

Walker Chandio & Co LLP

Independent Auditor's Report

To the Members of Shriprop Structures Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Shriprop Structures Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date

Basis for Opinion

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

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

4. The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Board of Director's report, 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Chartered Accountants

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Responsibilities of Management for the Financial Statements

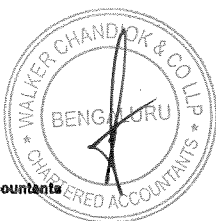
5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), loss (financial performance including other comprehensive income),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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



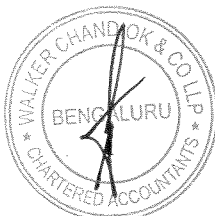
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

10. The provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
11. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
12. Further to our comments in Annexure I, as required by section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 28 June 2019 as per Annexure II expressed unmodified opinion; and

Report on Other Legal and Regulatory Requirements (Continued)

- 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 does not have any pending litigation(s) which would impact its financial position as at 31 March 2019;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019; and



Walker Chandiok & Co LLP

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

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



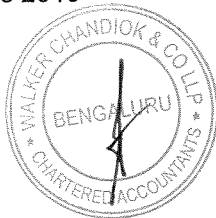
Adi P. Sethna

Partner

Membership No.: 108840

Mumbai

28 June 2019



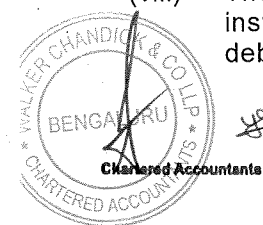
Annexure I to the Independent Auditor's Report of even date to the members of Shriprop Structures Private Limited, on the financial statements for the year ended 31 March 2019

Annexure I

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

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.
- (ii) The company is primarily engaged in the business of real estate development and related services and holds inventories only in the form of land, properties under development and constructed properties. Thus, paragraph 3(ii) of the order is not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, 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, 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 not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

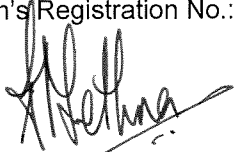


Walker Chandiok & Co LLP

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

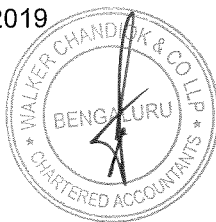
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the company since the company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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



Adi P Sethna
Partner
Membership No.: 108840

Mumbai
28 June 2019



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

Annexure II

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Shriprop Structures Private Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

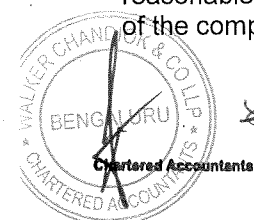
2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal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

Auditor's Responsibility

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

Meaning of Internal Financial Controls over Financial Reporting

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



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

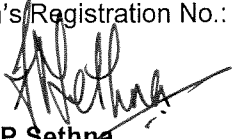
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

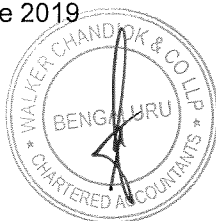
8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



Adi P Sethna
Partner
Membership No.: 108840

Mumbai
28 June 2019



Shriprop Structures Private Limited
Balance Sheet as at 31 March 2019
(All amounts in ₹ millions, unless otherwise mentioned)

	Note	As at 31 March 2019	As at 31 March 2018 (Restated)	As at 01 April 2017 (Restated)
I ASSETS				
Non-current assets				
(a) Property, plant and equipment	2A	2.32	3.05	3.72
(b) Other intangible assets	2B	-	0.04	0.18
(c) Deferred tax assets		-	-	2.79
(d) Non-current tax assets (net)	3	0.62	0.62	0.62
Total non-current assets		2.94	3.71	7.31
Current assets				
(a) Inventories	4	1,253.88	1,448.82	1,567.01
(b) Financial Assets				
(i) Investments	5	56.94	67.44	43.61
(ii) Trade receivables	6	50.82	80.56	21.34
(iii) Cash and cash equivalents	7	35.04	30.78	31.20
(iv) Bank balances other than (iii) above	8	0.52	-	-
(v) Other financial assets	9	2.91	-	-
(c) Other current assets	10	105.57	91.98	56.05
Total current assets		1,505.68	1,719.58	1,719.20
Total assets		1,508.62	1,723.29	1,726.51
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	11	0.10	0.10	0.10
(b) Other equity	12	(625.40)	(430.12)	(305.42)
Total equity		(625.30)	(430.02)	(305.32)
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	-	379.37	-
Total non-current liabilities		-	379.37	-
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	794.26	743.75	1,262.29
(ii) Trade payables	14			
(a) Total outstanding dues of micro and small enterprises		1.60	-	-
(b) Total outstanding dues other than (ii) (a) above		96.80	91.89	97.41
(iii) Other financial liabilities	15	1,031.24	520.86	38.09
(b) Other current liabilities	16	210.02	417.13	634.04
(c) Current tax liabilities	17	-	0.31	-
Total current liabilities		2,133.92	1,773.94	2,031.83
Total equity and liabilities		1,508.62	1,723.29	1,726.51

Summary of significant accounting policies

1.2

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

As per report of even date

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

Adi P. Sethna
Partner
Membership No. : 108840

Mumbai
28 June 2019

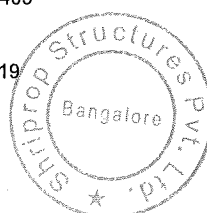
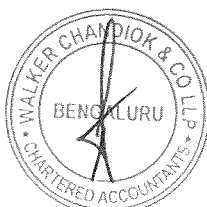
**For and on behalf of the Board of Directors of
Shriprop Structures Private Limited**

Krishna Veeraraghavan
Director
DIN: 06620405

Bengaluru
27 June 2019

Gopalakrishnan J
Director
DIN: 02354467

Bengaluru
27 June 2019



Shriprop Structures Private Limited
Statement of profit and loss for the year ended 31 March 2019
(All amounts in ₹ millions, unless otherwise mentioned)

