

## **Independent Auditor's Report**

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

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

#### **Opinion**

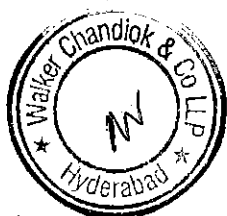
1. We have audited the accompanying financial statements of Shriprop Builders Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

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

#### **Emphasis of Matter**

4. We draw attention to Note 29 to the accompanying financial statements, which describes the uncertainties due to the outbreak of 'COVID-19' pandemic and the management's evaluation of its impact on the accompanying financial statements and operations of the Company as at the balance sheet date, the extent of which is significantly dependent on future developments as they evolve. Our opinion is not modified in respect of this matter.



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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the Financial Statements**

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Report on Other Legal and Regulatory Requirements**

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - 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 2021 from being appointed as a director in terms of section 164(2) of the Act;
  - f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 08 September 2021 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:

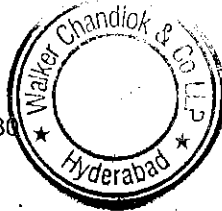
- i. the Company, as detailed in note 28 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021; and
- 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 2021.

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

*Nikhil Vaid*  
Nikhil Vaid

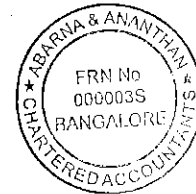
Partner  
Membership No.: 213356  
UDIN: 21213356AAAAES2680

Hyderabad  
08 September 2021



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

*Abarna*  
Abarna Bhaskar  
Partner  
Membership No.: 025145  
UDIN: 21025145AAAA CB7164



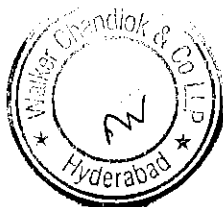
Bengaluru  
08 September 2021

**Annexure I to the Independent Auditor's Report of even date to the members of Shriprop Builders Private Limited, on the financial statements for the year ended 31 March 2021**

**Annexure I**

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:

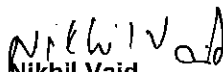
- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment 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 'property, plant and equipment'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.
- (ii) The company is primarily engaged in the business of real estate development and holds inventory in the form of properties under development. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
  - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest;
  - (b) the schedule of repayment of the principal and the payment of the interest has not been stipulated and hence we are unable to comment as to whether repayments/receipts of the principal amount and the interest are regular; 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 complied with the provisions of Section 186 in respect of loans and investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) 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 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.



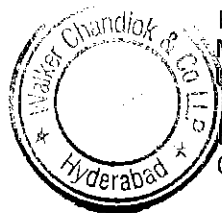
**Annexure I to the Independent Auditor's Report of even date to the members of Shriprop Builders Private Limited, on the financial statements for the year ended 31 March 2021**

- (vii)(a) Undisputed statutory dues including income-tax, goods and services tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of income-tax, goods and services tax, sales-tax, service 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 no loans or borrowings payable to a financial institution or a bank or government. The company has not defaulted in repayment of any dues to the debenture holders.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (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 Company has not paid or provided for any managerial remuneration. Accordingly, the 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

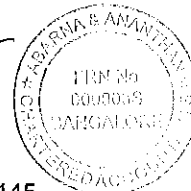
  
**Nikhil Vaid**  
Partner  
Membership No.: 213356  
UDIN: 21213356AAAAES2680

Hyderabad  
08 September 2021



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

  
**Abarna Bhaskar**  
Partner  
Membership No.: 025145  
UDIN: 21025145AAAA CB7164



Bengaluru  
08 September 2021

**Annexure II to the Independent Auditor's Report of even date to the members of Shriprop Builders Private Limited on the financial statements for the year ended 31 March 2021**

**Annexure II**

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

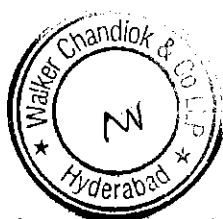
1. In conjunction with our audit of the financial statements of Shriprop Builders Private Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

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



Annexure II to the Independent Auditor's Report of even date to the members of Shriprop Builders Private Limited on the financial statements for the year ended 31 March 2021

**Meaning of Internal Financial Controls with Reference to Financial Statements**

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

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

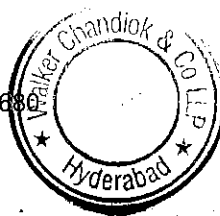
**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India

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

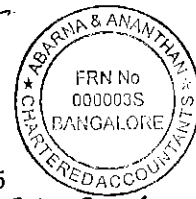
*Nikhil Vaid*  
Nikhil Vaid  
Partner  
Membership No.: 213356  
UDIN: 21213356AAAAES2686

Hyderabad  
08 September 2021



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

*Abarna*  
Abarna Bhaskar  
Partner  
Membership No.: 025145  
UDIN: 21025145AAAA1B7164



Bengaluru  
08 September 2021



**Balance sheet as at 31 March 2021**

(All amounts in ₹ millions, unless otherwise specified)

	Note	As at 31 March 2021	As at 31 March 2020
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	0.02	0.08
(b) Financial assets			
(i) Investments	7	0.75	0.75
(ii) Other financial assets	3A	0.03	0.03
(c) Non-current tax assets (net)	5	18.44	17.95
<b>Total non-current assets</b>		<b>19.24</b>	<b>18.81</b>
<b>Current assets</b>			
(a) Inventories	6	407.96	1,203.51
(b) Financial assets			
(i) Investments	7	-	430.08
(ii) Trade receivables	8	15.03	207.19
(iii) Cash and cash equivalents	9	12.18	37.77
(iv) Loans and advances	4	80.75	-
(v) Other financial assets	3B	162.63	175.27
(c) Other current assets	10	15.10	37.82
<b>Total current assets</b>		<b>693.65</b>	<b>2,091.64</b>
<b>Total assets</b>		<b>712.89</b>	<b>2,110.45</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	0.20	0.20
(b) Other equity	12	47.11	(80.72)
<b>Total Equity</b>		<b>47.31</b>	<b>(80.52)</b>
<b>Liabilities</b>			
<b>Non current liabilities</b>			
(a) Deferred tax liabilities	13	33.47	-
<b>Total non-current liabilities</b>		<b>33.47</b>	<b>-</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	-	567.04
(ii) Trade payables	15		
- total outstanding dues of micro enterprises and small enterprises		12.95	12.67
- total outstanding dues of creditors other than micro enterprises and small enterprises		119.75	150.70
(iii) Other financial liabilities	16	79.87	27.58
(b) Other current liabilities	17	417.19	1,432.98
(c) Current tax liabilities(net)	18	2.35	-
<b>Total current liabilities</b>		<b>632.11</b>	<b>-</b>
<b>Total equity and liabilities</b>		<b>712.89</b>	<b>-</b>
<b>Significant accounting policies</b>	1.2		
The accompanying notes referred to above form an integral part of the financial statements			

