Independent Auditor's Report

To the Members of Shrivision Homes Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Shrivision Homes Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, 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 (financial position) of the Company as at 31 March 2019, and its profit (financial performance 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.

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN * FRN No 000003S BANGALORE * CHARTERED ACCOUNTANTS

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

4. The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Board of Director's report, 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.

   If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. 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 state of affairs (financial position), profit or loss (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.

6. 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

7. 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.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN FRN 000003S BANGALORE CHARTERED ACCOUNTANTS

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

8. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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.

9. 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.

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN * FRN No 000003S BANGALORE * CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

10. 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.

11. 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.

12. Further to our comments in Annexure I, as required by section 143(3) of the Act, 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;

    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 2019 from being appointed as a director in terms of section 164(2) of the Act;

    f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 28 June 2019 as per Annexure II expressed unmodified opinion; and

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

        i. the Company, as detailed in note 26 to the financial statements, has disclosed the impact of pending litigation(s) on its financial position as at 31 March 2019;

        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 2019;

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN * FRN No 000003S * BANGALORE * CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements (continued)

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 2019; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

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

Adi P. Sethna
Partner
Membership No.: 108840

Mumbai
28 June 2019

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

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

ABARNA & ANANTHAN
FRN No
000003S
BANGALORE
CHARTERED ACCOUNTANTS

Abarna Bhaskar
Partner
Membership No.: 025145

Bengaluru
28 June 2019

Annexure I to the Independent Auditor's Report of even date to the members of Shrivision Homes Private Limited on the financial statements for the year ended 31 March 2019

Annexure I

Independent Auditor's Report on the Companies (Auditor's Report) Order, 2016 ('the Order') under Sub-section 11 of Section 143 of the Companies Act, 2013 ('the Act')

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

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

(c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.

(ii) The company is primarily engaged in the business of real estate development and related services and holds inventories only in the form of land, properties under development and constructed properties. Thus, paragraph 3(ii) of the order is not applicable.

(iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:

a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest;

b) the schedule of repayment of the principal and the payment of the interest has not been stipulated and hence we are unable to comment as to whether repayments/receipts of the principal amount and the interest are regular; and

c) in the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days and whether reasonable steps have been taken by the Company for recovery of the principal amount and interest.

(iv) In our opinion, the Company has 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.

WALKER, CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN FRN 000003S BANGALORE CHARTERED ACCOUNTANTS

Annexure I to Independent Auditors' Report (Continued)

(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 provident fund, employees' state insurance, 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. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Statement of arrears of statutory dues outstanding for more than six months

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Income tax act,1961	Advance tax	3.29 million	April – June 2018	15 June 2018	Nil	Not paid
Income tax act,1961	Advance tax	9.88 million	July – September 2018	15 September 2018	Nil	Not paid

(b) There are no dues in respect of income-tax, sales-tax, service tax, goods and services tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.

(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.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN BANGALORE CHARTERED ACCOUNTANTS

Annexure I to Independent Auditors' Report (Continued)

(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

Mumbai
28 June 2019

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

Abarna Bhaskar
Partner
Membership No.: 025145

Bengaluru
28 June 2019

Annexure II to the Independent Auditor's Report of even date to the members of Shrivision Homes Private Limited on the financial statements for the year ended 31 March 2019
Annexure II

Independent Auditor's Report on the Internal Financial Controls 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 Shrivision Homes Private Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). 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

3. Our responsibility is to express an opinion on the Company's IFCoFR 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') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, 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 IFCoFR 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 IFCoFR.

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN
FRN No 000003S
BANGALORE
CHARTERED ACCOUNTANTS

Annexure II to the Independent Auditor's Report (continued)

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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 over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Adi P. Sethna
Partner
Membership No.: 108840

Mumbai
28 June 2019

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

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

ABARNA & ANANTHAN FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS

Abarna Bhaskar
Partner
Membership No.: 025145

Bengaluru
28 June 2019

Shrivision Homes Private Limited
Regd office: 40/43, 8th Main, 4th Cross, Sadashivnagar, Bangalore-560080
CIN:U45201KA2008PTC047201
Email ID: companysecretary@shriramproperties.com
Ph No. 080 - 4022 9999

Balance Sheet as at 31 March 2019
(All amounts in ₹ millions, unless otherwise specified)

	Note	As at 31 March 2019	As at 31 March 2018 Restated (*)	As at 01 April 2017 Restated (*)
I. ASSETS				
Non-current assets				
(a) Property, plant and equipment	2	0.32	0.31	0.53
(b) Investment Property	3	0.57	0.57	0.57
(c) Deferred tax assets (net)		-	-	12.44
(d) Non-current tax assets (net)	4	7.42	10.70	4.67
Total non-current assets		**8.31**	**11.58**	**18.21**
Current assets				
(a) Inventories	5	2,839.74	3,329.34	2,687.20
(b) Financial assets				
(i) Trade receivables	6	471.92	198.06	113.47
(ii) Cash and cash equivalents	7	668.67	251.35	105.43
(iii) Other financial assets	8	-	16.32	-
(c) Other current assets	9	87.03	199.74	188.54
Total current assets		**4,067.36**	**3,994.81**	**3,094.64**
Total assets		**4,075.67**	**4,006.39**	**3,112.85**
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	10	2.50	2.50	2.50
(b) Other equity	11	(1,495.27)	(1,882.18)	(1,688.34)
Total equity		**(1,492.77)**	**(1,879.68)**	**(1,685.84)**
Liabilities				
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	12	2,346.21	2,515.47	2,372.84
(ii) Trade payables	13			
- total outstanding dues of micro enterprises and small enterprises		26.87	16.02	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		87.03	88.45	115.23
(iii) Other financial liabilities	14	21.01	26.38	19.60
(b) Other current liabilities	15	3,063.61	3,239.75	2,291.02
(c) Current tax liabilities (net)		23.71	-	-
Total current liabilities		**5,568.44**	**5,886.07**	**4,798.69**
Total equity and liabilities		**4,075.67**	**4,006.39**	**3,112.85**