	Note	Year ended 31 March 2019	Year ended 31 March 2018 (Restated)
Revenue			
Revenue from operations	18	554.66	410.41
Other income	19	49.52	3.44
Total revenue		604.18	413.85
Expenses			
Land cost		47.56	-
Material and construction cost		213.91	150.17
Changes in inventory	20	194.94	118.19
Finance expense, net	21	229.08	209.02
Depreciation and amortisation expense	2A & 2B	0.99	1.30
Other expenses	22	113.29	56.77
Total expenses		799.77	535.45
(Loss) before tax		(195.59)	(121.60)
Tax expense:	23		
Current tax [includes pertaining to prior years of ₹ (0.31) million (31 March 2018: Nil)]		(0.31)	0.31
Deferred tax [includes pertaining to prior years of ₹ Nil (31 March 2018: ₹ 2.78 million)]		-	2.79
(Loss) after tax		(195.28)	(124.70)
Other comprehensive income		-	-
Total other comprehensive income for the year		(195.28)	(124.70)
Loss per share (Nominal value ₹ 10 per share)	24		
Basic (₹)		(19,528.00)	(12,470.00)
Diluted (₹)		(19,528.00)	(12,470.00)

Significant accounting policies

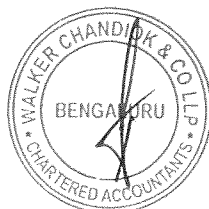
The accompanying notes referred to above form an integral part of the financial statements

As per report of even date

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

Adi P. Sethna
Partner
Membership No. : 108840

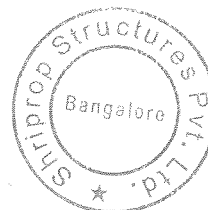
Mumbai
28 June 2019



For and on behalf of the Board of Directors of
Shriprop Structures Private Limited

Krishna Veeraraghavan
Director
DIN: 06620405

Bengaluru
27 June 2019



Gopalakrishnan J
Director
DIN: 02354467

Bengaluru
27 June 2019

Shriprop Structures Private Limited
Cashflow Statement for the year ended 31 March 2019
(All amounts in ₹ millions, unless otherwise specified)

	Year ended 31 March 2019	Year ended 31 March 2018 (Restated)
A. Cash flow from operating activities:		
Loss before tax	(195.59)	(121.60)
Adjustments for profit and loss account items:		
Liabilities no longer required written back	(45.00)	-
Interest income	(0.02)	-
Depreciation and amortisation expense	0.99	1.30
Interest expense	229.08	209.02
Profit on sale of investments	(0.11)	(0.53)
Profit on fair value gain on investments	(4.39)	(2.91)
Receivables written off	-	1.81
Operating profit before working capital changes	(15.04)	87.09
Adjustments for changes in working capital:		
Decrease/(increase) in trade receivables	29.74	(59.22)
(Increase) in other financial and current assets	(16.50)	(37.74)
Decrease in inventories	194.94	118.19
Increase/(decrease) in trade payables	6.51	(5.52)
(Decrease) in other liabilities and provisions	(173.85)	(212.02)
Cash generated from/(used in) operating activities	25.80	(109.22)
Income tax paid	-	-
Net cash generated from/(used in) operating activities	25.80	(109.22)
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	(0.22)	(0.51)
Proceeds from sale of fixed assets	-	0.02
Movement in other bank balances	(0.50)	-
Purchase of investments	-	(35.40)
Proceeds from sale of investments	15.00	15.00
Net cash generated from/(used in) investing activities	14.28	(20.89)
C. Cash flow from financing activities:		
Proceeds from long-term borrowings	142.60	857.40
Proceeds from short-term borrowings	-	496.00
Repayment of short-term borrowings	(476.00)	(920.00)
Finance cost paid	(130.19)	(138.23)
Proceeds/ (repayment) of loan from related party (net)	427.77	(165.48)
Net cash (used in)/generated from financing activities	(35.82)	129.69
Increase/(decrease) in cash and cash equivalents, net	4.26	(0.42)
Cash and cash equivalents at the beginning of the year	30.78	31.20
Cash and cash equivalents at the end of the year	35.04	30.78

Note-

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

Liabilities	As at 1 April 2017	Cash flow	Non-cash changes		As at 31 March 2018
			Amortisation of transaction cost	Accrued interest	
Borrowings from banks and others (*)	895.42	433.40	(5.69)	-	1,323.13
Loans from related parties	366.87	(165.48)	-	66.36	267.75
	1,262.29	267.92	(5.69)	66.36	1,590.88

Liabilities	As at 1 April 2018	Cash flow	Non-cash changes		As at 31 March 2019
			Amortisation of transaction cost	Accrued interest	
Borrowings from banks and others (*)	1,323.13	(333.40)	2.08	-	991.81
Loans from related parties	267.75	427.77	-	98.74	794.26
	1,590.88	94.37	2.08	98.74	1,786.07

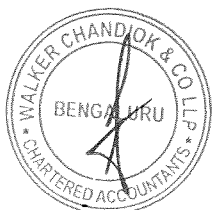
(*) including current maturities of long-term borrowings

As per report of even date

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

Adi P. Sethina
Partner
Membership No. : 108840

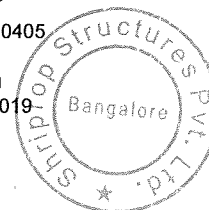
Mumbai
28 June 2019



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

Krishna Veeraraghavan
Director
DIN: 06620405

Bengaluru
27 June 2019



Gopalakrishnan J
Director
DIN: 02354467

Bengaluru
27 June 2019

Shriprop Structures Private Limited
Statement of changes in equity as at 31 March 2019
(All amounts in ₹ millions, unless otherwise mentioned)

A. Equity share capital

Particulars	Amount
Balance as at 1 April 2017	0.10
Changes in equity share capital	-
Balance as at 31 March 2018	0.10
Changes in equity share capital	-
Balance as at 31 March 2019	0.10

B. Other equity

Particulars	Reserves and surplus	
	Retained earnings	Total
Balance as at 1 April 2017 (Restated)	(305.42)	(305.42)
Loss for the year (restated)	(124.70)	(124.70)
Balance as at 31 March 2018 (Restated)	(430.12)	(430.12)
Loss for the year	(195.28)	(195.28)
Balance as at 31 March 2019	(625.40)	(625.40)

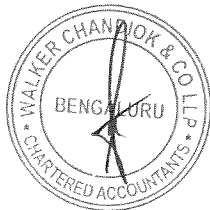
As per report of even date

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



Adi P. Sethna
Partner
Membership No. : 108840

Mumbai
28 June 2019



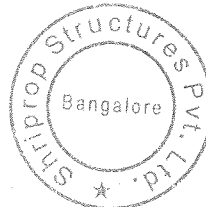
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For and on behalf of the Board of Directors of
Shriprop Structures Private Limited



Krishna Veeraghavan
Director
DIN: 06620405

Bengaluru
27 June 2019




Gopalakrishnan J
Director
DIN: 02354467

Bengaluru
27 June 2019

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Shriprop Structures Private Limited

Summary of significant accounting policies and other explanatory information

1 Company overview and significant accounting policies

1.1 Corporate information

Shriprop Structures Private Limited ('the Company') is principally engaged in developing and sale of residential apartments in Guduvancherry, Tamilnadu. The Company was incorporated on 03 January 2008 in the state of Karnataka. The Company is a wholly owned subsidiary of Shriram Properties Limited (formerly Shriram Properties Private Limited).

