

SHRIPROP LIVING SPACE PRIVATE LIMITED
|CIN: U70109KA2014PTC076190|
|Email: companysecretary@shriramproperties.com|
Regd. Off: No. 31, 2nd Main Road, T Chowdaiah Road, Sadashivanagar,
Bengaluru – 560080

BOARDS' REPORT

To the Members,

Your Directors have pleasure in presenting the 9th Annual Report of the Company on the business and operations of the Company, together with the Audited Financial Statements for the year ended March 31, 2023.

1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY:

(All amounts in ₹ millions, unless otherwise stated)

	2022-23	2021-22
Revenue from operations	-	-
Other Income	7.96	4.35
Total Income	7.96	4.35
Total Expenditure	161.78	52.10
Profit before tax/(Loss)	(153.82)	(47.75)
Provision for taxation	-	-
MAT Credit Entitlement	-	-
Add/ (Less): Deferred Tax	-	-
Profit after tax & extraordinary items/(Loss)	(153.82)	(47.75)

Review of Operations and overview

The Company has made a Loss of Rs. 153.82 Mn, when compared to previous year Loss of Rs. 47.75 Mn.

2. DIVIDEND:

The Board of Directors of your company has decided that it would be prudent, not to recommend any Dividend for the financial year 2022-2023.

3. TRANSFER TO RESERVES:

The Board of Directors of your company has decided not to transfer any amount to the Reserves for the year.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

5. MATERIAL CHANGES AND COMMITMENTS FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT, IF ANY:

There have been no material changes and commitments affecting the financial position of your Company which has occurred between March 31, 2023, and the date of this Board's Report.

6. ANNUAL RETURN:

The provisions of Section 134 (3) (a) of the Companies Act 2013 prescribes the Company to mention the web address, if any, where the Annual Return referred to in sub section (3) of Section 92 of the Act has been placed.

Since the Company has not had any website, the extract of the annual return for the year ended March 31, 2023, has been annexed to this report.

7. NATURE OF BUSINESS ACTIVITIES AND CHANGES THEREOF:

During the year, there has been no change in the nature of Business of the Company.

8. CHANGES IN SHARE CAPITAL:

During the year, there has been no change in the Share Capital of the Company.

The Company has not issued any equity shares with differential rights during the year and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

The Company has not issued any sweat equity shares during the year and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

The Company has not issued any Employee Stock Options Scheme during the year and hence no information as per provisions of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.

9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any subsidiary, joint venture or associate companies.

10. DEPOSITS:

During the year, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

11. DIRECTOR'S AND KEY MANAGERIAL PERSONNEL (KMPs):

There were no changes in composition of the Board during the year.

12. DIRECTORS RETIRING BY ROTATION:

During the year, Mr. N Nagendra (DIN: 07781675) retires by rotation. Mr. N Nagendra being eligible has offered himself for re-appointment. The Board recommends his re-appointment as Director of the Company as set out in the notice calling Annual General Meeting.

13. MEETINGS OF THE BOARD OF DIRECTORS:

There were 6 Meetings of the Board of Directors held during the Financial Year 2022-23 i.e., on April 30, 2022, May 27, 2022, August 11, 2022, September 16, 2022, November 12, 2022 and on February 13, 2023 in compliance with the requirements of the Companies Act, 2013 & SS -1 (Secretarial Standards on Board Meetings) issued by The Institute of Company Secretaries of India (ICSI).

14. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions contained in sub-sections (3)(c) and (5) of Section 134 of the Companies Act, 2013, the Directors of your Company confirm that: -

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures, wherever applicable;
- b) the directors had selected such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the losses of the Company for the year ended on that date;
- c) the directors have taken proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts of the Company have been prepared on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. REMUNERATION OF DIRECTORS AND EMPLOYEES OF COMPANIES:

There are no employees drawing remuneration more than the limits prescribed under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

16. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The details of the loans borrowed, guarantees provided and investments made by the Company during the year are provided under notes to accounts to the financial statements.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The related party transactions undertaken during the financial year are detailed in Notes to Accounts of the financial Statements.

18. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

There was no instance of one-time settlement with any Bank or Financial Institution.

19. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company, hence the Company was not required to spend under CSR during the financial year.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has not actively engaged in the consumption of energy or absorption of technology. The Company is however aware of its responsibilities and has at every available opportunity used and implemented such measures so as to enable energy conservation.