As per our report of even date

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

*Nikhil Vaid*  
 Nikhil Vaid

Partner  
 Membership No.: 213856

Hyderabad  
 08 September 2021

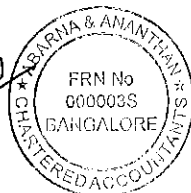


**For Abarna & Ananthan**  
 Chartered Accountants  
 Firm's Registration No.: 000003S

*Abarna*  
 Abarna Bhaskar

Partner  
 Membership No.: 025145

Bengaluru  
 08 September 2021

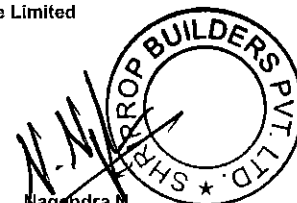


**For and behalf of the Board of Directors of  
 Shriprop Builders Private Limited**

*Krishna*  
 Krishna Veeraraghavan

Director  
 DIN: 06620405

Bengaluru  
 08 September 2021



*Nagendra*  
 Nagendra N

Director  
 DIN: 07781675  
 Bengaluru  
 08 September 2021

**Shriprop Builders Private Limited**  
**Statement of Profit and Loss for the year ended 31 March 2021**  
(All amounts in ₹ millions, unless otherwise specified)

	Note	Year ended 31 March 2021	Year ended 31 March 2020
<b>Revenue</b>			
Revenue from operations	18	1,041.63	919.31
Other income	19	127.59	55.17
<b>Total Income</b>		<b>1,169.22</b>	<b>974.48</b>
<b>Expenses</b>			
Land cost		33.56	-
Material and construction cost		90.42	344.91
Changes in inventories	20	795.55	501.55
Finance expense, net	21	62.57	77.89
Depreciation expense	2	0.08	0.10
Impairment losses in value of other financial assets	22 A	-	23.73
Other expenses	22 B	17.05	42.52
<b>Total expenses</b>		<b>999.23</b>	<b>990.70</b>
<b>Profit / (loss) before tax</b>		<b>169.99</b>	<b>(16.22)</b>
<b>Tax expense:</b>	23		
Current tax		8.69	-
Deferred tax		33.47	-
<b>Total tax expense</b>		<b>42.16</b>	<b>-</b>
<b>Profit / (loss) after tax</b>		<b>127.83</b>	<b>(16.22)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive Income / (loss) for the year</b>		<b>127.83</b>	<b>(16.22)</b>
<b>Earnings/ (Loss) per equity share</b>	24		
Basic and diluted		6,519.32	(827.21)

**Significant accounting policies** 1.2  
The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date

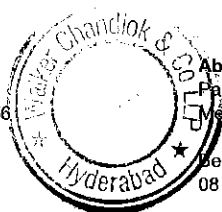
**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

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

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

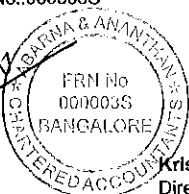
*Nikhil Vaid*  
**Nikhil Vaid**  
Partner  
Membership No. : 213356

Hyderabad  
08 September 2021



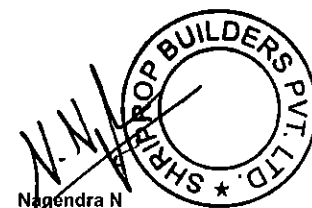
*Abarna Bhaskar*  
**Abarna Bhaskar**  
Partner  
Membership No.: 025145

Bengaluru  
08 September 2021



*Krishna Veeraraghavan*  
**Krishna Veeraraghavan**  
Director  
DIN: 06620405

Bengaluru  
08 September 2021



*Nagendra N*  
**Nagendra N**  
Director  
DIN: 07781675

Bengaluru  
08 September 2021

**Shriprop Builders Private Limited**  
**Cash Flow Statement for the year ended 31 March 2021**  
(All amounts in ₹ millions, unless otherwise specified)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>A. Cash flow from operating activities</b>		
Profit (loss) for the year	169.99	(16.22)
Adjustments for:		
Depreciation expense	0.08	0.10
Profit on sale of mutual funds	-	(0.12)
Unwinding income from other receivable	(13.00)	-
Gain on redemption of optionally convertible debentures	(59.51)	-
Finance expense, net	62.56	77.89
Gain arising from financial instrument designated as FVTPL	(55.00)	(55.00)
Interest on income tax refund	-	(0.05)
Loss recognised under expected credit loss model	-	23.73
<b>Operating profit before working capital changes</b>	<b>105.12</b>	<b>30.33</b>
Working capital adjustments:		
Decrease in trade receivables	192.16	194.20
Decrease in inventories	795.55	501.55
Decrease in other assets	48.36	182.54
(Decrease) in trade payables	(30.67)	(2.91)
(Decrease) in current liabilities	(869.05)	(354.58)
<b>Cash generated from operating activities</b>	<b>241.47</b>	<b>551.13</b>
Income tax paid	(0.49)	(52.28)
<b>Net cash flows generated from operating activities</b>	<b>240.98</b>	<b>498.85</b>
<b>B. Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment	0.02	-
Purchase of mutual funds	-	(21.25)
Sale of mutual fund investments	-	26.46
Loan repaid to related party, net of loan availed	(80.75)	-
Investment in optionally convertible debentures of Shrivision Homes Private Limited	-	(330.00)
Redemption of optionally convertible debentures of Shrivision Homes Private Limited	388.76	-
<b>Net cash flows generated from/ (used in) investing activities</b>	<b>308.03</b>	<b>(324.79)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from term loans	-	221.74
Repayment of term loans	-	(456.77)
Redemption of non-convertible debentures	-	(200.00)
Repayment of/ (proceeds from) borrowings from related party (net)	(573.07)	291.99
Interest and other finance charges paid	(1.53)	(43.29)
<b>Net cash (used in) from financing activities</b>	<b>(574.60)</b>	<b>(186.33)</b>
<b>Net (decrease) in cash and cash equivalents (A + B + C)</b>	<b>(25.59)</b>	<b>(12.27)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>37.77</b>	<b>50.04</b>
<b>Cash and cash equivalents at the end of the year (refer note 9)</b>	<b>12.18</b>	<b>37.77</b>