1.2 Significant accounting policies

a. Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as per Companies (Indian Accounting Standards) Rules 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The financial statements for year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 27 June 2019.

b. Basis of preparation of financial statements

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

Going concern

During the year ended 31 March 2019, the Company has continued to incur losses and has incurred a net loss of ₹ 195.28 million which resulted in substantial erosion of net worth and at that date, the Company's accumulated losses aggregated to ₹ 625.40 million. However, these accompanying financial statements have been prepared on a going concern basis based on the communication from the Holding Company stating its intention to continue to provide financial support towards project costs and other obligations of the Company as and when they fall due. Accordingly, the management is satisfied that there are no events or conditions that may cast a significant doubt on the ability of the Company to continue as a going concern and hence the assets and liabilities have been recorded in the financial statements on the basis that the Company will be able to realize its assets and discharge its liabilities, in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, 'Share-based Payment', leasing transactions that are within the scope of Ind AS 17, 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 'Inventories', or value in use in Ind AS 36 'Impairment of assets'.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

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

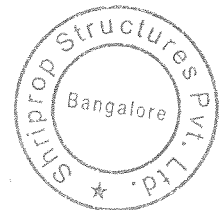
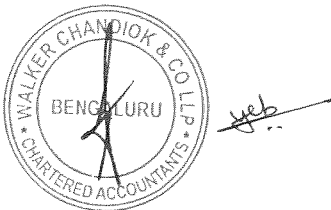
Level 3: Inputs for the assets or liabilities that are not based on the observable market data (unobservable inputs)

c. Functional and presentation currency

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

d. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting year. 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 years. 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



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Shriprop Structures Private Limited

Summary of significant accounting policies and other explanatory information

1.2 Significant accounting policies (continued)

e. Current versus non-current classification

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

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

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

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

(iii) A liability is classified as current when:

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

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

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

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

f. Foreign currency transactions

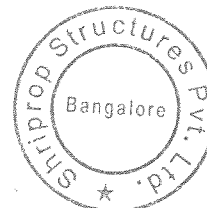
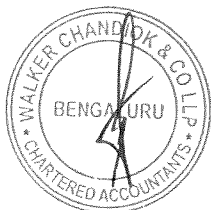
(a) Initial recognition

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

(b) Conversion

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

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



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Shriprop Structures Private Limited

Summary of significant accounting policies and other explanatory information

g. New and amended standards adopted by the Company

Ind AS 115 - Revenue from contracts with customers

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

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

Satisfaction of performance obligations

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

Determination of transaction prices

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

Transfer of control in contracts with customers

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

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

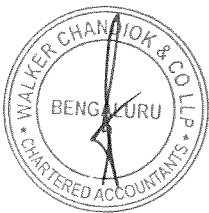
Allocation of transaction price to performance obligation in contracts with customers

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

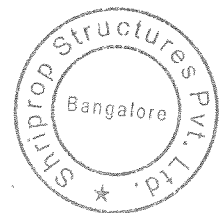
The impact of the new standards for the years presented are given as per note 31

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

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



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Shriprop Structures Private Limited

Summary of significant accounting policies and other explanatory information

h. Revenue recognition

Revenue from projects

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

Revenue from contracts with customers

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

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

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

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

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

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

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

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

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

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

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

The Company has concluded that it is acting as a principal in all of its revenue arrangements.

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

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

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.

Dividend income

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

Interest income

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

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

i. Inventories

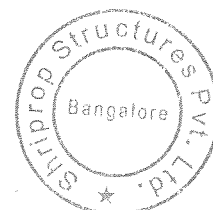
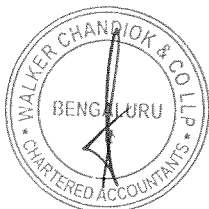
Properties under development

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

Properties held for sale

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

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



Shriprop Structures Private Limited

Summary of significant accounting policies and other explanatory information

j. Property, Plant and Equipment (PPE)

Recognition and initial measurement

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

Subsequent measurement

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

Depreciation and useful lives

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

Office equipment	5 years
Furniture and fixtures	10 years
Computers	3 years
Vehicles	8 years
Interiors	3 years
Building - Temporary Structure	3 years

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

De-recognition

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

k. Intangible assets

(i) Computer software

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

Subsequent measurement (amortization)

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

De-recognition

An intangible asset is derecognised 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 derecognised.

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.

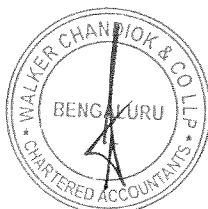
All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

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.

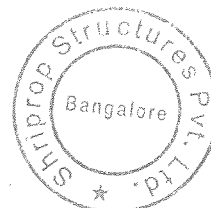
m. Cash and cash equivalents

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.



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Shriprop Structures Private Limited

Summary of significant accounting policies and other explanatory information

n. Tax expense

Income taxes

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

Current tax

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

Deferred tax

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

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 Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

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

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

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

Current and deferred tax for the period

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

o. Earnings per share

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

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

p. Provisions, contingent assets and contingent liabilities

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

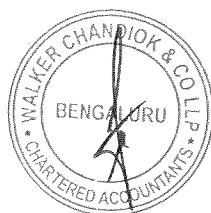
When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability is disclosed for:

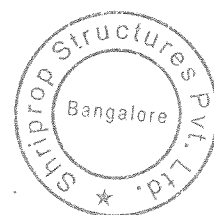
(i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

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

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



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Shriprop Structures Private Limited

Summary of significant accounting policies and other explanatory information

q. 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.

Investment in mutual funds

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

De-recognition of financial assets

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

r. Financial liabilities

Initial recognition

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

Subsequent measurement

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

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

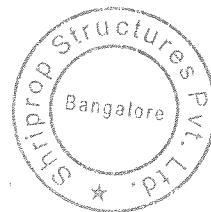
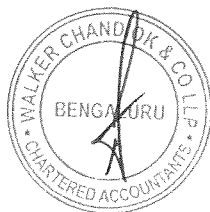
Financial guarantee contracts

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

s. Leases

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Payments made under operating leases are recognised in statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expenses over the term of the lease.



Shriprop Structures Private Limited

Summary of significant accounting policies and other explanatory information

t. Impairment

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 recognised is recognised as an impairment gain or loss in statement of profit and loss.