(*) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

Significant accounting policies 1.2

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

As per report of even date

For Walker Chandiok & Co LLP	For Abarna & Ananthan	For and on behalf of the Board of Directors of Shrivision Homes Private Limited	
Chartered Accountants	Chartered Accountants		
Firm's Registration No.: 001076N/N500013	Firm's Registration No.: 000003S		
Adi P. Sethna	**Abarna Bhaskar**	**Krishna Veeraraghavan**	**Gopalakrishnan J**
Partner	Partner	Director	Director
Membership No. : 108840	Membership No. : 025145	DIN: 06620405	DIN: 01610846
Mumbai	**Bengaluru**	**Bengaluru**	**Bengaluru**
28 June 2019	28 June 2019	27 June 2019	27 June 2019

ABARNA & ANANTHAN * CHARTERED ACCOUNTANTS * FRN No 000003S BANGALORE

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS * BENGALURU

SHRIVISION HOMES PVT. LTD. *

Shrivision Homes Private Limited
Statement of Profit and Loss for the year ended 31 March 2019
(All amounts in ₹ millions, unless otherwise specified)

	Note	Year ended 31 March 2019	Year ended 31 March 2018 Restated (*)
Revenue			
Revenue from operations	16	1,989.88	358.51
Other income	17	19.75	1.68
Total income		**2,009.63**	**360.19**
Expenses			
Material and construction cost		711.65	647.39
Changes in inventories	18	489.60	(642.14)
Finance costs, net	19	225.29	239.36
Depreciation	2	0.24	0.25
Other expenses	20	161.88	296.73
Total expenses		**1,588.66**	**541.59**
Profit/(loss) before tax		**420.97**	**(181.40)**
Tax expense	21		
Current tax		34.06	-
Deferred tax		-	(12.44)
Profit/(loss) after tax		**386.91**	**(193.84)**
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		**386.91**	**(193.84)**
Earnings per equity share	22		
Basic and diluted		1,547.64	(775.36)

(*) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

Significant accounting policies 1.2

The accompanying notes referred to above are 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
28 June 2019

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

FRN No 000003S BANGALORE

Abarna Bhaskar
Partner
Membership No. : 025145

Bengaluru
28 June 2019

For and on behalf of the Board of Directors of Shrivision Homes Private Limited

Krishna Veeraraghavan
Director
DIN: 06620405

Bengaluru
27 June 2019

Gopalakrishnan J
Director
DIN: 01610846

Bengaluru
27 June 2019

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

Shrivision Homes Private Limited
Cash Flow Statement for the year ended 31 March 2019
(All amounts in ₹ millions, unless otherwise specified)

	Year ended 31 March 2019	Year ended 31 March 2018 Restated*
A. Cash flow from operating activities		
Profit/ (loss) before tax	420.97	(181.40)
Adjustments		
Depreciation	0.24	0.25
Finance expense	225.29	225.38
Profit on sale of mutual fund	(16.00)	-
Dividend income from mutual fund	(3.16)	-
Interest on income tax refund	(0.23)	-
Fair value loss on financial instruments at FVTPL	73.10	199.10
Operating profit before working capital changes	**700.21**	**243.33**
Working capital adjustments:		
(Increase) in trade receivables	(273.86)	(84.59)
Decrease / (increase) in inventories	489.60	(642.14)
Decrease in loans and advances and other assets	107.00	52.70
(Decrease) / increase in current liabilities and provisions	(170.74)	893.29
Cash generated from operations	**852.21**	**462.59**
Income tax paid (net)	(8.61)	(18.47)
Net cash flows generated from operating activities	**843.60**	**444.12**
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(0.25)	(0.03)
Purchase of mutual funds	(947.68)	-
Sale of mutual funds	963.68	-
Dividend from mutual funds	3.16	-
Movement in loans to related parties, net	16.32	(16.17)
Net cash flows generated from/(used in) investing activities	**35.23**	**(16.20)**
C. Cash flows from financing activities		
Proceeds from secured term loans	-	150.00
Repayment of secured term loans	(253.80)	(199.00)
Loan taken from related party, net of repayment	12.68	-
Repayment to debenture holders	(2.10)	-
Finance charges paid	(218.29)	(233.00)
Net cash (used in) financing activities	**(461.51)**	**(282.00)**
Net increase in cash and cash equivalents (A + B + C)	**417.32**	**145.92**
Cash and cash equivalents at the beginning of the year	251.35	105.43
Cash and cash equivalents at the end of the period (refer note 7)	**668.67**	**251.35**

Changes in financial liabilities arising from cash and non-cash changes

Particulars	01 April 2018	Cash flows	Non cash changes		31 March 2019
			Amortisation of loan processing fee	Fair value changes	
Term loan from financial institution	1,740.47	(253.80)	2.02	-	1,488.69
Optionally convertible debentures	775.00	(2.10)	-	73.10	846.00
Loan from Related party	-	11.52	-	-	11.52
Total	**2,515.47**	**(244.38)**	**2.02**	**73.10**	**2,346.21**

Particulars	01 April 2017	Cash flows	Non cash changes		31 March 2018
			Amortisation of loan processing fee	Fair value changes	
Term loan from financial institution	1,787.45	(49.00)	2.02	-	1,740.47
Optionally convertible debentures	578.00	-	-	197.00	775.00
Loan from Related party	7.39	(7.39)	-	-	-
Total	**2,372.84**	**(56.39)**	**2.02**	**197.00**	**2,515.47**

*Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

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
28 June 2019

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

Abarna Bhaskar
Partner
Membership No. : 025145

Bengaluru
28 June 2019

For and on behalf of the Board of Directors of Shrivision Homes Private Limited

Krishna Veeraraghavan
Director
DIN: 06620405

Bengaluru
27 June 2019

Gopalakrishnan J
Director
DIN: 01610846

Bengaluru
27 June 2019

Shrivision Homes Private Limited
Statement of Changes in Equity as at 31 March 2019
(All amounts in ₹ millions, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 01 April 2017	**2.50**
Changes in equity share capital during the year	-
Balance as at 31 March 2018	**2.50**
Changes in equity share capital during the year	-
Balance as at 31 March 2019	**2.50**

B. Other equity

	Reserves and surplus	
Particulars	**Retained Earnings**	**Total**
Balance as at 01 April 2017 (Restated*)	(1,688.34)	(1,688.34)
(Loss) for the year (Restated*)	(193.84)	(193.84)
Balance as at 31 March 2018 (Restated*)	**(1,882.18)**	**(1,882.18)**
Profit for the year	386.91	386.91
Balance as at 31 March 2019	**(1,495.27)**	**(1,495.27)**

*Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

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
28 June 2019

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

Abarna Bhaskar
Partner
Membership No. : 025145

Bengaluru
28 June 2019

For and on behalf of the Board of Directors of Shrivision Homes Private Limited

Krishna Veeraraghavan
Director
DIN: 06620405

Bengaluru
27 June 2019

Gopalakrishnan J
Director
DIN: 01610846

Bengaluru
27 June 2019

Shrivision Homes Private Limited
Summary of significant accounting policies and other explanatory information

1 Company overview and significant accounting policies

1.1 Company overview

Shrivision Homes Private Limited (' the Company '), was incorporated on 18 July 2008 under the provision of erstwhile Companies Act, 1956. The registered office of the Company is located at Bengaluru, Karnataka, India. The Company is engaged in the business of construction, development and sale of all or any part of housing projects, and other related activities. The Company is a Joint Venture between Shriram Properties Limited, India (30%) and ASK Real Estate Special Opportunities Fund, India (70%).

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 (the 'Act') as amended and other relevant provisions of the Act.

The financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 27 June 2019.

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.

Going concern

As at the year ended 31 March 2019, the Company has accumulated losses aggregated to ₹ 1,495.27 million which is primarily due to losses recognised on fair valuation of optionally convertible debentures. This factor would normally indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. However the entity is a joint venture and being funded by two investors through optionally convertible debentures which are the most subordinate class of debt and repayment of the same is due only after the project is completed. The Company has been generating positive 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. Accordingly, the financial statements are prepared on a going concern basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, 'Share-based Payment', leasing transactions that are within the scope of Ind AS 17, '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 market 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. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

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

WALKER CHANDIOK & CO LLP • BENGALURU • CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN • FRN No 000003S BANGALORE • CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

(this space has been intentionally left blank)

1.2 Significant accounting policies (continued)

e. Current versus non-current classification

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

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

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

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

(iii) A liability is classified as current when:

- It is expected to be settled in the 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.

f. Foreign currency transactions

(a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying 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.

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN
FRN No
000003S
BANGALORE
CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

(this space has been intentionally left blank)

g. New Standards and amendments to existing standards adopted by the Company

(i) Ind AS 115 - Revenue from contracts with customers

MCA has notified Ind AS 115 - Revenue from contracts with customer, mandatorily applicable from 01 April 2018 either based on a full retrospective or modified retrospective application. The standard requires the Company to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. It establishes a new five-step model that will apply to revenue arising from contracts with customers.

As required by Ind AS 115, the Company has affected this standard retrospectively from 01 April 2017.

The impact of new standards for the periods presented are as follows:

As at 01 April 2017	Reported	Adjustments	Restated
Assets			
Other financial assets - current	161.28	(161.28)	-
Inventories	1,401.17	1,286.03	2,687.20
Other current assets	183.39	5.15	188.54
Liabilities			
Other current liabilities	695.41	1,595.61	2,291.02
Equity			
Other equity	(1,222.63)	(465.71)	(1,688.34)

As at 31 March 2018	Reported	Adjustments	Restated
Assets			
Other financial assets - current	126.11	(109.79)	16.32
Inventories	1,598.23	1,731.11	3,329.34
Other current assets	190.89	8.85	199.74
Liabilities			
Other current liabilities	1,013.26	2,226.49	3,239.75
Equity			
Other equity	(1,285.86)	(596.32)	(1,882.18)

For the year ended 31 March 2018	Reported	Adjustments	Restated
Revenue			
Revenue from operations	906.55	(548.04)	358.51
Other income	1.68	-	1.68
Expenses			
Land cost	-	-	-
Material and construction cost	616.00	31.39	647.39
Changes in inventories	(197.06)	(445.08)	(642.14)
Other expenses	300.46	(3.73)	296.73
Loss before tax	**(50.79)**	**(130.61)**	**(181.40)**
Tax expense	(12.44)	-	(12.44)
Net profit for the year	**(63.23)**	**(130.61)**	**(193.84)**
Basic and diluted EPS	(252.92)	(522.44)	(775.36)

The application of the new accounting policy has required management to make the following judgments:

Satisfaction of performance obligations

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue. The Company has assessed that based on the sale and purchase agreements entered into with customers and the provisions of relevant laws and regulations, where contracts are entered into to provide real estate assets to customer, it does not create an asset with an alternative use to it and usually has an enforceable right to payment for performance completed to date. In these circumstance the Company recognises revenue over time. Where this is not the case revenue is recognised at a point in time.

Determination of transaction prices

The Company is required to determine the transaction price in respect of each of its contracts with customers. In making such judgment the Company assess the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component in the contract and any non-cash consideration in the contract. In determining the impact of variable consideration the Company uses the "most-likely amount" method in IndAS 115, whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

Transfer of control in contracts with customers

In cases where the Company determines that performance obligations are satisfied at a point in time, revenue is recognised when control over the assets that is the subject of the contract is transferred to the customer. In the case of contracts to sell real estate assets this is generally when the unit has been handed over to the customer though a registered sale deed and legal enforceable right to collect payment is established.

In addition, the application of Ind AS 115 has resulted in the following estimation process:

Allocation of transaction price to performance obligation in contracts with customers

The Company has elected to apply the input method in allocating the transaction price to performance obligations where revenue is recognised over time. The Company considers that the use of the input method which requires revenue recognition on the basis of the Company's efforts to the satisfaction of the performance obligation provides the best reference of revenue actually earned. In applying the input method the Company estimates the cost to complete the projects in order to determine the amount of revenue to be recognised. These estimates include the cost of providing infrastructure, potential claims by contractors as evaluated by the project consultant and the cost of meeting other contractual obligations to the customers.

(ii) Ind AS 21 - The effects of changes in foreign exchange rates

MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21,mandatorily applicable from 1 April 2018. The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. However, there is no impact on the financial statements on application of this amendment.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

h. **Revenue recognition**

Revenue from projects

The Company has adopted Ind AS 115 with effect from 01 April 2018. However as required by Ind AS 11S, the standard has been effected retrospectively with effect from 01 April 2017 and accordingly prior year financial for the year ended 31 March 2018 has been restated. The Company has applied the following accounting policy in the preparation of its financial statements:

Revenue from contracts with customers

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

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

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

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring 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 Company has an enforceable right to payment for performance completed to date.