(A) CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

The Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in per unit consumption of energy is an ongoing exercise in the Company. The effective measures like education, training, publicity, messaging through use of social media have been taken to minimize the loss of energy as far as possible.

The Company does not have any internal generation of power (captive, surplus or otherwise) and the amount spent during the financial year 2022-23 is Nil.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

Presently, the Company does not have any alternate sources of energy for internal generation of power (captive, surplus or otherwise). However, the management of the Company is exploring an alternative source of energy like solar, wind, thermal or otherwise for internal generation of power for captive purposes.

(iii) Capital investment on energy conservation equipment:

The Company has not made any capital investment on energy conservation equipment/s.

(B) TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

(i) The efforts made towards technology absorption:

The Company is always in pursuit of finding the ways and means to improve the performance, quality and cost effectiveness of its services. The technology used by the Company is updated as a matter of continuous exercise.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The Company has not derived any material benefits in cost reduction against technology absorption.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

The Company has not imported any technology during the last three years reckoned from the beginning of the financial year.

(iv) The expenditure incurred on Research and Development:

The Company does not have a separate independent research and development activity. As such, no material amount of expenditure was incurred on research and development activity of the Company.

(C) FOREIGN EXCHANGE EARNINGS / OUTGO

During the financial year, the total Foreign Exchange Inflow and Outflow during the year is as follows:

(in INR)

Particulars	As on 31.03.2023	As on 31.03.2022
Income in Foreign Currency	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil

21. VIGIL MECHANISM:

The Company has adopted the Whistle Blower Policy of the holding company and has a vigil mechanism in line with the Companies Act, 2013 to deal with instances of unethical and/ or improper conduct and to take suitable steps to investigate and correct the same.

22. INTERNAL FINANCIAL CONTROL:

The Company has in place the policies and procedures for ensuring the orderly and efficient conduct of its 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 disclosures.

23. STATUTORY AUDITORS:

M/s. Abarna & Ananthan, Chartered Accountants, Bangalore (Firm Registration Number 000003S) were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on September 29, 2020, to hold office till the conclusion of the Annual General Meeting to be held for the financial year 2023-24.

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their report on Financial Statements for the Financial Year ended March 31, 2023.

24. FRAUD REPORTING:

During the Financial Year 2022-23, the Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company pursuant to provisions of Section 143(12) of the Companies Act, 2013.

25. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company does not have any employees, hence the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable.

26. SECRETARIAL STANDARDS:

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") as may be amended from time to time.

27. MAINTENANCE OF COST RECORDS:

During the Financial Year 2022-23, the Company was not required to maintain any cost records and to appoint any Cost Auditor as Section 148(1) of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014 were not applicable to the Company.

28. RISK MANAGEMENT POLICY:

The Company has developed and implemented a risk management framework detailing the various risks faced by the Company and methods and procedures for identification, monitoring and mitigation of such risks. The risk management function is complimentary to the internal control mechanism of the Company and supplements the audit function.

29. ADDITIONAL INFORMATION:

The additional information required to be given under the Companies Act, 2013 and the Rules made thereunder, has been laid out in the Notes attached to and forming part of the Financial Statements. The Notes to the Financial Statements referred to the Auditors' Report are self-explanatory and therefore do not call for any further explanation.

30. ACKNOWLEDGMENTS:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, government authorities, customers, vendors and members during the year. Your directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of Shriprop Living Space Private Limited

SD/-

SD/-

Date: September 1, 2023

N. Nagenda

Rajesh Yashwant Shirwatkar

Place: Bengaluru

Director

Director

DIN: 07781675

DIN: 02882293

ANNEXURE TO BOARD REPORT

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2023
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U70109KA2014PTC076190
ii	Registration Date	04/09/2014
iii	Name of the Company	Shriprop Living Space Private Limited
iv	Category/Sub-category of the Company	Company limited by shares
v	Address of the Registered office & contact details	No. 31, T.Chowdaiah Road, Sadashivnagar, Bangalore-560080
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	INTEGRATED REG. MGT.SER.PVT. LTD

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Construction development of townships, housing, built up infrastructures	41001- As per NIC Code 2008	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SL NO	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Shriram Properties Limited	L72200TN2000PLC044560	Holding	51%	Section 2(46)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies corporates		4900		49		4900	49		
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs									
c) Others (specify)									
SUB TOTAL (B)(2):		4900		49		4900	49		
Total Public Shareholding (B)= (B)(1)+(B)(2)		4900		49		4900	49		
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3000	7000	10000	100	3000	7000	10000	100	