Non-financial assets

At the end of each reporting year, 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 Company 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 ("CGU")) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the 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 recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

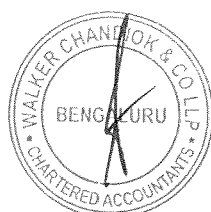
u. Segment reporting

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

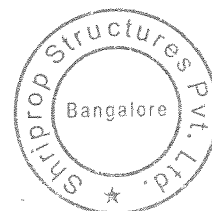
v. Cash flow statement

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

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



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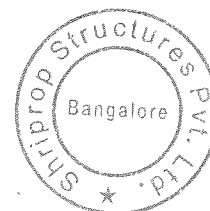
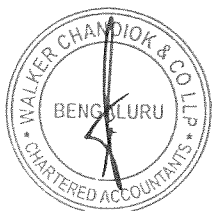
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Shriprop Structures Private Limited

Summary of significant accounting policies and other explanatory information

1.3 Significant judgements and estimates in applying accounting policies

- a. Revenue from contracts with customers - The Company has applied judgements as detailed in note 1.2(g) that significantly affect the determination of the amount and timing of revenue from contracts with customers.
- b. Net realizable value of inventory - The determination of net realisable value of inventory involves estimates based on prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling cost.
- c. Recoverability of advances/receivables - At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.
- d. Useful lives of depreciable/amortizable assets - Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other assets.
- e. Fair value measurements - Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.
- f. Contingent liabilities - At each balance sheet date based on the management estimate, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding guarantees and litigations. However, the actual future outcome may be different from this estimate. Refer note 44 for disclosures on contingent liabilities.
- g. Recognition of deferred tax assets - Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.
- h. Evaluation of indicators for impairment of assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- i. Provisions - At each balance sheet date based on the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions. However the actual future outcome may be different from this judgement.
- j. Classification of leases - The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.



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Shriprop Structures Private Limited

Summary of significant accounting policies and other explanatory information

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

Standards, not yet effective and have not been adopted early by the Company

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

Ind AS 116 - Leases

On 30 March 2019, the Ministry of Corporate Affairs has notified Ind AS 116 - Leases. Ind AS 116 will replace the existing lease standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and required the lessee to recognise assets and liabilities for all leases with a term more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The standard also contains enhanced disclosure requirements for lessee. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date of adoption of Ind AS 116 is annual years beginning on or after 01 April 2019. The Company is evaluating the requirements and effect on the financial statement of the new standard.

Ind AS 23 – Borrowing Costs

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

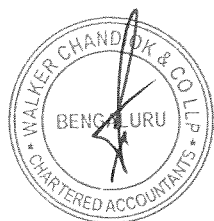
Ind AS 12, Income Taxes

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

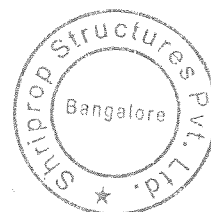
The effective date of application of this amendment is annual year beginning on or after April 1, 2019. The Company does not expect this amendment to have any impact to the financial statements.

Ind AS 12, Appendix C - Uncertainty over Income Tax treatments

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



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

2A Property, plant and equipment

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

	Building - temporary structure	Office equipment	Computers	Furniture and fixtures	Interiors	Vehicles	Total
Gross carrying amount							
Balance as at 1 April 2017	0.14	1.73	2.24	0.63	-	1.20	5.94
Additions	-	0.37	-	0.14	-	-	0.51
Disposals/assets written off	-	(0.02)	-	-	-	-	(0.02)
Balance as at 31 March 2018	0.14	2.08	2.24	0.77	-	1.20	6.43
Additions	-	0.08	0.05	-	0.07	0.02	0.22
Disposals/assets written off	-	-	-	-	-	-	-
Balance as at 31 March 2019	0.14	2.16	2.29	0.77	0.07	1.22	6.65
Accumulated depreciation							
Balance as at 1 April 2017	-	0.76	1.31	0.15	-	-	2.22
Charge for the year	0.04	0.38	0.42	0.09	-	0.23	1.16
Adjustments for disposals	-	-	-	-	-	-	-
Balance as at 31 March 2018	0.04	1.14	1.73	0.24	-	0.23	3.38
Charge for the year	0.04	0.29	0.26	0.13	-	0.23	0.95
Adjustments for disposals	-	-	-	-	-	-	-
Balance as at 31 March 2019	0.08	1.43	1.99	0.37	-	0.46	4.33
Net block as at 31 March 2018	0.10	0.94	0.51	0.53	-	0.97	3.05
Net block as at 31 March 2019	0.06	0.73	0.30	0.40	0.07	0.76	2.32

a. Contractual obligations

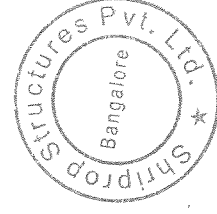
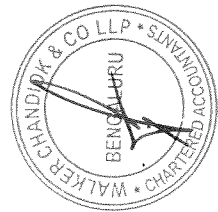
There are no contractual commitments pending for the acquisition of property, plant and equipment as at the balance sheet date.

b. Capitalized borrowing cost

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

c. Property, plant and equipment pledged as security

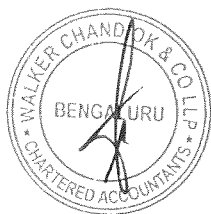
There was no property, plant and equipment pledged as security during the year ended 31 March 2019 and 31 March 2018



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

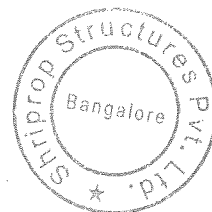
2B Other intangible assets

Particulars	Computer Software	Total
Gross carrying amount		
Balance at 1 April 2017	0.67	0.67
Additions	-	-
Balance as at 31 March 2018	0.67	0.67
Additions	-	-
Balance as at 31 March 2019	0.67	0.67
Accumulated amortisation		
Balance at 1 April 2017	0.49	0.49
Charge for the year	0.14	0.14
Balance as at 31 March 2018	0.63	0.63
Charge for the year	0.04	0.04
Balance as at 31 March 2019	0.67	0.67
Net book value as at 31 March 2018	0.04	0.04
Net book value as at 31 March 2019	-	-



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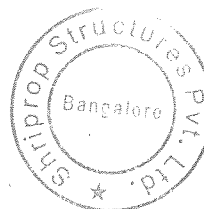
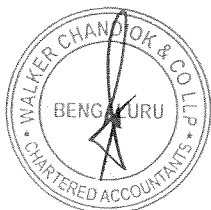
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Shriprop Structures Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, unless otherwise mentioned)