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

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

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

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

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.

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 orofit and loss. The expected cash flows are revisited on a vearlv 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.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

1.2 Significant accounting policies (continued)

i. 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.

Properties held for sale

Completed properties held for sale are stated at the lower of cost and net realizable value. Cost includes cost of land, construction related overhead expenditure, borrowing costs and other costs incurred during the period of development.

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

j. Property, Plant and Equipment (PPE)

Recognition and initial measurement

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

Subsequent measurement

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

Depreciation and useful lives

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

Office equipments	5 years
Furniture and fixtures	10 years
Computers	3 years

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

De-recognition

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

k. Investment properties

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

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

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.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

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 period 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.

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

Deferred tax

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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

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 year

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

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, contingent assets and contingent liabilities

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

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

Contingent liability is disclosed for:

(i).Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

(ii).Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

q. Cash flow statement

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

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

r. 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.

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

Shrivision Homes Private Limited

Summary of significant accounting policies and other explanatory information

1.2 Significant accounting policies (continued)

s. 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.

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

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

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

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

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

Investment in mutual funds

Investment in mutual funds are measured at fair value through profit or loss (FVTPL).

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.

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.

t. Impairment

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.

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.

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 recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised 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. 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 / to related parties are in nature of current accounts. Accordingly, receipts and payments from / to related parties have been shown on a net basis in the cash flow statement

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

1.3 Significant judgements and estimates in applying accounting policies

a. Revenue from contracts with customers - The Company has applied judgements as detailed in note 1.2 (g) 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. Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

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

e. 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

f. Contingent liabilities – At each balance sheet date based on 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. Refer note 26 for disclosures on contingent liabilities

g. Recognition of deferred tax assets – Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

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

i. Provisions – At each balance sheet date based on 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.

1.4 New amendments to accounting standards not yet effective and have not been adopted early by the Company

Certain new standards, amendments to standards and interpretations are not yet effective for annual years beginning after April 1 2018, and have not been applied in preparing these financial statements. New standards, amendments to standards and interpretations that could have potential impact on the financial statements of the Company are:

Ind AS 23 – Borrowing costs

On 30 March 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 23, 'Borrowing costs'. The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The effective date of application of this amendment is annual year beginning on or after April 1, 2019. The effect on the financial statements is being evaluated.

Ind AS 12 – Income taxes

On 30 March 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The effective date of application of this amendment is annual year beginning on or after April 1, 2019. The Company does not expect this amendment to have any impact to the financial statements

Ind AS 12, Appendix C - Uncertainty over income tax treatments

On 30 March 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C - Uncertainty over Income Tax treatments which is to be applied while performing the determination of taxable profits (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or planned to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date of adoption of Ind AS 12, Appendix C is annual periods beginning on or after 01 April 2019. The Company is evaluating the requirements of the new standard and the effect on the financial statements is being evaluated.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

(this space has been intentionally left blank)

Shrivision Homes Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, unless otherwise stated)

2 Property, plant and equipment

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

Particulars	Office equipments	Computers	Furniture and fixtures	Total
Gross carrying amount				
As at 1 April 2017	0.98	0.20	0.04	1.22
Additions	-	-	0.03	0.03
As at 31 March 2018	0.98	0.20	0.07	1.25
Additions	-	0.17	0.08	0.25
Deletions	(0.22)	-	-	(0.22)
As at 31 March 2019	0.76	0.37	0.15	1.28
Accumulated depreciation				
As at 1 April 2017	0.58	0.10	0.01	0.69
Charge for the year	0.19	0.05	0.01	0.25
As at 31 March 2018	0.77	0.15	0.02	0.94
Charge for the period	0.16	0.07	0.01	0.24
Depreciation on Deletions	(0.22)	-	-	(0.22)
As at 31 March 2019	0.71	0.22	0.03	0.96
Net block				
As at 31 March 2018	0.21	0.05	0.05	0.31
As at 31 March 2019	0.05	0.15	0.12	0.32

a. Contractual obligations

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

b. Capitalized borrowing cost

There are no borrowing costs capitalized during the year ended 31 March 2019 and 31 Mar 2018.

c. Property, plant and equipment pledged as security

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

3 Investment Property

Particulars	Land	Total
Gross carrying amount		
As at 1 April 2017	0.57	0.57
Additions	-	-
As at 31 March 2018	0.57	0.57
Additions	-	-
As at 31 March 2019	0.57	0.57
Accumulated depreciation		
As at 1 April 2017	-	-
Charge for the year	-	-
As at 31 March 2018	-	-
Charge for the period	-	-
As at 31 March 2019	-	-
Net block		
As at 31 March 2018	0.57	0.57
As at 31 March 2019	0.57	0.57

Information regarding the income and expenditure of investment property

Particulars	31 March 2019	31 March 2018
Rental income derived from investment property	-	-
Direct operating expenses (including repairs and maintenance) incurred for generating rental income	-	-
Profit earned from investment property before depreciation and indirect expenses	-	-
Less: Depreciation	-	-
Profit earned from investment property before indirect expenses	-	-

a. Contractual obligations

There are no contractual commitments pending for the acquisition of investment property as at the balance sheet date.

b. Capitalized borrowing cost

There are no borrowing costs capitalized during the Year ended 31 March 2019 and 31 March 2018.

c. Investment property pledged as security

There are no investment property pledged as security.

d. Fair value of investment property

The investment property is carried at its original cost, in the books of accounts. Management is of the opinion that the book value of the investment property represents its fair value as at 31 March 2019 and 31 March 2018.

WALKER CHANDIOK & CO LLP • BENGALURU • CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN • FRN No 000003S BANGALORE • CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

4 Non-current tax assets, net	**31 March 2019**	**31 March 2018**
Advance income tax, including tax deducted at source, net of provision for tax	7.39	10.67
Deposits with regulatory authorities	0.03	0.03
	7.42	**10.70**

5 Inventories

Properties under development (**)	**31 March 2019**	**31 March 2018 Restated (*)**
Material and construction cost	2,839.74	3,329.34
	2,839.74	**3,329.34**

(**) Details of assets pledged are given under note no. 28

6 Trade receivables (**)	**31 March 2019**	**31 March 2018**
Considered good - Secured	471.92	198.06
Considered good - Unsecured	-	-
Receivables which have significance increase in credit risk	-	-
	471.92	**198.06**
Credit impaired	-	-
	471.92	**198.06**

(**) Details of assets pledged are given under note no. 28

7 Cash and cash equivalents	**31 March 2019**	**31 March 2018**
Cash on hand	0.02	0.07
Balances with banks		
In current accounts	668.65	251.28
	668.67	**251.35**

Note:
As at 31 March 2019, the Company had available ₹ 550 millions (31 March 2018 ₹ 550 millions) of undrawn committed borrowing facilities.