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Shriram Properites Limited	5,100	51	Nil	5,100	51	Nil	51
2	Iconica Projects represented by Gardencity Realty Private Limited	4,900	49	Nil	4,900	49	Nil	49
	Total						-	

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	5100	51	5100	51
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year	5100	51	5100	51

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &

(iv) Holders of GDRs & ADRs)

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the		Cumulative Shareholding	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	4,900	49	4,900	49
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	Nil	Nil	Nil	Nil
	At the end of the year (or on the date of separation, if separated during the year) Iconica Projects represented by Gardencity Realty Private Limited	4,900	49	4,900	49

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the		Cumulative Shareholding	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year	0	0	0	0

V INDEBTEDNESS

in Millions

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,356.86	275.35		1,632.21
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	1,356.86	275.35		1,632.21
Change in Indebtedness during the financial year				
Additions	599.57	43.05		642.62
Reduction	-	-		
Net Change	599.57	43.05		642.62
Indebtedness at the end of the financial year				
i) Principal Amount	1,956.43	318.40		2,274.83
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	1,956.43	318.40		2,274.83

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961		
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock option		
3	Sweat Equity		
4	Commission		
	as % of profit		
	others (specify)		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount	
1	Independent Directors					
	(a) Fee for attending board committee meetings					
	(b) Commission					
	(c) Others, please specify					
	Total (1)					
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings					
	(b) Commission					
	(c) Others, please specify.					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act.					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
1	Gross Salary	CEO	Company Secretary	CFO	Total	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.					
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission as % of profit					
	others, specify					
5	Others, please specify					
	Total					

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on Behalf of the Board of Directors
Shriprop Living Space Private Limited

SD/- SD/-
N. Nagendra Rajesh Yashwant Shirwatkar
Director Director
(DIN:07781675) (DIN: 02882293)

Place:Bengaluru
Date: 01/09/2023

Shriprop Living Space Private Limited
 Regd. Off: No. 31, 2nd Main Road, T. Chowdaiah Road, Sadashivanagar, Bengaluru-560 080
 CIN: U70109KA2014PTC076190
 Email ID: companysecretary@shriramproperties.com
 Ph. No.080 -4022 9999

Balance Sheet as at 31 March 2023

(All amounts in ₹ millions, unless otherwise specified)

	Note	As at 31 March 2023	As at 31 March 2022
I ASSETS			
Non - current assets			
(a) Property, plant and equipment	2	25.63	47.86
(b) Non-current tax assets	3	0.40	0.40
Total non-current assets		26.03	48.26
Current assets			
(a) Inventories	4	2,879.94	2,194.36
(b) Financial assets			
(i) Trade receivables	5	151.33	284.04
(ii) Cash and cash equivalents	6	25.81	38.68
(iii) Othe bank balances	7	50.79	31.29
(iv) Loans	8	621.40	418.32
(v) Other financial assets	9	0.05	2.35
(c) Other current assets	10	944.00	678.75
Total current assets		4,673.32	3,647.79
Total assets		4,699.35	3,696.05
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	0.10	0.10
(b) Other equity	12	(425.54)	(301.90)
Total equity		(425.44)	(301.80)
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	2,274.83	1,632.21
(ii) Trade payables	14		
- (a) total outstanding dues of micro and small enterprises		67.72	26.79
- (b) total outstanding dues of creditors other than micro and small enterprises		156.16	289.91
(iii) Other financial liabilities	15	83.04	38.73
(b) Other current liabilities	16	2,543.04	2,010.21
Total current liabilities		5,124.79	3,997.85
Total equity and liabilities		4,699.35	3,696.05
Significant accounting policies	1.2		
The accompanying notes referred to above form an integral part of the financial statements.	1 to 55		

As per our report of even date

For **Abarna & Ananthan**
 Chartered Accountants
 Firm registration number: 0000035

For and on behalf of the Board of Directors of
Shriprop Living Space Private Limited

sd/-
Dheeraj M
 Partner
 Membership No.: 234705

sd/-
Rajesh Y Shirwatkar
 Director
 DIN: 02882293

sd/-
Krishna Veeraraghavar
 Director
 DIN: 06620405

Place: Bengaluru
 Date: 27 May 2023

Place: Bengaluru
 Date: 27 May 2023

Place: Bengaluru
 Date: 27 May 2023

Shriprop Living Space Private Limited
Statement of profit and loss for the year ended 31 March 2023
(All amounts in ₹ millions, unless otherwise specified)