3 Non-current tax assets (Net)	As at 31 March 2019	As at 31 March 2018
Advance income tax, including tax deducted at source	0.62	0.62
	0.62	0.62
4 Inventories(*)	As at 31 March 2019	As at 31 March 2018 (Restated)
Properties under development		
Land	376.47	368.59
Cost of materials, construction cost and other overheads	818.56	1,004.10
	1,195.03	1,372.69
Properties held for sale		
	58.85	76.13
	1,253.88	1,448.82
(*) Details of assets pledged are given under note 25 Note		
a. For the year ended 31 March 2019, reversal of write-down of inventories to net realisable value amounted to ₹ 41.23 million. This was recorded as a reduction in the amount of inventories recognised as expense and included in 'Changes in inventories' in statement of profit and loss. b. For the year ended 31 March 2018, write-downs of inventories to net realisable value amounted to ₹ 49.28 million. This was recorded as an expense and included in 'Changes in inventories' in statement of profit and loss.		
5 Investments (*) Current	As at 31 March 2019	As at 31 March 2018
Investment in mutual funds (quoted)		
Investments carried at fair value through profit or loss (FVTPL)		
2,335 (31 March 2018: 2,335) units in Kotak Floater Short Term Fund - Growth	7.19	6.64
1,254,905 (31 March 2018: 2,000,232) units in Franklin India Low Duration Fund Growth	27.28	39.96
749,911 (31 March 2018: 749,911) units in Kotak Treasury Advantage Fund-Growth	22.47	20.84
	56.94	67.44
(*) Details of assets pledged are given under note 25		
Aggregate amount of quoted investments and market value thereof	56.94	67.44
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-
6 Trade receivables (*)		
Considered good - Secured	31.43	73.81
Considered good - Unsecured	19.39	6.75
Receivables which have significant increase in credit risk	-	-
Credit impaired	-	-
	50.82	80.56
(*) Details of assets pledged are given under note 25		
7 Cash and cash equivalents		
Cash on hand	0.11	0.10
Balances with banks:		
On current accounts	34.93	30.68
	35.04	30.78
8 Bank balances other than cash and cash equivalents		
Deposits with original maturity for more than 3 months but less than 12 months	0.52	-
	0.52	-
Note		
As at 31 March 2019, the Company had available ₹ Nil (31 March 2018 - ₹142.6 million) of undrawn committed borrowing facilities		
9 Other financial assets		
Unbilled revenue	2.91	-
	2.91	-
10 Other current assets		
Mobilization advances	31.58	33.92
Advance for purchase of goods and rendering services(*)	16.62	24.66
Other advances	0.40	0.24
Balances with statutory authorities	53.66	32.66
Prepaid expenses	3.31	0.50
	105.57	91.98

(*) Includes Nil (31 March 2018 - ₹ 15 million) given to related party. Refer note 29



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

11 Equity share capital	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Authorised				
Equity shares of ₹10 each	10,000	0.10	10,000	0.10
	<u>10,000</u>	<u>0.10</u>	<u>10,000</u>	<u>0.10</u>
Issued, subscribed and fully paid up share capital				
Equity shares of ₹10 each	10,000	0.10	10,000	0.10
	<u>10,000</u>	<u>0.10</u>	<u>10,000</u>	<u>0.10</u>
a. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
Equity shares				
Balance at the beginning of the year	10,000	0.10	10,000	0.10
Add: Issued during the year	-	-	-	-
Balance at the end of the year	<u>10,000</u>	<u>0.10</u>	<u>10,000</u>	<u>0.10</u>

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 each. Each holder of the equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholder holding more than 5% share capital

Name of the equity shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Percent holding in the class	Number of shares	Percent holding in the class
Shriram Properties Limited (*)	10,000	100%	10,000	100%
(*) 1 equity share is held by nominee of Shriram Properties Limited				

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

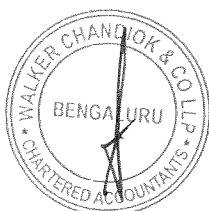
There have been no buy back of shares, issue of bonus shares and issue of shares pursuant to contract without payment being received in cash for the period of 5 years immediately preceding the reporting date.

12 Other equity

	As at 31 March 2019	As at 31 March 2018 (Restated)
Retained earnings	(625.40)	(430.12)
	<u>(625.40)</u>	<u>(430.12)</u>

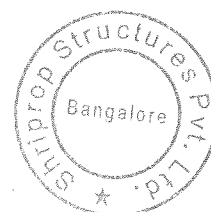
13 Borrowings

	As at 31 March 2019	As at 31 March 2018
Non-current		
Secured loans		
Term loans from others	991.81	847.13
Less: Current maturities of long term borrowings (refer note 15)	<u>(991.81)</u>	<u>(467.76)</u>
	-	<u>379.37</u>
Current		
Secured borrowings		
Working capital loan from others	-	476.00
	-	<u>476.00</u>
Unsecured borrowings		
Loans from related parties (refer note 29)	794.26	267.75
	<u>794.26</u>	<u>743.75</u>
	<u>794.26</u>	<u>1,123.12</u>



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

14 Trade payables

Current

Total outstanding dues of micro and small enterprises (refer note below)
Total outstanding dues other than micro and small enterprises

As at 31 March 2019	As at 31 March 2018
1.60	-
96.80	91.89
98.40	91.89

Note

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

Particulars	31 March 2019 (₹)	31 March 2019 (₹)
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	2.08	-
(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;	-	-
(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;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(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.	-	-

15 Other financial liabilities

Current

Current maturities of long-term borrowings (refer note 13)
Interest accrued and not due on borrowings:
Other payables (*)
Refunds due to customers on cancellation
Payable to landowner

As at 31 March 2019	As at 31 March 2018 (Restated)
991.81	467.76
8.18	10.11
4.63	11.43
8.50	20.63
18.12	10.93
1,031.24	520.86

(*) Includes ₹ 0.48 million as at 31 March 2019 towards payable to Micro and Small Enterprises

16 Other liabilities

Current

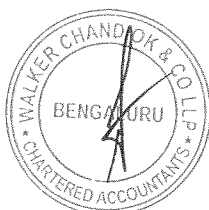
Payable to statutory authorities
Advance from customers
Payable to land owner