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

Particulars	01 April 2020	Cash flows	Non cash changes			31 March 2021
			Accrued interest	Amortisation of processing fees	Fair value changes	
Optionally convertible debentures	55.00	-	-	-	(55.00)	-
Loan from related parties	512.04	(573.07)	61.03	-	-	-
<b>Total</b>	<b>567.04</b>	<b>(571.84)</b>	<b>61.03</b>	<b>-</b>	<b>(55.00)</b>	<b>1.23</b>

Particulars	01 April 2019	Cash flows	Non cash changes			31 March 2020
			Accrued interest	Amortisation of processing fees	Fair value changes	
Optionally convertible debentures	110.00	-	-	-	(55.00)	-
Non convertible debentures	201.60	(200.00)	(1.60)	-	-	-
Term loan from financial institutions	234.33	(235.03)	(1.23)	1.93	-	-
Loan from related parties	185.21	291.99	34.84	-	-	-
<b>Total</b>	<b>731.14</b>	<b>(143.04)</b>	<b>32.01</b>	<b>1.93</b>	<b>(55.00)</b>	<b>507.04</b>

As per our report of even date

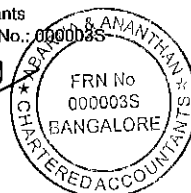
For Walker Chandlok & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Nikhil Vaid  
Partner  
Membership No.: 213356  
Hyderabad  
08 September 2021



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

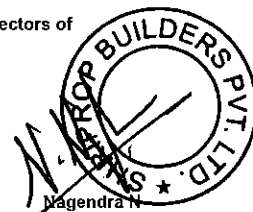
Abarna Bhaskar  
Partner  
Membership No.: 025145  
Bengaluru  
08 September 2021



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

Krishna Veeraraghavan  
Director  
DIN: 08620405  
Bengaluru  
08 September 2021

Madendra N  
Director  
DIN: 07781675  
Bengaluru  
08 September 2021



**Shriprop Builders Private Limited**  
**Statement of Changes in Equity for the year ended 31 March 2021**  
 (All amounts in ₹ millions, unless otherwise specified)

**A. Equity share capital**

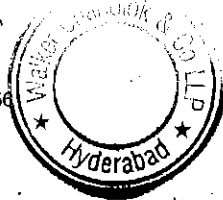
Particulars	Amount
Balance as at 01 April 2019	0.20
Changes in equity share capital during the year	-
Balance as at 31 March 2020	0.20
Changes in equity share capital during the year	-
Balance as at 31 March 2021	0.20

**B. Other equity**

Particulars	Reserves and surplus	
	Retained earnings	Total
Balance as at 01 April 2019	(64.50)	(64.50)
Loss for the year	(16.22)	(16.22)
Balance as at 31 March 2020	(80.72)	(80.72)
Profit for the year	127.83	127.83
Balance as at 31 March 2021	47.11	47.11

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

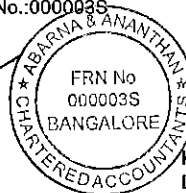
*Nikhil Vaid*  
 Nikhil Vaid  
 Partner  
 Membership No. : 213356



Hyderabad  
 08 September 2021

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

*Abarna*  
 Abarna Bhaskar  
 Partner  
 Membership No.: 025145



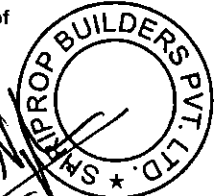
Bengaluru  
 08 September 2021

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

*Krishna*  
 Krishna Veeraraghavan  
 Director  
 DIN: 06620405

Bengaluru  
 08 September 2021

*Nagendra N*  
 Nagendra N  
 Director  
 DIN: 07781675



Bengaluru  
 08 September 2021

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

**1 Company overview and significant accounting policies**

**1.1 Company overview**

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

**1.2 Significant accounting policies**

**a. Statement of compliance**

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

The financial statements for the year ended 31 March 2021 were authorized and approved for issue by the Board of Directors on 08 September 2021.

**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.

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

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

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

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

**c. Functional and presentation currency**

The financial statements are presented in Indian Rupee ('₹') which is also the functional and presentation currency of the Company. 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 and 1.4.

**e. Recent pronouncements**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

**Balance Sheet:**

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

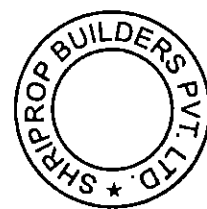
**Statement of profit and loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

**f. Standards issued but not yet effective**

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



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

**1.2 Significant accounting policies (continued)**

**g Current versus non-current classification**

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

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

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

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

(iii) A liability is classified as current when:

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

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

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

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

**h Foreign currency transactions**

(a) Initial recognition

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

(b) Conversion

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

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

**i Revenue recognition**

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 entity has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

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

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

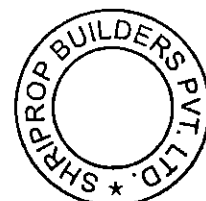
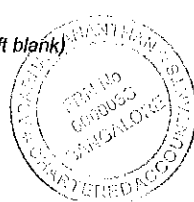
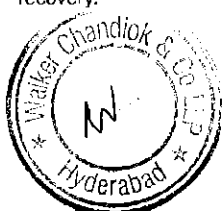
**Revenue from Joint Development Agreement (JDA) executed with land owner**

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

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

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

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

**1.2 Significant accounting policies (continued)**

**i Revenue recognition (contd.)**

**Interest income**

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

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

**Dividend Income**

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

**j Inventories**

**Properties under development**

Properties under development represents construction work in progress which are stated at the lower of cost and net realizable value. This comprises of cost of land, construction related overhead expenditure, borrowing costs and other net costs incurred during the period of Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

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

**Recognition and initial measurement**

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

**Subsequent measurement**

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

**Depreciation and useful lives**

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

Office equipments	-	5 years
Computers	-	3 years

**De-recognition**

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

**l Borrowing cost**

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

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

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

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

**m Cash and cash equivalents**

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

**n 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.

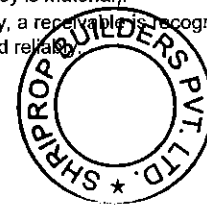
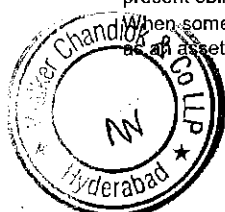
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**o Provisions**

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

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

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



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

**1.2 Significant accounting policies (continued)**

**p Tax expense**

**Income taxes**

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

**Current tax**

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Company operates and generates taxable income.

