

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

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

Level 3: unobservable inputs for the asset or liability.

**(ii) Financial instruments measured at fair value**

31 March 2020	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment in Optionally convertible debentures	-	-	430.08	430.08
<b>Total financial assets</b>	-	-	430.08	430.08
<b>Financial liabilities</b>				
Optionally convertible debentures	-	-	55.00	55.00
<b>Total financial liabilities</b>	-	-	55.00	55.00

31 March 2019	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment in mutual funds	5.09	-	-	-
<b>Total financial assets</b>	5.09	-	-	-
<b>Financial liabilities</b>				
Optionally convertible debentures	-	-	110.00	110.00
<b>Total financial liabilities</b>	-	-	110.00	110.00

**(iii) Valuation technique used to determine fair value:**

Specific valuation techniques used to value financial instruments include -

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

(b) fair value of mutual funds measured with reference to fair value of underlying asset

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

Particulars	Fair value as at		Significant unobservable inputs	Data Inputs		Sensitivity (*)	
	31 March 2020	31 March 2019		31 March 2020	31 March 2019	1% increase in inputs	1% decrease in inputs
Optionally convertible debentures subscribed	430.08	-	Discounting rate	15.08%	-	31 March 2020: (1.67), 31 March 2019: Nil	31 March 2020: (2.20), 31 March 2019: Nil
Optionally convertible debentures issued	55.00	110.00	Discounting rate	15.00%	20.00%	31 March 2020: (0.09), 31 March 2019: (0.23)	31 March 2020: 0.09, 31 March 2019: 0.23

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

(v) The following table presents the changes in level 3 items for the years ended 31 March 2020 and 31 March 2019:

Particulars	Optionally convertible debentures subscribed	Optionally convertible debentures issued
As at 01 April 2018	-	308.00
Redemption	-	(195.83)
Fair value change	-	(2.17)
As at 01 April 2019	-	110.00
Fair value change	-	(55.00)
Investment made during the year	430.08	-
As at 31 March 2020	430.08	55.00

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**Shriprop Builders Private Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ millions, unless otherwise specified)

**26 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, other financial assets measured at amortized cost	Ageing analysis and recoverability assessment
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts
Market risk – Interest rate	Long-term borrowings at variable rates	Sensitivity analysis
Market risk – Price risk	Investments carried at FVTPL	Sensitivity analysis

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

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

- Low credit risk
- High credit risk

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

Asset group	Description	Provision for expenses credit loss	31 March 2020	31 March 2019
Low credit risk	Cash and cash equivalent, trade receivables and other financial assets	12 months expected credit loss/life time expected credit loss	420.26	766.46
High credit risk	-	Life time expected credit loss or fully provided for	-	-

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

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

**Credit risk exposure**

**Provision for expected credit losses**

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

**31 March 2020**

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	207.19	-	207.19
Cash and cash equivalents	37.77	-	37.77
Security deposits	0.03	-	0.03
Other financial assets	199.00	23.73	175.27

**31 March 2019**

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	401.39	-	401.39
Cash and cash equivalents	50.04	-	50.04
Security deposits	0.03	-	0.03
Other financial assets	315.00	-	315.00

**Expected credit loss for trade receivables under simplified approach**

Trade receivables are secured in a form that registration 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 years 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.



**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

**26 Financial risk management (continued)**  
**b. Liquidity risk (continued)**

**Maturities of financial liabilities**

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

31 March 2020	Less than 1 year	1 year to 5 years	5 years and above	Total
<b>Non-derivatives</b>				
Debentures	-	55.00	-	55.00
Borrowings	512.04	-	-	512.04
Trade payables	102.76	60.61	-	163.37
Other financial liabilities	27.52	-	-	27.52
<b>Total</b>	<b>642.32</b>	<b>115.61</b>	<b>-</b>	<b>757.93</b>
<b>31 March 2019</b>				
<b>Non-derivatives</b>				
Debentures	-	110.00	-	110.00
Borrowings (*)	489.81	179.85	-	669.66
Trade payables	122.23	44.05	-	166.28
Other financial liabilities	7.49	-	-	7.49
<b>Total</b>	<b>619.53</b>	<b>333.90</b>	<b>-</b>	<b>953.43</b>

(\*) includes current maturities of long term borrowings (refer note 14)

**c. Market risk**

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

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

	31 March 2020	31 March 2019
Variable rate borrowing (*)	-	234.33
Fixed rate borrowing (^)	512.04	386.81
<b>Total borrowings</b>	<b>512.04</b>	<b>621.14</b>

(\*) includes adjustment of unamortised processing fees

(^)

**(i) 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 March 2019
Interest rates – increase by 50 basis points (50 bps)	(0.88)	(1.11)
Interest rates – decrease by 50 basis points (50 bps)	0.88	1.11

**(ii) Price risk**

The company's exposure to price risk arises from investments in mutual fund held and classified as FVTPL. To manage the price risk arising from investment, the company diversifies its portfolio.

**Sensitivity**

Profit or loss is sensitive to higher/lower prices of instruments on the company's profits for the periods.