8 Other financial assets	**31 March 2019**	**31 March 2018 Restated (*)**
Current		
Loan given to related party	-	16.32
	-	**16.32**

9 Other assets	**31 March 2019**	**31 March 2018 Restated (*)**
Current		
Advances for purchase of goods and availing of services	48.52	137.88
Other advances	2.38	5.00
Duties and taxes recoverable	10.74	30.86
Prepaid expenses	25.39	26.00
	87.03	**199.74**

(*) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of IndAS 115

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

Shrivision Homes Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, unless otherwise stated)

		31 March 2019	31 March 2018
10	**Equity share capital**		
i	**Authorized shares**		
	1,100,000 (31 March 2018 - 1,100,000) equity shares of ₹ 10 each	11.00	11.00
ii	**Issued, subscribed and fully paid-up shares**		
	250,000 (31 March 2018 - 250,000) equity shares of ₹ 10 each	2.50	2.50
		2.50	**2.50**

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

	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
Balance at the beginning of the year	250,000	2.50	250,000	2.50
Issued during the year	-	-	-	-
Outstanding at the end of the year	**250,000**	**2.50**	**250,000**	**2.50**

b. Terms/rights attached to equity shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, the remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets.

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

	31 March 2019		31 March 2018	
Equity shares of ₹ 10 each, fully paid-up	**Number**	**% holding in the class**	**Number**	**% holding in the class**
Shriram Properties Limited (**)	175,000	70%	175,000	70%
ASK Real Estate Special Opportunities Fund (#)	75,000	30%	75,000	30%

(**) includes 1 equity share held by a nominee of Shriram Properties Limited
(#) above shares are held by IL & FS Trust Company Limited in its capacity as the trustee of ASK Trusteeship Services Private Limited

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

The Company has not issued any bonus shares nor there has been any buy back of shares during the five years immediately preceding 31 March 2019.

		31 March 2019	31 March 2018 Restated (*)
11	**Other equity**		
	Retained earnings	(1,495.27)	(1,882.18)
		(1,495.27)	**(1,882.18)**

(*) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN * FRN No 000003S BANGALORE * CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD. *

12 Borrowings - current	**31 March 2019**	**31 March 2018**
Secured loans		
Term loans (refer note 12A)		
From others	1,488.69	1,740.47
Unsecured		
Loan from related parties **(refer note 29) (^)**	11.52	-
Optionally convertible debentures **(**)**	846.00	775.00
	2,346.21	**2,515.47**

(**) Terms attached to debentures:

Pursuant to Debenture Trustee Agreement dated 30 October 2012 ('the Agreement'), the Company had issued 3,594,000 class 'A' and 8,382,500 class 'B' optionally convertible debentures (OCD's) of ₹ 100 each to Shriram Properties Limited (SPL) and IL & FS Trust Company Limited [in its capacity as trustee of ASK Real Estate Special Opportunities Fund ('ASK')], respectively.

Consequent to subordination agreement dated 22 December 2016 ("the agreement") entered between the Company, Shriram Properties Limited (SPL), ASK Real Estate Special Opportunity Fund and LIC HFL, the first charge created on all assets including land forming part of the project undertaken by the Company against debentures issued by the Company has been subordinated to LIC HFL as a security against proposed term loan to be obtained from LIC HFL vide credit facility letter dated 21 November 2016.

Consequent to the execution of the subordination agreement, repayment of debentures is subject to the repayment of loan taken from LIC HFL.

During the year ended 31 March 2017, The Company had redeemed 2,695,500 class 'A' and 6,286,875 class 'B' optionally convertible debentures (OCD's) of ₹ 100 each to Shriram Properties Limited (SPL) and IL & FS Trust Company Limited [in its capacity as trustee of ASK Real Estate Special Opportunities Fund ('ASK')], respectively.

The aforesaid debentures are issued on the following terms:

- debentures to carry a minimum coupon rate of 10% p.a.;
- debentures are eligible for an interest/ return/ premium which gives an IRR of 25% (including the minimum coupon rate of 10% p.a) on the principal amount and are eligible for purchase by SPPL upon fulfillment of terms and conditions mentioned in the agreement and upon event of default as contemplated in the agreement these debentures are eligible for conversion into such number of equity shares on a fully diluted basis as would be available to the investor of the Company if a drag right was exercised by the investor as per the terms of the agreement;
- simultaneous to the conversion of the class B Debentures, class A Debentures shall be converted into equity shares in a similar ratio as class B Debentures;
- aforesaid debentures are redeemable upon completion of the project undertaken by the Company and fulfillment of conditions within the time frame contained in Security subscription and Security Holders Agreement subject to repayment of debt to LIC HFL.
- the Debentures shall rank in pari passu inter se without any preference or priority of one over the other or others of them except in the event of default, then class B Debentures shall have the priority over the class A Debentures.
- Debentures are eligible for conversion into equity shares, such that post conversion the shareholding ratio of ASK and SPL in the Company is 30:70 respectively.

(^) Tenure in terms of repayment have not been specified and hence, the loan is considered as repayable on demand

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

(this space has been intentionally left blank)

SHRIVISION HOMES PVT. LTD.

ABARNA & ANANTHAN FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS

13 Trade payables - current	**31 March 2019**	**31 March 2018**
Dues to micro and small enterprises(^)	26.87	16.02
Dues to creditors other than micro enterprises and small enterprises	87.03	88.45
	113.90	**104.47**

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 2019 has been made in the financial statements based on the information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date.

(^) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2019, 31 March 2018:

	Particulars	**31 March 2019 (₹)**	**31 March 2018 (₹)**
i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; (#)	26.95	16.02
ii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

(#) Includes the amounts reported in note 13 and 14 to the financial statements

14 Other financial liabilities - current	**31 March 2019**	**31 March 2018**
Interest accrued but not due on borrowings	12.64	13.99
Other payables (^)	8.37	12.39
	21.01	**26.38**

(^) Includes ₹ 0.08 million as at 31 March 2019 towards payable to Micro and Small Enterprises.