**Deferred tax**

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

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

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

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

**Current and deferred tax for the 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 directly in equity respectively.

**q Contingent liability**

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

**r Financial instruments**

**Financial assets**

**Initial recognition and measurement**

All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

**Subsequent measurement**

**Debt Instruments**

**Debt instruments at amortized cost**

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

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

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

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

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

**Equity investments**

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

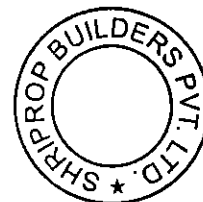
If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI.

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

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

**De-recognition of financial assets**

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





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

**1.2 Significant accounting policies (continued)**

**s Financial liabilities**

**Initial recognition**

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

**Subsequent measurement**

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

**De-recognition of financial liabilities**

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

**Offsetting of financial instruments**

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

**t 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.

**u Impairment of non-financial assets**

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

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

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

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

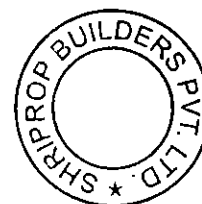
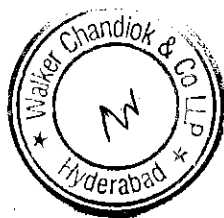
**v Segment reporting**

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.

**w Cash flow statement**

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

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



**Shriprop Builders Private Limited**

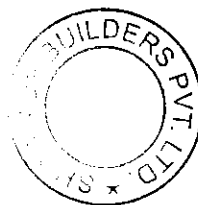
**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ millions, unless otherwise specified)

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

- a. Revenue from contracts with customers - The Company has applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers.
- b. Net realizable value of inventory - The determination of net realisable value of inventory involves estimates based on prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and
- c. Impairment of financial assets - At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.
- d. Useful lives of depreciable assets - Management reviews its estimate of the useful lives of depreciable 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. Contingent liabilities - At each balance sheet date basis the management estimate, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding guarantees and litigations. However, the actual future outcome may be different from this estimate.
- f. Recognition of deferred tax assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- g. 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.
- h. 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.
- i. Provisions - At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgement.

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

**2 Property, plant and equipment**

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

Particulars	Computers	Office equipment	Total
<b>Gross carrying amount</b>			
At 1 April 2019	0.13	0.48	0.61
Additions	-	-	-
At 31 March 2020	0.13	0.48	0.61
Additions	0.02	-	0.02
At 31 March 2021	0.15	0.48	0.63
<b>Accumulated depreciation</b>			
Upto 1 April 2019	0.12	0.31	0.43
Charge for the year	0.01	0.09	0.10
Upto 31 March 2020	0.13	0.40	0.53
Charge for the year	-	0.08	0.08
Upto 31 March 2021	0.13	0.48	0.61
<b>Net block</b>			
At 31 March 2020	-	0.08	0.08
At 31 March 2021	0.02	0.00	0.02

**a. Contractual obligations**

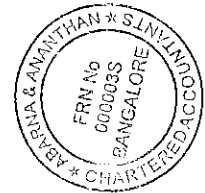
There are no contractual commitments pending for the acquisition of property, plant and equipment as at balance sheet date.

**b. Capitalized borrowing cost**

There are no borrowing costs capitalized during the year ended 31 March 2021 and 31 March 2020.

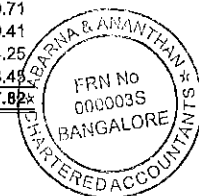
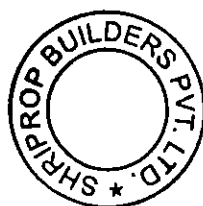
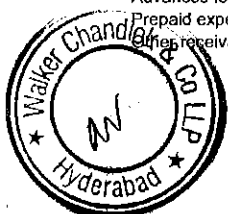
**c. Property, plant and equipment pledged as security**

There are no assets pledged as security.



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

	As at 31 March 2021	As at 31 March 2020
<b>3 Other financial assets</b>		
<b>A Non current</b>		
Security deposits	0.03	0.03
	<u>0.03</u>	<u>0.03</u>
<b>B Current</b>		
Receivables arising out of extinguishment of development rights (*)	173.36	199.00
	<u>173.36</u>	<u>199.00</u>
Less: Provision for expected credit loss	(10.73)	(23.73)
	<u>162.63</u>	<u>175.27</u>
(*) During the year ended 31 March 2018, Shriprop Builders Private Limited has entered into a settlement agreement for ₹ 320.00 million with the land owner to cancel the Joint development arrangement (JDA) due to specific performance not being met by the land owner under the aforesaid arrangement. The outstanding receivable as at 31 March 2021 and 31 March 2020 primarily represents the consideration which will be settled through cash payment and has accordingly been measured at its fair value.		
<b>4 Loans and advances</b>		
Loans and advances to related party (refer note 33)	80.75	-
	<u>80.75</u>	<u>-</u>
<b>5 Non-current tax assets</b>		
Advance income tax and tax deducted at source (net of provision for tax)	18.44	17.95
	<u>18.44</u>	<u>17.95</u>
<b>6 Inventory</b>		
Project under development	407.96	1,203.51
	<u>407.96</u>	<u>1,203.51</u>
<b>7 Investments</b>		
<b>A Non Current</b>		
Investment carried at cost (#)		
Unquoted Equity Shares (Fully Paid)		
75,000 (31 March 2020 : 75,000) Equity Shares of Shrivision Homes Private Limited	0.75	0.75
	<u>0.75</u>	<u>0.75</u>
(#) Subsidiary w.e.f. 28 January 2020 and until 26 March 2021. Fellow subsidiary w.e.f. 27 March 2021.		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	0.75	0.75
Aggregate amount of impairment in the value of investments	-	-
<b>B Current</b>		
Investment carried at fair value through profit or loss (FVTPL)		
Unquoted Debt Securities		
Shrivision Homes Private Limited (refer note no 17)		
Nil (31 March 2020 : 2,095,625) Class B Optionally Convertible Debentures of ₹ 100 each	-	430.08
	<u>-</u>	<u>430.08</u>
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	-	430.08
Aggregate amount of impairment in the value of investments	-	-
<b>8 Trade receivables</b>		
Trade receivables considered good - Secured	14.72	203.71
Trade receivables considered good - Unsecured	0.31	3.48
Receivables which have significant increase in credit risk	-	-
Credit impaired	-	-
	<u>15.03</u>	<u>207.19</u>
<b>9 Cash and cash equivalents</b>		
Cash on hand	0.58	2.08
Balances with banks		
In current accounts	11.60	10.09
In escrow accounts	-	25.60
	<u>12.18</u>	<u>37.77</u>
<b>10 Other current assets</b>		
Balances with government authorities	3.77	0.71
Advances for purchase of goods and rendering services	3.04	9.41
Prepaid expenses	5.45	24.25
Other receivables	2.84	3.48
	<u>15.10</u>	<u>37.85</u>