Particulars	31 March 2020	31 March 2019
Price increase by 5% - FVTPL	-	0.25
Price decrease by 5% - FVTPL	-	(0.25)



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**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

**27 Capital management**

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

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

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

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

**Particulars**

Borrowings (\*)

Less: Cash and cash equivalents

**Net debt**

Total equity

**Gearing ratio**

31 March 2020	31-Mar-19
567.04	731.14
(37.77)	(50.04)
529.27	681.10
(80.52)	(64.30)
<b>(6.57)</b>	<b>(10.59)</b>

(\*) includes current maturities of long term borrowing (refer note 14)

**Notes:**

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

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

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31 March 2020 and 31 March 2019.

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 March 2020.

**28 Other commitments and contingencies**

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

**29 Corporate social responsibility expenses**

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

**Particulars**

- a) Gross amount required to be spent by the company during the year
- b) Amount spent during the year on purposes other than construction/acquisition of any asset
- Paid
- Yet to be paid

Year ended 31 March 2020	Year ended 31 March 2019
0.04	-
0.04	-
-	-

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

**31 Segmental Information**

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



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**Shriprop Builders Private Limited**

Summary of significant accounting policies and other explanatory information  
(All amounts in ₹ millions, unless otherwise specified)

**32 Related party transactions**

**(i) Parties exercising control**

Name of the entity

Shriram Properties Limited (formerly Shriram Properties Private Limited)

**Relationship**

Holding Company [w.e.f. 06 September 2018]

Joint Venture [till 05 September 2018]

Joint Venture [till 05 September 2018]

**(ii) Key managerial personnel**

Narasimhamurthy Nagendra

Krishna Veeraraghavan

Gopalakrishnan Jagadeeswaran

**Relationship**

Director

Director

Director [w.e.f. 26 November 2018]

**(iii) Other related party**

Shrivision Homes Private Limited

**Relationship**

Joint Venture of Holding Company [till 27 January 2020]

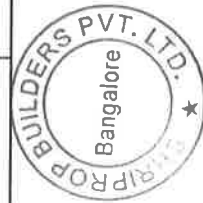
Subsidiary [w.e.f. 28 January 2020]

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

Nature of Transaction	Shriram Properties Limited		Shrivision Homes Private Limited	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Loans taken by company	173.47	185.21	338.57	-
Optionally convertible debentures issued	55.00	110.00	-	-
Optionally convertible debentures subscribed	-	-	430.08	-
Corporate guarantees received by the company	-	200.00	-	-

**(v) The transactions with the related parties are as follows**

Nature of Transaction	Shriram Properties Limited		Shrivision Homes Private Limited		IL&FS Trust Company Limited	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Loan repaid by company	327.34	203.90	1.26	-	-	-
Loan taken by company	315.60	204.47	339.83	-	-	-
Interest expense on loans	26.18	27.77	8.66	-	-	-
Redemption of debentures	-	-	-	-	-	195.83
Loss arising from financial instruments designated as FVTPL	-	-	-	-	-	37.18
Gain arising from financial instruments designated as FVTPL	55.00	39.35	-	-	-	-
Corporate guarantee received during the year	-	200.00	-	-	-	-
Corporate guarantee extinguished during the year	200.00	-	-	-	-	-
Development management fees	-	41.30	-	-	-	-





**Shriprop Builders Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(All amounts in ₹ millions, unless otherwise specified)**

**33 Additional disclosures under Ind AS 115**

**A. Reconciliation of revenue with contract revenue**

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

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Contract revenue	919.12	268.07
Revenue recognised	919.12	268.07

**B. Contract balances**

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

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Contract liabilities</b>		
Advance from customers	1,251.02	1,516.03
Payable to land owner	84.32	184.66
<b>Total contract liabilities</b>	<b>1,335.34</b>	<b>1,700.69</b>
<b>Receivables</b>		
Trade receivables	207.19	401.39
<b>Total receivables</b>	<b>207.19</b>	<b>401.39</b>

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 period ended 31 March 2020, the Company does not have any contract assets (conditional upon factors other than passage of time)

Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract liabilities are recognised as revenue as and when the performance obligation is satisfied. 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.

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

Particulars	As at 31 March 2020 Contract liabilities		As at 31 March 2019 Contract liabilities	
	Advances from consumers	Payable to land owner	Advances from consumers	Payable to land owner
Opening balance	1,516.03	184.66	707.19	374.25
Additions/adjustments during the year	553.67	9.89	808.85	78.48
Revenue recognised during the year	(818.68)	(110.23)	-	(268.07)
<b>Closing balance</b>	<b>1,251.02</b>	<b>84.32</b>	<b>1,516.04</b>	<b>184.66</b>

**D. Disaggregated revenue information**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Contract revenue	928.91	268.07
<b>Adjustment for:</b>		
- Subvention cost	(9.79)	-
<b>Revenue recognised</b>	<b>919.12</b>	<b>268.07</b>

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

The transaction price of the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2020 is ₹ 1264.16 million (31 March 2019: ₹ 1785.91 million). The same is expected to be recognised within 1 to 4 years.

- 34** 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 projects 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 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.

**35 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

**Adi P. Sethna**  
Partner  
Membership No.: 108840

Mumbai  
01 September 2020



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

**Abarna Bhaskar**  
Partner  
Membership No.: 025145

Bengaluru  
01 September 2020



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

**Krishna Veeraraghavan**  
Director  
DIN: 06620405

Bengaluru  
01 September 2020



**Magendra N**  
Director  
DIN: 07781675

Bengaluru  
01 September 2020