15 Other current liabilities	**31 March 2019**	**31 March 2018 Restated (*)**
Advance from customers	3,055.96	3,232.43
Statutory dues payable	7.65	7.32
	3,063.61	**3,239.75**

Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of IndAS 115

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN * FRN No 000003S BANGALORE * CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD. *

12 Borrowings (continued)

A Note on security

Sl.No	Particulars	Nature of security	Repayment details	31 March 2019	31 March 2018
Short term borrowings					
Term loans (Secured)					
1	**Life Insurance Corporation Housing Finance Limited**	1. Equitable Mortgage of the Project land admeasuring 15.22 Acres and structure thereon (MODT to be registered) situated at Survey Nos. 35, 35B, 41, 43, 44, 45, 46B, 46 (part), 58, 59, 60 & 61, Kasavanahalli Village, Varthur Hobli, Bengaluru East Taluk. 2. Assignment / Hypothecation of receivables from the project "Shriram Chirping Woods". 3. Negative Lien on the property to the extent of 1.75 times of the outstanding loan amount based on market value, 4. Corporate Guarantee of M/s. Shriram Properties Limited.	24 monthly instalments after 24 months from the first date of disbursement of loan i.e., 11 January 2017; repayment in 23 monthly instalment of Rs. 104 millions each and last instalment of Rs. 108 millions or based on customer collections which ever is higher.	1,491.40	1,745.20
	Unamortised upfront fees on borrowings			(2.71)	(4.73)
	The interest on above term loan is linked to the respective banks base rates. The effective interest rates per annum ranges between			10-14%	10-13%
				1,488.69	1,740.47
Unsecured					
2	**Optionally convertible debentures**	Not Applicable	Redeemable with interest upon completion of the project undertaken by the Company and fulfillment of conditions within the time frame contained in Security subscription and Security Holders Agreement subject to repayment of debt to Life Insurance Corporation Housing Finance Limited	846.00	775.00
3	**Shriram Properties Limited(formerly Shriram Properties Private Limited)**	Not Applicable	Repayable on demand	11.52	-
	The interest on above loan is fixed in nature. As on the balance sheet date the interest rate per annum is			15.00%	15.00%
	Total			2,346.21	2,515.47

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN * FRN No 000003S BANGALORE * CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD. *

Shrivision Homes Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018 Restated (*)
16 Revenue from operations		
Proceeds from sale of constructed properties	1,989.88	358.51
	1,989.88	**358.51**

	Year ended 31 March 2019	Year ended 31 March 2018
17 Other income		
Profit on sale of mutual fund	16.00	-
Dividend Income from mutual fund	3.16	-
Cancellation charges	0.17	1.46
Miscellaneous income	0.19	0.22
Interest on income tax refund	0.23	-
	19.75	**1.68**

	Year ended 31 March 2019	Year ended 31 March 2018 Restated (*)
18 Changes in inventories		
Inventory at the beginning of the year	3,329.34	2,687.20
Inventory at the end of the year	2,839.74	3,329.34
	489.60	**-642.14**

	Year ended 31 March 2019	Year ended 31 March 2018
19 Finance costs, net (**)		
Finance expense:		
Interest on term loans	216.87	235.17
Loan processing charges	7.74	7.74
Interest on income tax	1.77	-
Others	0.07	0.20
	226.45	**243.11**
Finance income:		
Interest income on loans given to related parties (refer note 29)	1.16	3.75
	1.16	**3.75**
Finance expense, net	**225.29**	**239.36**

(**) Includes finance expense capitalized amounting to ₹ 224.61 millions (31 March 2018: ₹ 242.61 millions)

(*) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN
FRN No
000003S
BANGALORE
CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

Shrivision Homes Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018 Restated (*)
16 Revenue from operations		
Proceeds from sale of constructed properties	1,989.88	358.51
	1,989.88	**358.51**

	Year ended 31 March 2019	Year ended 31 March 2018
17 Other income		
Profit on sale of mutual fund	16.00	-
Dividend Income from mutual fund	3.16	-
Cancellation charges	0.17	1.46
Miscellaneous income	0.19	0.22
Interest on income tax refund	0.23	-
	19.75	**1.68**

	Year ended 31 March 2019	Year ended 31 March 2018 Restated (*)
18 Changes in inventories		
Inventory at the beginning of the year	3,329.34	2,687.20
Inventory at the end of the year	2,839.74	3,329.34
	489.60	**-642.14**

	Year ended 31 March 2019	Year ended 31 March 2018
19 Finance costs, net (**)		
Finance expense:		
Interest on term loans	216.87	235.17
Loan processing charges	7.74	7.74
Interest on income tax	1.77	-
Others	0.07	0.20
	226.45	**243.11**
Finance income:		
Interest income on loans given to related parties (refer note 29)	1.16	3.75
	1.16	**3.75**
Finance expense, net	**225.29**	**239.36**

(**) Includes finance expense capitalized amounting to ₹ 224.61 millions (31 March 2018: ₹ 242.61 millions)

(*) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

(this space has been intentionally left blank)

ABARNA & ANANTHAN * FRN No 000003S BANGALORE * CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD. *

Shrivision Homes Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, unless otherwise stated)

		Year ended 31 March 2019	Year ended 31 March 2018 Restated (*)
20	**Other expenses**		
	Administrative	22.18	18.27
	Development management	4.69	3.86
	Insurance	3.07	3.19
	Legal and professional charges (**)	6.98	4.07
	Power and fuel	4.98	3.23
	Printing and stationery	1.06	1.45
	Rates and taxes	3.95	6.21
	Sales promotion	27.92	50.41
	Fair value loss on financial instruments at FVTPL	73.10	199.10
	Security	4.92	2.09
	Miscellaneous	9.03	4.85
		161.88	**296.73**

(**)	**Payment to auditor (on accrual basis, excluding GST)**		
	As auditor:		
	Audit fee	0.80	0.65
	In other capacity:		
	Reimbursement of expenses	-	0.08
		0.80	**0.73**

		Year ended 31 March 2019	Year ended 31 March 2018 Restated (*)
21	**Income tax**		
A.	**Tax expense comprises of:**		
	Current income tax	34.06	-
	Deferred tax	-	(12.44)
	Income tax expense reported in the statement of profit or loss	**34.06**	**(12.44)**