**Shriprop Builders Private Limited**

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

**11 Equity share capital**

**Authorized shares**

Equity shares of ₹10 each

	31 March 2021		31 March 2020
	Number	Amount	Number
	40,000	0.40	40,000
	40,000	0.40	40,000

**Issued, subscribed and fully paid-up shares**  
Equity shares of ₹10 each

	31 March 2021		31 March 2020
	Number	Amount	Number
	19,608	0.20	19,608
	19,608	0.20	19,608

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

**Equity shares**

Balance at the beginning of the year

Issued during the year

Outstanding at the end of the year

	31 March 2021		31 March 2020
	Number	Amount	Number
	19,608	0.20	19,608
	-	-	-
	19,608	0.20	19,608

**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. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting. 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, except that holders of preference shares participate only to the extent of the face value of the shares.

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

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

Shriram Properties Limited (Holding Company)\*

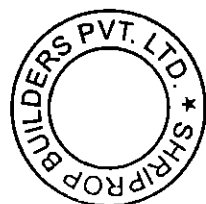
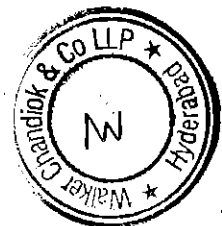
As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

	31 March 2021		31 March 2020
	Number of shares	% holding in the class	Number of shares
	19,608	100%	19,608
			100%

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

The Company has neither issued any bonus shares or shares without consideration other than cash nor there has been any buy back of shares during five years immediately preceding 31 March 2021. The Company does not have any shares reserved for issue under options.

\* 1 Share held by the Nominee of Shriram Properties Limited



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

	As at 31 March 2021	As at 31 March 2020
<b>12 Other equity</b>		
Reserves and surplus		
Retained Earnings	47.11	(80.72)
	<b>47.11</b>	<b>(80.72)</b>
<b>13 Deferred tax liabilities (net)</b>		
	As at 31 March 2021	As at 31 March 2020
Deferred tax liability		
Timing difference on liability carried at fair value	62.46	-
Gross deferred tax liability	<b>62.46</b>	-
Deferred tax asset		
Carry forward business losses	25.27	-
Change in measurement of revenue from real estate development (net of cost) as per Ind AS 115	1.02	-
Timing difference on certain provisions for expected credit losses on receivables	2.70	-
Gross deferred tax asset	<b>28.99</b>	-
Deferred tax liabilities (net)	<b>33.47</b>	-
<b>14 Borrowings</b>	As at 31 March 2021	As at 31 March 2020
Current		
Debentures		
Unsecured		
15%, 1,224,005 (31 March 2020 - 1,224,005) Optionally convertible debentures of ₹100 each (*)	-	55.00
Loans and advances from related party (#) (refer note 33)	-	512.04
	<b>-</b>	<b>567.04</b>

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

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

The aforesaid debentures are issued on the following terms:

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

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

-The OCDs must be repaid by 27 July 2023.

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

In the event of default, the net cash flows shall be distributed to Shriram Properties Limited as follows:

i) Interest and principal amount

ii) Interest/coupon on optionally convertible debentures and dividend on optionally convertible redeemable preference shares

Tranche -1 entitles the OCD holders to cashflows of Luxor project

Tranche -2 entitles the OCD holders to cashflows of Santorini project

As at 31 March 2021, there is no certainty on issue of tranche-2 debentures. Accordingly, the cashflows relating to Tranche 2 debentures have not been factored while doing the fair valuation of the OCD's.

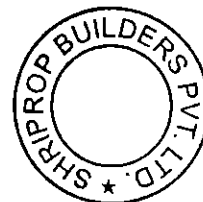
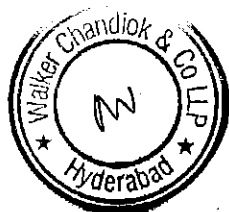
**(#) Terms attached to the Loans and advances from related party**

Security :

Repayment terms :

Effective interest rate p.a. :

Unsecured  
Repayable on demand  
15%



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

	As at 31 March 2021	As at 31 March 2020
<b>15 Trade payables</b>		
Dues of micro enterprises and small enterprises (*)	12.95	12.67
Dues of creditors other than micro enterprises and small enterprises	119.75	150.70
	<b>132.70</b>	<b>163.37</b>

(\*) The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' (the MSME Act). Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2021 has been made in the financial statements based on the information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. The disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	12.95	12.67
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year;	Nil	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	1.53	0.13

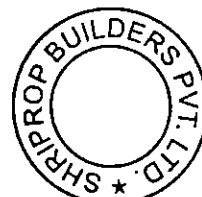
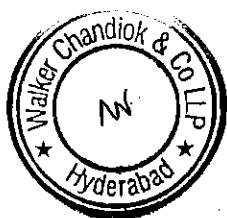
	As at 31 March 2021	As at 31 March 2020
<b>16 Other financial liabilities</b>		
<b>Current</b>		
Payable to land owner	54.72	9.88
Refund due to customers	12.26	-
Other payables	12.89	17.70
	<b>79.87</b>	<b>27.58</b>

	As at 31 March 2021	As at 31 March 2020
<b>17 Other current liabilities</b>		
Advances received from customers	382.02	1,251.04
Deferred income (*)	-	100.83
Statutory dues payable	7.65	6.68
Payable to land owner	27.52	74.43
	<b>417.19</b>	<b>1,432.98</b>

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

In the current year, these debentures have been redeemed for a consideration of ₹ 388.76 millions and the deferred income recognised on the acquisition of the instrument has been recognised in the statement of profit and loss on redemption.