2.29	2.72
168.41	412.97
39.32	1.44
210.02	417.13

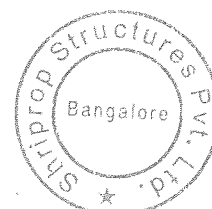
17 Current tax liabilities

Provision for income tax, net of advance tax

-	0.31
-	0.31



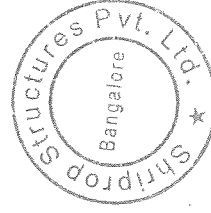
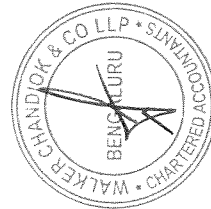
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Shriprop Structures Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, unless otherwise mentioned)

13 Borrowings (continued)

Sr.No	Particulars	Nature of security	Repayment details	Interest rate	As at 31 March 2019	As at 31 March 2018
Term loans from others						
Non Current Borrowings						
ii.	LIC Housing Finance Limited	(i) Equitable mortgage of the project land (Shriram Shankari) and structure thereon located at Perumattunallur village, Chengalpeta Taluk, Kancheepuram District, Tamilnadu and cross collateral security of project name 'Shriram One City' developed by Shriram Properties Limited (Holding Company). (ii) Assignment/ hypothecation of receivables of the Company's share from the project "Shriram Shankari". (iii) Corporate guarantee of Shriram Properties Limited, Holding Company	(i) Repayable in 17 equal monthly installments of ₹ 55.6 million and one last installment of ₹ 54.8 millions. The moratorium period is 42 months from November 2017 (ii) Repayable through sale proceeds received in Escrow Account from the project "Shriram Shankari". The Lender on review of cash flows, can accelerate the repayment schedule mentioned above	13.00% to 13.60%	1,000.00	857.40
Unamortised upfront fees on borrowing					(8.19)	(10.27)
Total					991.81	847.13
Loans and advances from related parties						
iii.	Shriram Properties Limited	Unsecured	Repayable on demand	15%	794.26	267.75
					794.26	267.75
Term loans from others						
Current Borrowings						
i	IIFL Wealth Management Limited	The facility is secured by way of pledge of units of scheme of mutual funds held by Shriram Properties Limited (holding	Bullet payment at the end of 12 months 8.50% (9.40% till 18 September 2017)	-	-	476.00
					-	476.00



Shriprop Structures Private Limited
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18 Revenue from operations

Revenue from real estate project under development
Other operating income

Year ended 31 March 2019	Year ended 31 March 2018 (Restated)
554.61	409.62
0.05	0.79
554.66	410.41

19 Other income

Liabilities no longer required written back
Interest income
Fair value gain on mutual funds
Profit on sale of investments (net)

Year ended 31 March 2019	Year ended 31 March 2018 (Restated)
45.00	-
0.02	-
4.39	2.91
0.11	0.53
49.52	3.44

20 Changes in inventories

Inventory at the beginning of the year
Inventory at the end of the year

Year ended 31 March 2019	Year ended 31 March 2018 (Restated)
1,448.82	1,567.01
1,253.88	1,448.82
194.94	118.19

21 Finance costs (*)

Interest expenses
- On term loans
- On related parties (refer note 29)
Loan and other processing charges

Year ended 31 March 2019	Year ended 31 March 2018
128.11	123.60
98.74	66.36
2.23	19.06
229.08	209.02

(*) Includes finance expense inventorized amounting to ₹ 82.42 million (31 March 2018: ₹ 195.46 million)

22 Other expenses

Advertisement expenses
Communication expenses
Insurance expenses
Legal and professional charges (*)
Rates and taxes
Printing and stationery
Repairs and maintenance
Brokerage expenses
Security expenses
Traveling and conveyance
Electricity charges
Business support (refer note 29)
Receivables written-off
Miscellaneous

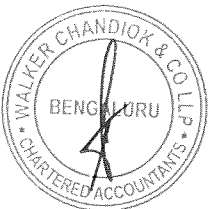
56.62	21.04
0.05	0.16
0.90	0.77
3.49	2.44
3.04	2.77
0.48	0.76
8.98	5.50
1.35	0.54
0.81	0.84
3.43	2.07
2.95	2.80
26.75	13.36
-	1.81
4.44	1.91
113.29	56.77

Details of payment to auditors

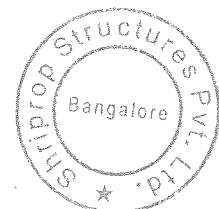
(*) **Payment to auditor (on accrual basis, excluding GST) [included in legal and professional charges]**

Audit fee
Out of pocket expenses

0.50	0.60
0.03	0.05
0.53	0.65



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

23 Income tax

A. Tax expense comprises of:

	Year ended 31 March 2019	Year ended 31 March 2018
Current income tax	-	0.31
Current income tax reversal of earlier years	(0.31)	-
Deferred tax charge	-	2.79
Income tax expense reported in the statement of profit or loss	(0.31)	3.10

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

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 26% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	(195.59)	(121.60)
Effective tax rate in India	26.00%	26.00%
Expected tax expense using the Company's domestic tax rate	(50.85)	(31.62)
Unrecorded deferred tax on carry forward losses and other temporary differences	50.85	32.00
Items taxed at capital gains rate	-	(0.07)
Reversal of deferred tax due to lack of convincing evidence	-	2.79
Reversal of current tax pertaining to earlier years	(0.31)	-
Income tax expense	(0.31)	3.10

C. Recognised deferred tax assets and liabilities

Deferred tax assets is recognised 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 losses amounting to ₹ 690.07 million (31 March 2018: ₹ 496.29 million) as at 31 March 2019. The above losses will expire over 4-8 years.

24 Earnings per share (EPS)

Weighted average number of shares outstanding during the year (nos)	10,000	10,000
Net profit/(loss) after tax attributable to equity shareholders	(195.28)	(124.70)
Earnings per share		
Basic (₹)	(19,528.00)	(12,470.00)
Diluted (₹)	(19,528.00)	(12,470.00)

25 Assets pledged as security

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

Current

Financials assets

Trade receivables

Total current assets pledged

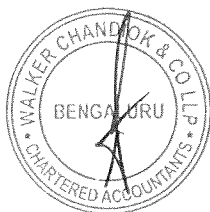
Non-financials assets

Inventories

Total non financial assets pledged

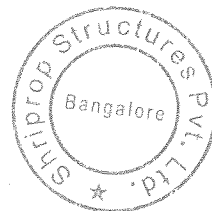
Total assets pledged as securities

	Year ended 31 March 2019	Year ended 31 March 2018 (Restated)
Trade receivables	50.82	80.56
Total current assets pledged	50.82	80.56
Inventories	1,253.88	1,448.82
Total non financial assets pledged	1,253.88	1,448.82
Total assets pledged as securities	1,304.70	1,529.38