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

B.	**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate**		
	Accounting profit / (loss) before tax from continuing operations	420.97	(181.40)
	Accounting profit / (loss) before income tax	**420.97**	**(181.40)**
	At India's statutory income tax rate of 27.82% (31 March 2018: 25.75%)	117.11	(46.71)
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Unrecorded deferred tax asset on current year temporary differences	3.33	50.47
	Unrecorded deferred tax asset on brought forward losses utilised in the current year	(115.84)	-
	MAT credit written off during the year	-	(12.44)
	Capital gain taxable at capital gain rate	(4.45)	-
	MAT credit not created during the year	34.06	-
	Difference in the rates of income tax and deferred tax	(0.15)	(3.76)
	Income tax expense	**34.06**	**(12.44)**

C. **Recognised deferred tax assets and liabilities**

Deferred tax assets is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carried forward tax losses can be utilised. Due to lack of convincing evidence, the Company has not recorded deferred tax asset on deductible temporary differences which primarily includes the carry forward business losses amounting to ₹ Nil (31 March 2018 - ₹ 433,235,681) on which no deferred tax asset is recognised. Further these losses are available for offset for maximum period of eight years from the incurrence of loss.

		Year ended 31 March 2019	Year ended 31 March 2018 Restated (*)
22	**Earnings per share (EPS)**		
	Net profit/(loss) after tax attributable to equity shareholders	386.91	(193.84)
	Weighted average number of Equity shares for basic EPS	250,000	250,000
	Earnings per equity share (for continuing operation):		
	Basic and diluted	1,547.64	(775.36)
	Nominal value ₹ 10/- per each equity share		

(*) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN * FRN No 000003S BANGALORE * CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

Shrivision Homes Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, unless otherwise stated)

23 Financial instruments

Financial instruments by category

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	6	-	-	471.92	471.92	471.92
Cash and cash equivalents	7	-	-	668.67	668.67	668.67
Other financial assets	8	-	-	-	-	-
Total financial assets		**-**	**-**	**1,140.59**	**1,140.59**	**1,140.59**
Financial liabilities :						
Borrowings	12	846.00	-	1,500.21	2,346.21	2,346.21
Trade payables	13	-	-	113.90	113.90	113.90
Other financial liabilities	14	-	-	21.01	21.01	21.01
Total financial liabilities		**846.00**	**-**	**1,635.12**	**2,481.12**	**2,481.12**

The carrying value and fair value of financial instruments by categories as at 31 March 2018 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	6	-	-	198.06	198.06	198.06
Cash and cash equivalents	7	-	-	251.35	251.35	251.35
Other financial assets (Restated*)	8	-	-	16.32	16.32	16.32
Total financial assets		**-**	**-**	**465.73**	**465.73**	**465.73**
Financial liabilities :						
Borrowings	12	775.00	-	1,740.47	2,515.47	2,515.47
Trade payables	13	-	-	104.47	104.47	104.47
Other financial liabilities	14	-	-	26.38	26.38	26.38
Total financial liabilities		**775.00**	**-**	**1,871.32**	**2,646.32**	**2,646.32**

Notes to financial instruments

The management has 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.

(*) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN * CHARTERED ACCOUNTANTS * FRN No 000003S BANGALORE

SHRIVISION HOMES PVT. LTD. *

(This space has been intentionally left blank)

23 Financial instruments by category (continued)

(i) Fair values hierarchy

Financial assets are measured at fair value in the financial statement and are grouped into three Levels of 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 2019	Level 1	Level 2	Level 3	Total
Financial liabilities				
Optionally convertible debentures	-	-	846.00	**846.00**
Total financial liabilities	**-**	**-**	**846.00**	**846.00**

Financial instruments measured at fair value

31 March 2018	Level 1	Level 2	Level 3	Total
Financial liabilities				
Optionally convertible debentures	-	-	775.00	**775.00**
Total financial liabilities	**-**	**-**	**775.00**	**775.00**

(iii) Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include the use of discounted cash flow method (income approach) for optionally convertible debentures.

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

Particulars	Fair value as at		Significant unobservable inputs	Data inputs		Sensitivity (^)	
	31 March 2019	31 March 2018		31 March 2019	31 March 2018	1% increase in inputs	1% decrease in inputs
Optionally convertible debentures	846.00	775.00	Discount rate	20.00%	20.00%	31 March 2019 - ₹(0.73) million; 31 March 2018 - ₹(2.40) million	31 March 2019 - ₹0.74 million; 31 March 2018 - ₹2.43 million

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

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

Particulars	Optionally convertible debentures
As at 01 April 2017	**578.00**
Loss recognised in statement of profit and loss	197.00
Repayment during the year	-
As at 31 March 2018	**775.00**
Loss recognised in statement of profit and loss	73.10
Repayment during the year	(2.10)
As at 31 March 2019	**846.00**

(This space has been intentionally left blank)

24 Financial risk management

Financial risk factors

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

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

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

a. Credit risk

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

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

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

Asset group	Description	Provision for expenses credit loss (*)	31 March 2019	31 March 2018 (Restated**)
Low credit risk	Cash and cash equivalent, trade receivables and other financial assets	12 months expected credit loss/life time expected credit loss	1,140.59	465.73
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.

(**) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

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 2019

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	471.92	-	471.92
Cash and cash equivalents	668.67	-	668.67
Other financial assets	-	-	-

31 March 2018

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	198.06	-	198.06
Cash and cash equivalents	251.35	-	251.35
Other financial assets (**)	16.32	-	16.32

(**) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

Expected credit loss for trade receivables under simplified approach

Trade receivables are secured in a form that registry of sold residential units is not processed till the time the Company does not receive the entire payment. Hence, as the Company does not have significant credit risk, it does not present the information related to ageing pattem. 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.

WALKER CHANDIOK & CO LLP · BENGALURU · CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN · FRN No 000003S · BANGALORE · CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.