	As at 31 March 2021	As at 31 March 2020
<b>18 Current tax liabilities</b>		
Provision for income tax, net of advance tax and tax deducted at source	2.35	-
	<b>2.35</b>	<b>-</b>



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

	Year ended 31 March 2021	Year ended 31 March 2020
<b>18 Revenue from operations</b>		
Proceeds from the sale of constructed properties	1,000.72	919.12
<b>A</b>	<b>1,000.72</b>	<b>919.12</b>
<b>Other operating revenue</b>		
Income arising on account of liquidated damages receivable (*)	40.00	-
Income from cancellation and other charges	0.91	0.19
<b>B</b>	<b>40.91</b>	<b>0.19</b>
<b>(A+B)</b>	<b>1,041.63</b>	<b>919.31</b>

(\*) In the year ended 31 March 2018, the Company had entered into a settlement agreement for ₹ 320.00 million with the landowner to cancel the Joint development arrangement(JDA) due to specific performance not being met by the landowner under the aforesaid arrangement. As a result of delay in settlement of dues, the parties vide supplementary settlement agreement, had agreed to pay additional ₹ 40.00 million as liquidated damages, which has been recognised as income during the current year.

	Year ended 31 March 2021	Year ended 31 March 2020
<b>19 Other income</b>		
Gain arising from financial instrument designated as FVTPL (refer note 33)	55.00	55.00
Unwinding income from other receivable	13.00	-
Gain on redemption of optionally convertible debentures	59.51	-
Profit on sale of mutual funds	-	0.12
Sale of Scrap	0.08	-
Interest on income tax refund	-	0.05
	<b>127.59</b>	<b>55.17</b>

	Year ended 31 March 2021	Year ended 31 March 2020
<b>20 Changes in inventories</b>		
Inventory at the beginning of the year	1,203.51	1,705.06
Inventory at the end of the year	407.96	1,203.51
	<b>795.55</b>	<b>501.55</b>

	Year ended 31 March 2021	Year ended 31 March 2020
<b>21 Finance expense, net (*)</b>		
<b>Finance expense:</b>		
Interest		
- on term loans	-	21.84
- on loans from related party (refer note 33)	61.03	34.84
- on non convertible debentures	-	18.49
Interest (MSME)	1.53	0.13
Loan and other processing charges	-	2.59
	<b>62.56</b>	<b>77.89</b>

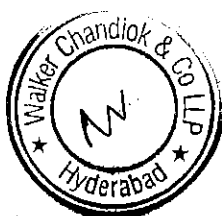
(\*) Includes finance expense capitalized amounting to ₹ Nil (31 March 2020: ₹ 27.08 millions) during the year ended 31 March 2021

	Year ended 31 March 2021	Year ended 31 March 2021
<b>22 A Impairment losses</b>		
Impairment losses in value of other financial assets	-	23.73
	<b>-</b>	<b>23.73</b>

	Year ended 31 March 2021	Year ended 31 March 2020
<b>22 B Other expenses</b>		
Bank charges	0.03	0.13
Advertisement expenses	-	1.26
Legal and professional charges (*)	3.94	4.17
Printing and stationery	0.01	0.16
Rates and taxes	0.48	3.72
Sales promotion	9.38	15.94
Security expenses	-	3.32
Travelling and conveyance expenses	0.03	0.18
Bad debts written off	-	7.64
Miscellaneous expenses	3.18	6.00
	<b>17.05</b>	<b>42.52</b>

(\*) Remuneration paid to auditor (on accrual basis, excluding GST)

<b>As auditor:</b>		
Statutory audit	0.70	0.70
Tax audit	0.10	0.10
	<b>0.80</b>	<b>0.80</b>





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

	Year ended 31 March 2021	Year ended 31 March 2020
<b>23 Income tax</b>		
<b>A. Tax expense comprises of:</b>		
Current income tax	8.69	-
Deferred tax	33.47	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>42.16</b>	<b>-</b>

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

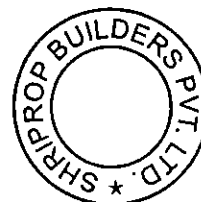
<b>B. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>		
Accounting profit/ (loss) before tax from continuing operations	169.99	(16.22)
<b>Accounting Profit / (loss) before income tax</b>	<b>169.99</b>	<b>(16.22)</b>
At India's statutory income tax rate of 25.17% (31 March 2020: 25.17%)	42.79	(4.08)
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Deferred tax liability created in current year w.r.t. temporary differences pertaining to previous years	29.47	(23.75)
Deferred tax asset created on brought forwarded business losses arisen in previous year	(25.04)	-
Brought forwarded business losses and other temporary differences on which deferred tax was not created earlier years is utilised in current year	(4.18)	-
Tax impact on permanent non-deductible expenses	0.21	-
Tax effect on temporary differences on which deferred tax is not recognised	(1.09)	-
Non-creation of deferred tax on carry forward losses	-	27.86
Utilization of current year business losses to set off Short Term Capital Gain	-	(0.03)
<b>Income tax expense</b>	<b>42.16</b>	<b>-</b>

**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 2020: 116.10 millions) as at 31 March 2021.

<b>24 Earnings / (loss) per share (EPS)</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
Weighted average number of shares outstanding during the year	19,608	19,608
Net profit /(loss) attributable to equity shareholders	127.83	(16.22)
Earnings / (loss) per share ( ₹ ):		
Basic and diluted	6,519.32	(827.21)
Nominal value - Rupees ( ₹ ) per equity share	10.00	10.00

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

**25 Financial Instruments**

**Financial Instruments by category**

The carrying value and fair value of financial instruments by categories as at 31 March 2021 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
<b>Financial assets :</b>						
Investments	7	-	-	-	-	-
Trade receivables	8	-	-	15.03	15.03	15.03
Cash and cash equivalents including other bank balances	9	-	-	12.18	12.18	12.18
Loans and advances	4	-	-	80.75	80.75	80.75
Other financial assets	3A & 3B	-	-	162.66	162.66	162.66
<b>Total financial assets</b>		-	-	<b>270.62</b>	<b>270.62</b>	<b>270.62</b>
<b>Financial liabilities :</b>						
Borrowings	14	-	-	-	-	-
Trade payables	15	-	-	132.70	132.70	132.70
Other financial liabilities	16	-	-	67.60	67.60	67.60
<b>Total financial liabilities</b>		-	-	<b>200.30</b>	<b>200.30</b>	<b>200.30</b>