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

26 Financial instruments

Financial instruments by category

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost*	Total carrying value	Total fair value
Financial assets :						
Investments	5	56.94	-	-	56.94	56.94
Trade receivables	6	-	-	50.82	50.82	50.82
Cash and cash equivalents including other bank balances	7&8	-	-	35.56	35.56	35.56
Other financial assets	9	-	-	2.91	2.91	2.91
Total financial assets		56.94	-	89.29	146.23	146.23
Financial liabilities :						
Borrowings **	13	-	-	1,786.07	1,786.07	1,786.07
Trade payables	14	-	-	98.40	98.40	98.40
Other financial liabilities	15	-	-	39.43	39.43	39.43
Total financial liabilities		-	-	1,923.90	1,923.90	1,923.90

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost*	Total carrying value	Total fair value
Financial assets :						
Investments	5	67.44	-	-	67.44	67.44
Trade receivables	6	-	-	80.56	80.56	80.56
Cash and cash equivalents	7&8	-	-	30.78	30.78	30.78
Total financial assets		67.44	-	111.34	178.78	178.78
Financial liabilities :						
Borrowings **	13	-	-	1,590.88	1,590.88	1,590.88
Trade payables	14	-	-	91.89	91.89	91.89
Other financial liabilities	15	-	-	53.10	53.10	53.10
Total financial liabilities		-	-	1,735.87	1,735.87	1,735.87

* for amortized cost instruments, carrying value represent the best estimate of fair value

** including current maturities of long term borrowing

Notes to financial instruments

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

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

Fair value hierarchy

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

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

Level 2: 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.

Measurement of fair value of financial instruments

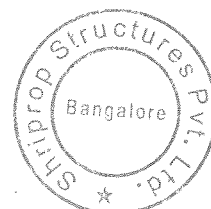
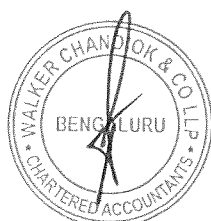
The Company's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialist for complex valuations, wherever necessary. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximizing the use of market-based information.

Investment in Mutual funds

The fair values of mutual funds are measured with reference to the fair value of the underlying assets.

The following table shows the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 31 March 2019 and 31 March 2018:

	Level 1	Level 2	Level 3	Total
As at 31 March 2019				
Financial assets				
Investment	56.94	-	-	56.94
	56.94	-	-	56.94
Financial liabilities	-	-	-	-
Net fair value	56.94	-	-	56.94
As at 31 March 2018				
Financial assets				
Investment	67.44	-	-	67.44
	67.44	-	-	67.44
Financial liabilities	-	-	-	-
Net fair value	67.44	-	-	67.44



Shriprop Structures Private Limited
Summary of significant accounting policies and other explanatory information
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27 Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market 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, other bank balances, trade receivables, financial assets measured at amortized cost	Ageing analysis
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts
Market risk – Interest rate	Borrowings at variable rates	Sensitivity analysis
Market risk – Price risk	Investments measured 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 written 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 equivalent, other bank balances, trade receivables and other financial assets.

Credit risk management

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

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

Asset Group	Description	Provision for expenses credit loss (*)	31 March 2019	31 March 2018
Low credit risk	Cash and cash equivalent, other bank balances, trade receivables and other financial assets	12 months expected credit loss/life time expected credit losses	89.29	111.34
High credit risk	Financial assets	Life time expected credit losses or fully provided for	-	-
			89.29	111.34

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

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

Credit risk exposure

Provision for expected credit losses

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

31 March 2019

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	50.82	-	50.82
Cash and cash equivalents	35.04	-	35.04
Other Bank balances	0.52	-	0.52
Other financial assets	2.91	-	2.91

31 March 2018

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	80.56	-	80.56
Cash and cash equivalents	30.78	-	30.78

Expected credit loss for trade receivables under simplified approach

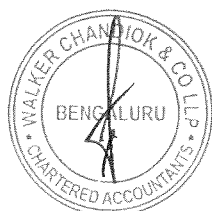
Trade receivables are secured in a form that registration of sold residential/commercial units is not processed till the time the Company does not receive the entire payment. Hence, as the Company does not have significant credit risk, it does not present the information related to ageing pattern. The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

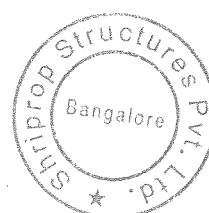
B Liquidity risk

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.



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Shriprop Structures Private Limited
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27 Financial risk management (Cont'd)

Maturities of financial liabilities

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

31 March 2019	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings*	930.26	1,254.92	-	2,185.18
Trade payables	66.97	31.43	-	98.40
Other financial liabilities	39.43	-	-	39.43
Total	1,036.66	1,286.36	-	2,323.01
31 March 2018	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings*	869.84	1,196.27	-	2,066.11
Trade payables	50.29	41.60	-	91.89
Other financial liabilities	53.10	-	-	53.10
Total	973.23	1,237.87	-	2,211.10

* including current maturities of long-term borrowings

C Market risk

a. Interest rate risk

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

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

Particulars	31 March 2019	31 March 2018
Variable rate borrowing(*)	1,000.00	857.40
Fixed rate borrowing(*)	794.26	743.75
	1,794.26	1,601.15

(*) excluding adjustment of unamortised processing fees of ₹ 8.19 million (31 March 2018 : ₹ 10.27 million)

Interest rate risk

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

Particulars	31 March 2019	31 March 2018
Interest rates – increase by 50 basis points (50 bps)	(4.58)	(3.99)
Interest rates – decrease by 50 basis points (50 bps)	4.58	3.99

b. Price risk

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

Sensitivity

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

Particulars	31 March 2019	31 March 2018
Price increase by 5% - FVTPL	2.85	3.37
Price decrease by 5% - FVTPL	(2.85)	(3.37)

28 Capital management

The Company's objectives when managing capital are to:

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

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

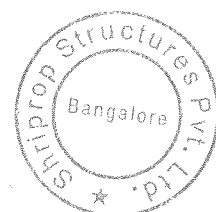
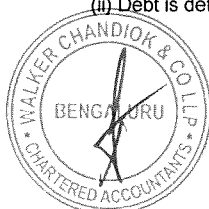
The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt includes long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents and other bank balances.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2019 and 31 March, 2018.