24 Financial risk management (continued)

b. Liquidity risk

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

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

Maturities of financial liabilities

The tables below 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 2019	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	1,841.80	677.41	-	2,519.21
Trade payables	64.06	49.84	-	113.90
Other financial liabilities	21.01	-	-	21.01
Total	**1,926.87**	**727.25**	**-**	**2,654.12**

31 March 2018	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	344.84	2,568.13	-	2,912.97
Trade payables	76.42	28.05	-	104.47
Other financial liabilities	26.38	-	-	26.38
Total	**447.64**	**2,596.18**	**-**	**3,043.82**

c. Market risk

a) Interest rate risk

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in 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 2019	31 March 2018
Variable rate borrowing	1,488.69	1,740.47
Fixed rate borrowing	11.52	-
Total borrowings	**1,500.21**	**1,740.47**

Interest rate risk

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

Particulars	31 March 2019	31 March 2018
Interest rates – increase by 50 basis points (50 bps)	(8.16)	(9.04)
Interest rates – decrease by 50 basis points (50 bps)	8.16	9.04

25 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.

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

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

Particulars	31 March 2019	31 March 2018
Short term borrowings	2,346.21	2,515.47
Less: Cash and cash equivalents	(668.67)	(251.35)
Net debt	**1,677.55**	**2,264.12**
Total equity (Restated *)	(1,492.77)	(1,879.68)
Gearing ratio	(1.12)	(1.20)

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

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

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

No changes were made in the objectives, policies or processes for managing capital during the Year ended March 31, 2019 and March 31, 2018

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

(*) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

WALKER CHANDIOK & CO LLP • BENGALURU • CHARTERED ACCOUNTANTS

ABARNA & ANANTHAN • FRN No 000003S • BANGALORE • CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD. *

26 Other commitments and contingencies:

The Company is involved in certain litigations relating to statutory dues payable on acquisition of project related land and customer cases. These cases are pending with the Civil Courts, Real Estate Regulatory authority, Karnataka. The Company is contesting the above cases and considering the facts and circumstance and nature of disputes, the management believes that the final outcome of the disputes should be in favour of the Company and will not have any material adverse effect on the financial position and results of operation.

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

28 Assets pledged as security

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

Current	31 March 2019	31 March 2018
Financial assets		
First charge		
Trade receivables	471.92	198.06
Non-financial assets		
First charge		
Inventories (Restated*)	2,839.74	3,329.34
Total current assets pledged as securities	**3,311.66**	**3,527.40**
Total assets pledged as security	**3,311.66**	**3,527.40**

Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

29 Related party disclosures

(i) Parties exercising the control

Names of the related parties	**Relationship**
Shriram Properties Limited	Joint venturer
ASK Real Estate Special Opportunities Fund	Joint venturer

(ii) Key managerial personnel

Names of the related parties	**Relationship**
S.S.Asokan	Director (till 26 November 2018)
Krishna Veeraraghavan	Director
Lakshmipathi Chockalingam	Director
Bhavinkumar Nagraj Jain	Director
Gopalakrishnan J	Director (from 26 November 2018)

(iii) Other related parties

Shriprop Projects Private Limited	Subsidiary of Joint Venturer - Shriram Properties Limited

(ii) The following is the summary of significant transactions with related parties by the Company during the year:

Particulars	31 March 2019	31 March 2018
Shriram Properties Limited		
Loan taken	77.45	81.92
Loan repaid	67.76	89.31
Loans given	44.80	89.12
Loans recovered	62.95	72.80
Interest income	1.16	3.75
Guarantee given on behalf of company	-	-
Fair value loss on financial instruments at FVTPL	21.93	59.73
Administration fees	26.58	18.27
Development management fees	4.69	3.93
Debenture repayment	1.47	-
Shriprop Projects Private Limited		
Expenses incurred by company on behalf of the others	-	3.97
Expenses incurred by others on behalf of the company	-	3.97
ASK Real Estate Special Opportunities Fund		
Fair value loss on financial instruments at FVTPL	51.17	139.37
Debenture repayment	0.63	-

(iii) Amount outstanding as at the balance sheet date:

Particulars	31 March 2019	31 March 2018
Optionally convertible debentures		
Shriram Properties Limited	253.80	232.50
ASK Real Estate Special Opportunities Fund	592.20	542.50
Guarantee given on behalf of company		
Shriram Properties Limited	2,500.00	2,500.00
Loan to related party		
Shriram Properties Limited	-	16.32
Loan from related party		
Shriram Properties Limited	11.52	-

30 Corporate Social Responsibility

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the years ended 31 March 2019 and 31 March 2018.

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

a. Contract balances

Particulars	As at 31 March 2019	As at 31 March 2018
Contract liabilities		
Advance from customers	3,055.96	3,232.43
Total contract liabilities	**3,055.96**	**3,232.43**

i. 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. As at 31 March 2019 and 31 March 2018, the Company does not have any contract assets (conditional upon factors other than passage of time).

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

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

Particulars	As at 31 March 2019 Advances from consumers	As at 31 March 2018 Advances from consumers (Restated *)
Opening balance	3,232.43	2,285.58
Add: Additions/adjustments during the year	1,813.41	1,305.36
Less: Revenue recognised during the year	(1989.88)	(358.51)
Closing balance	**3,055.96**	**3,232.43**

c. Disaggregated revenue information

Particulars	Year ended 31 March 2019	Year ended 31 March 2019 (Restated*)
Contract revenue	1,996.82	358.51
Adjustment for:		
- Subvention cost	(6.94)	-
Revenue recognised	**1,989.88**	**358.51**

(*) Refer note 1.2 (g) for details about the restatements for change in accounting policies consequent to adoption of Ind AS 115

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

The transaction price of the remaining performance obligation (unsatisfied or partly satisfied) as at 31 March 2019 is ₹1,989.88 million. The same is expected to be recognised within 1 to 4 years

32 Segmental information

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

33 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 Mar 2019 and the date of authorization of these financial statements.

As per report of even date

For Walker Chandiok & Co LLP	For Abarna & Ananthan	For and on behalf of the Board of Directors of Shrivision Homes Private Limited	
Chartered Accountants	Chartered Accountants		
Firm's Registration No.: 001076N/N500013	Firm's Registration No.: 000003S		
Adi P. Sethna	Abarna Bhaskar	Krishna Veeraraghavan	Gopalakrishnan J
Partner	Partner	Director	Director
Membership No. : 108840	Membership No. : 025145	DIN: 06620405	DIN: 01610846
Mumbai	Bengaluru	Bengaluru	Bengaluru
28 June 2019	28 June 2019	27 June 2019	27 June 2019

FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

SHRIVISION HOMES PVT. LTD.