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
<b>Financial assets :</b>						
Investments(*)	7	430.08	-	-	430.08	430.08
Trade receivables	8	-	-	207.19	207.19	207.19
Cash and cash equivalents including other bank balances	9	-	-	37.77	37.77	37.77
Other financial assets	3A & 3B	-	-	175.30	175.30	175.30
<b>Total financial assets</b>		<b>430.08</b>	-	<b>420.26</b>	<b>850.34</b>	<b>850.34</b>
<b>Financial liabilities :</b>						
Borrowings	14	55.00	-	512.04	567.04	567.04
Trade payables	15	-	-	163.37	163.37	163.37
Other financial liabilities	16	-	-	27.58	27.58	27.58
<b>Total financial liabilities</b>		<b>55.00</b>	-	<b>702.99</b>	<b>757.99</b>	<b>757.99</b>

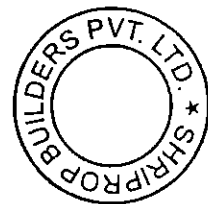
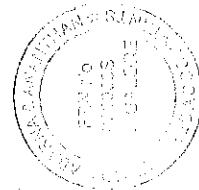
**Notes to financial instruments**

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

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

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

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

**25 Financial instruments (contd.)**

**(i) Fair values hierarchy**

Financial assets are measured at fair value in the financial statement and are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the 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 2021	Level 1	Level 2	Level 3	Total
<b>Financial liabilities</b>				
Optionally convertible debentures	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-

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

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

Specific valuation techniques used to value financial instruments include -

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

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

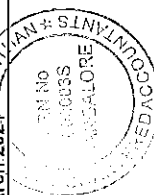
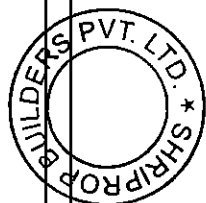
(iv) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (iii) above for the valuation techniques adopted.

Particulars	Fair value as at		Significant unobservable inputs	Data Inputs		Sensitivity (A)	
	31 March 2021	31 March 2020		31 March 2021	31 March 2020	1% increase in inputs	1% decrease in inputs
Optionally convertible debentures subscribed	NA	430.08	Discounting rate	NA	15.08%	31 March 2021: Nil, 31 March 2020: (1.67)	31 March 2021: Nil, 31 March 2020: (2.20)
Optionally convertible debentures issued	-	55.00	Discounting rate	15.00%	15.00%	31 March 2021: Nil, 31 March 2020: (0.09)	31 March 2021: Nil, 31 March 2020: 0.09

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

(v) The following table presents the changes in level 3 items for the years ended 31 March 2021 and 31 March 2020:

Particulars	Optionally convertible debentures subscribed	Optionally convertible debentures issued
<b>As at 01 April 2019</b>	-	110.00
Fair value change	-	(55.00)
Investment made during the year	430.08	-
<b>As at 31 March 2020</b>	430.08	55.00
Fair value change	-	(55.00)
Investment redeemed during the year	(388.76)	-
Loss on redemption during the year	(41.32)	-
<b>As at 31 March 2021</b>	-	-



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

**26 Financial risk management**

**Financial risk factors**

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

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalent, trade receivables, other financial assets measured at amortized cost	Ageing analysis
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts
Market risk – Interest rate	Long-term borrowings at variable rates	Sensitivity analysis
Market risk – Price risk	Investments carried at FVTPL	Sensitivity analysis

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

**a. Credit risk**

Credit risk arises from cash and cash equivalents, trade receivables, and other financial assets.

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

- Low credit risk
- High credit risk

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

Asset group	Description	Provision for expenses credit loss (*)	31 March 2021	31 March 2020
Low credit risk	Cash and cash equivalents and secured trade receivables	Life time expected credit loss	26.90	241.48
High credit risk	Other financial assets, security deposits and unsecured trade receivables	Life time expected credit loss	243.72	178.78

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

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

**Credit risk exposure**

**Provision for expected credit losses**

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

**31 March 2021**

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	15.03	-	15.03
Cash and cash equivalents	12.18	-	12.18
Loans and advances	80.75	-	80.75
Security deposits	0.03	-	0.03
Other financial assets	173.36	10.73	162.63

**31 March 2020**

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

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

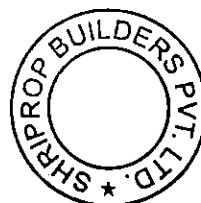
Trade receivables are secured in a form that registration of sold residential/commercial units is not processed till the time the Company does not receive the entire payment. Hence, as the Company does not have significant credit risk, it does not present the information related to ageing pattern. The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

During the years presented, the Company made no write-offs of trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

**b. Liquidity risk**

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

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



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

**26 Financial risk management (continued)**

**b. Liquidity risk (continued)**

**Maturities of financial liabilities**

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

<b>31 March 2021</b>	<b>Less than 1 year</b>	<b>1 year to 5 years</b>	<b>5 years and above</b>	<b>Total</b>
<b>Non-derivatives</b>				
Optionally convertible debentures	-	-	-	-
Trade payables	83.74	48.96	-	132.70
Other financial liabilities	67.60	-	-	67.60
<b>Total</b>	<b>151.34</b>	<b>48.96</b>	<b>-</b>	<b>200.30</b>

<b>31 March 2020</b>	<b>Less than 1 year</b>	<b>1 year to 5 years</b>	<b>5 years and above</b>	<b>Total</b>
<b>Non-derivatives</b>				
Optionally convertible debentures	-	55.00	-	55.00
Borrowings	512.04	-	-	512.04
Trade payables	102.76	60.61	-	163.37
Other financial liabilities	27.58	-	-	27.58
<b>Total</b>	<b>642.38</b>	<b>115.61</b>	<b>-</b>	<b>757.99</b>

**c. Market risk**

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

The Company does not have any variable rate borrowings. Therefore there is no interest rate risk

	<b>31 March 2021</b>	<b>31 March 2020</b>
Variable rate borrowing	-	-
Fixed rate borrowing	-	512.04
<b>Total borrowings</b>	<b>-</b>	<b>512.04</b>

**27 Capital management**

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

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

<b>Particulars</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
Borrowings	-	567.04
Less: Cash and cash equivalents	(12.18)	(37.77)
<b>Net debt</b>	<b>(12.18)</b>	<b>529.27</b>
Total equity	47.11	(80.52)
<b>Gearing ratio</b>	<b>(0.26)</b>	<b>(6.57)</b>

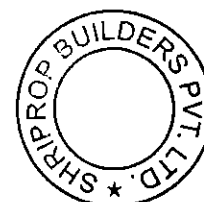
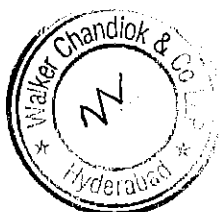
**Notes:**

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

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

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any 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 31 March 2021.