Particulars	31 March 2019	31 March 2018
Long term borrowings	-	379.37
Current maturities of long term borrowings	991.81	467.76
Short term borrowings	794.26	743.75
Less: Cash and bank balances	35.56	30.78
Net debt	1,750.51	1,560.10
Total equity	(625.30)	(430.02)
Gearing ratio	(2.80)	(3.63)

(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



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Summary of significant accounting policies and other explanatory information
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29 Related party transactions

(ii) Parties where control exists

Particulars	Relationship
Shriram Properties Limited	Holding Company

(i) Key Management Personnel (KMP)

Particulars	Relationship
Krishna Veeraraghavan	Director
Gopalakrishnan J	Director (w.e.f 26 November 2018)
S S Asokan	Director (till 26 November 2018)
Ram Shankar Venkataraman	Director (till 05 June 2018)

(iii) Other related parties

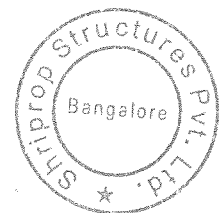
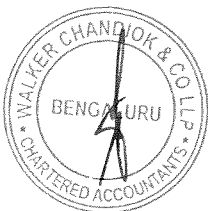
Particulars	Relationship
Twentyfirst century infrastructure Private Limited	Entity controlled by KMP of Holding Company (till 21 September 2018)

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

Nature of transaction	Shriram Properties Limited		Twenty first Century Infrastructure Private Limited	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Short-term borrowings	794.26	267.75	-	-
Advance outstanding	-	-	-	15.00
Corporate guarantee	1,000.00	857.40	-	-

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

Nature of transaction	Shriram Properties Limited		Twenty first Century Infrastructure Private Limited	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Loan repaid by the company	156.48	440.78	-	-
Loan taken by the company	682.99	341.66	-	-
Interest expenses	98.74	66.36	-	-
Business support expenses	26.75	13.36	-	-
Advances given	-	-	-	15.00
Corporate guarantee taken	142.60	857.40	-	-



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

30 Segmental information

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

31 Restatement and reclassification

(a) Restatement:

In the current year, the Company has restated comparative financial information for the year ended 31 March 2018 and the Balance sheet as at 01 April 2017 on account of adoption of new Ind AS 115, Revenue from contracts with customers as detailed in note 1.2(i)

(b) Reclassification:

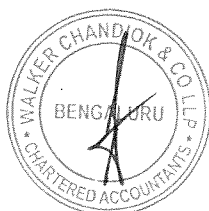
Certain previous year numbers have been regrouped/ reclassified to conform to the current year's classification

The effect of restatement and reclassification on financial statement line items for the prior years are as follows:

As at 01 April 2017	Audited	Adjustment on account of change in accounting policy (refer note 1.2(i))	Reclassification (refer note 31(b))	Restated
Assets				
Inventories	1,298.61	268.40	-	1,567.01
Liabilities				
Other current liabilities	296.98	337.06	-	634.04
Equity				
Other equity	(236.75)	(68.67)	-	(305.42)

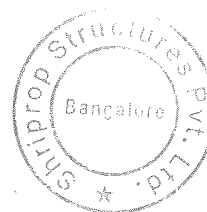
As at 31 March 2018	Audited	Adjustment on account of change in accounting policy (refer note 1.2(i))	Reclassification (refer note 31(b))	Restated
Assets				
Inventories	1,251.96	196.86	-	1,448.82
Liabilities				
Other current liabilities	246.15	170.98	-	417.13
Other financial liabilities	509.93	-	10.93	520.86
Trade payables	102.82	-	(10.93)	91.89
Equity				
Other equity	(456.00)	25.88	-	(430.12)

For the year ended 31 March 2018	Audited	Adjustment on account of change in accounting policy (refer note 1.2(i))	Reclassification (refer note 31(b))	Restated
Revenue				
Revenue from Operations	259.08	151.33	-	410.41
Expenses				
Land cost	21.01	(21.01)	-	-
Material and contract cost	143.92	6.25	-	150.17
Changes in inventories	46.65	71.54	-	118.19



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

32 Disclosures mandated under IndAS 115

A. Contract balances

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

Particulars	As at 31 March 2019	As at 31 March 2018 (Restated)
Contract assets		
Unbilled revenue	2.91	-
Total contract assets	2.91	-
Contract liabilities		
Advance from customers	168.41	412.97
Payable to land owner	57.44	12.37
Total contract liabilities	225.85	425.34
Receivables		
Trade receivables	50.82	80.56
Total receivables	50.82	80.56

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.

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

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

Particulars	Contract liabilities			
	As at 31 March 2019		As at 31 March 2018 (Restated)	
	Advances from customers	Payable to land owner	Advances from customers	Payable to land owner
Opening balance	412.97	12.37	628.73	14.78
Addition during the year	297.46	54.75	191.45	-
Revenue recognised during the year (Restated)	(542.02)	(9.68)	(407.21)	(2.41)
Closing balance	168.41	57.44	412.97	12.37

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

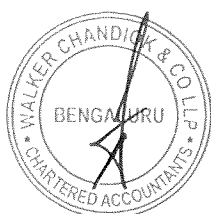
Particulars	Contract assets	
	As at 31 March 2019	As at 31 March 2018
	Unbilled revenue	Unbilled revenue
Opening balance	-	-
Revenue recognised during the year	2.91	-
Closing balance	2.91	-

D. Reconciliation of revenue recognised with contract revenue:

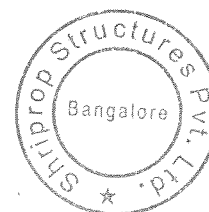
Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Contract revenue	554.61	409.62
Adjustment	-	-
Revenue recognised	554.61	409.62

E. The performance obligation of the Company in case of sale of residential apartments is satisfied once the project is completed and control is transferred to the customers. The customer makes the payment of the contracted price as per the installment stipulated in the customers's 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 2019 is ₹ 201.10 million. The same is expected to be recognised within 1 to 4 years.



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

33 Events occurring after the reporting date

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

34 Additional information to the extent either "nil" or "not applicable" has not been furnished.

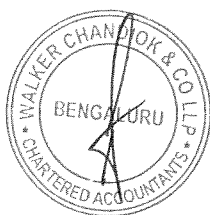
As per report of even date

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



Adit P. Sethna
Partner
Membership No. : 108840

Mumbai
28 June 2019

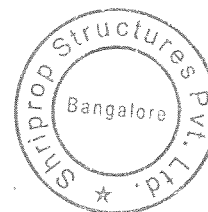


For and on behalf of the Board of Directors of
Shriprop Structures Private Limited



Krishna Veeraraghavan
Director
DIN: 06620405

Bengaluru
27 June 2019



Gopalakrishnan J
Director
DIN: 02354467

Bengaluru
27 June 2019

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