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

(All amounts in ₹ millions, unless otherwise specified)

**28 Other commitments and contingencies**

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

**29 Impact due to outbreak of COVID-19**

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. During the year ended 31 March 2021, the Company had to suspend the operations in its ongoing projects in compliance with the lockdown instructions issued by the Central Government and the Karnataka State Government. This impacted the normal business operations of the Company by way of interruption in projects execution, supply chain disruption and unavailability of personnel during the lock-down period.

Consequent to these uncertainties/ disruptions caused due to continuation of pandemic, the Company has made assessment of impact of this pandemic on its business operations and has made assessment of its liquidity position for the next one year. The Company has assessed the recoverability and carrying value of its assets comprising property, plant and equipment, inventory, advances, trade receivables other financial and non-financial assets as at balance sheet date using various internal and external information up to the date of approval of these financial statements. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. Changing situation of pandemic is giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.

During the year ended 31 March 2021, the Management has also made a detailed assessment of the progress of construction work on its ongoing projects during the period of lockdown and has concluded that the same was only a temporary slowdown in activities and has accordingly capitalised the borrowing costs incurred in accordance with Ind AS 23.

**30 Corporate social responsibility expenses**

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
a) Gross amount required to be spent by the Company during the year	-	0.04
b) Amount spent during the year on purposes other than construction/acquisition of any asset		
- Paid	-	0.04
- Yet to be paid	-	-

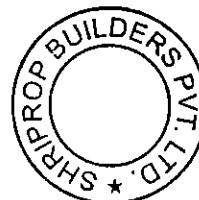
31 There are no employees in the Company. Hence, disclosures as required under Ind AS 19 – 'Employee Benefits' is not applicable to the Company.

**32 Segmental information**

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



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

**33 Related party transactions**

**(i) Parties exercising control**

**Name of the entity**  
Shriram Properties Limited

**Relationship**  
Holding Company

**(ii) Parties controlled by the Company**  
Shrivation Homes Private Limited

**Relationship**  
Subsidiary (From 28 January 2020 to 26 March 2021)

**(iii) Key managerial personnel**  
Narasimhamurthy Nagendra  
Krishna Veeraraghavan  
Gopalakrishnan Jagadeeswaran

**Relationship**  
Director  
Director  
Director

**(iv) Other related parties**  
Shrivation Homes Private Limited

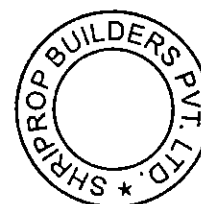
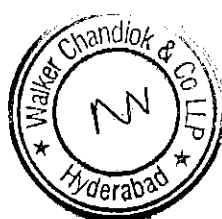
**Relationship**  
Fellow subsidiary (W.e.f. 27 March 2021)

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

Nature of Transaction	Shriram Properties Limited		Shrivation Homes Private Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Loans taken by the company	-	173.47	-	338.57
Loans given by the company	80.75	-	-	-
Optionally convertible debentures issued	-	55.00	-	-
Optionally convertible debentures subscribed	-	-	-	430.08

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

Nature of Transaction	Shriram Properties Limited		Shrivation Homes Private Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Loan repaid by the Company	312.08	327.34	388.67	1.26
Loan taken by the Company	138.61	315.60	50.10	339.83
Loan given by the Company	329.07	-	-	-
Loan given by the Company, repaid	248.33	-	-	-
Interest expense (net) on loans	10.92	26.18	50.10	8.66
Gain arising from financial instruments designated as FVTPL	55.00	55.00	-	-
Reversal of deferred income on optionally convertible debentures	-	-	41.32	-
Redemption of debentures subscribed	-	-	388.76	-
Corporate guarantee extinguished during the year	-	200.00	-	-



**Shriprop Builders Private Limited**

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

**34 Additional disclosures under Ind AS 115**

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

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Contract revenue	1,000.72	919.12
Revenue recognised	1,000.72	919.12

**B. Contract balances**

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

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Contract liabilities</b>		
Advance from customers	382.02	1,251.04
Payable to land owner	82.24	84.31
<b>Total contract liabilities</b>	<b>464.26</b>	<b>1,335.35</b>
<b>Receivables</b>		
Trade receivables	15.03	207.19
<b>Total receivables</b>	<b>15.03</b>	<b>207.19</b>

Contract asset is the right to consideration that is conditional upon factors other than the passage of time. Contract assets are initially recognised for revenue earned from property under development rendered but yet to be billed to customers. Upon billing of invoice, the amounts recognised as contract assets are reclassified to trade receivables. During the period ended 31 March 2021, the Company does not have any contract assets (conditional upon factors other than passage of time)

Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract liabilities are recognised as revenue as and when the performance obligation is satisfied. Contract liabilities include amount received from customers as per the instalments stipulated in the buyer agreement to deliver properties once the properties are completed and control is transferred to customers.

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	Contract liabilities		Contract liabilities	
	Advances from consumers	Payable to land owner	Advances from consumers	Payable to land owner
Opening balance	1,251.04	84.31	1,516.03	184.66
Additions/adjustments during the year	75.22	54.39	543.90	9.88
Revenue recognised during the year	(944.24)	(56.48)	(808.89)	(110.23)
<b>Closing balance</b>	<b>382.02</b>	<b>82.23</b>	<b>1,251.04</b>	<b>84.31</b>

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

The transaction price of the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2021 is ₹ 442.80 million (1264.16 million). The same is expected to be recognised within 1 to 4 years.

**35 Events occurring after the reporting date**

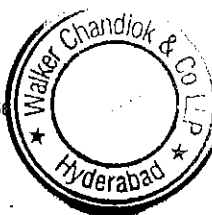
No adjusting or significant non-adjusting events have occurred between 31 March 2021 and the date of authorization of these financial statements.

As per report of even date

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

Nikhil Vaid  
Partner  
Membership No.: 213356

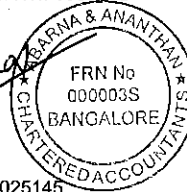
Hyderabad  
08 September 2021



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

Abarna Bhaskar  
Partner  
Membership No.: 025145

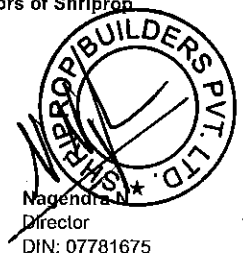
Bengaluru  
08 September 2021



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

Krishna Veeraraghavan  
Director  
DIN: 06620405

Bengaluru  
08 September 2021



Nagendra N  
Director  
DIN: 07781675  
Bengaluru  
08 September 2021