Note	Year ended 31 March 2023	Year ended 31 March 2022
Revenue		
Other income	7.96	4.35
Total revenue	7.96	4.35
Expenses		
Material and contract cost	466.74	549.58
Changes in inventories	(685.58)	(767.74)
Finance costs	211.71	145.30
Depreciation	21.77	24.48
Other expenses	147.14	100.48
Total expenses	161.78	52.10
Profit/(loss) before tax	(153.82)	(47.75)
Tax expense		
- current tax	-	-
- deferred tax	-	-
Profit/(loss) after tax	(153.82)	(47.75)
Other comprehensive income	-	-
Total comprehensive loss for the year	(153.82)	(47.75)
Earnings per share		
Basic (₹)	(15,381.56)	(4,774.51)
Diluted (₹)	(15,381.56)	(4,774.51)
Significant accounting policies	1.2	
The accompanying notes referred to above form an integral part of the financial statements	1 to 55	

As per our report of even date

For Abarna & Ananthan
Chartered Accountants
Firm registration number: 000003S

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

sd/-
Dheeraj M
Partner
Membership No.: 234705

sd/-
Rajesh Y Shirwatkar
Director
DIN: 02882293

sd/-
Krishna Veeraraghavan
Director
DIN: 06620405

Place: Bengaluru
Date: 27 May 2023

Place: Bengaluru
Date: 27 May 2023

Place: Bengaluru
Date: 27 May 2023

Shriprop Living Space Private Limited
Statement of cash flows for the year ended 31 March 2023
(All amounts in ₹ millions, unless otherwise specified)

Note	Year ended 31 March 2023	Year ended 31 March 2022
A. Cash flows from operating activities:		
Profit/(loss) before tax	(153.82)	(47.75)
Adjustments to reconcile profit before tax to net cash flows		
Interest expense	186.54	133.63
Interest Income	(71.91)	(2.17)
Guarantee commission expenses	40.64	7.00
Loan processing fee	33.68	5.32
(Profit) / Loss on sale of Property, plant & equipment	(1.99)	0.49
Depreciation	21.77	24.48
Any other non-cash adjustments	30.18	-
Working capital changes:		
(Increase) in inventories	(685.58)	(767.74)
Decrease / (increase) in trade receivables	132.71	(140.93)
(Increase) in other bank balances	(19.50)	-
Increase / (decrease) in other financial assets	2.30	(2.35)
(Increase) in other current assets	(265.25)	(164.41)
(Decrease) / increase in trade payables	(92.82)	227.63
Increase / (decrease) in other financial liabilities	44.31	(11.40)
Increase in other current liabilities	532.83	914.10
Cash flow from operating activities	(265.91)	175.90
Taxes paid	-	-
Net cash flow (used in) / generated from operating activities	(265.91)	175.90
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(8.77)	(17.61)
Proceeds from sale of property, plant and equipment	23.87	1.43
Loans given	(228.42)	(418.32)
Interest Income	71.91	2.17
Net cash flow (used in) investing activities	(141.41)	(432.33)
C. Cash flows from financing activities		
Interest and processing charges paid	(219.20)	(133.63)
Repayment of borrowing from financial institutions	(1,415.00)	-
Repayment of borrowings from banks	(0.09)	-
Proceeds from borrowings from banks	2,028.74	392.41
Net cash flow generated from financing activities	394.45	258.78
Net (decrease) / increase in cash and cash equivalents (A + B + C)	(12.87)	2.35
Cash and cash equivalents at the beginning of the year	38.68	36.33
Cash and cash equivalents at the end of the year	25.81	38.68
	6	
Significant accounting policies	1.2	
The accompanying notes referred to above form an integral part of the financial statements	1 to 55	

As per our report of even date

For Abarna & Ananthan
Chartered Accountants
Firm registration number: 0000035

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

sd/-
Dheeraj M
Partner
Membership No.: 234705

sd/-
Rajesh Y Shirwatkar
Director
DIN: 02882293

sd/-
Krishna Veeraraghavan
Director
DIN: 06620405

Place: Bengaluru
Date: 27 May 2023

Place: Bengaluru
Date: 27 May 2023

Place: Bengaluru
Date: 27 May 2023

Shriprop Living Space Private Limited
Statement of changes in equity for the year ended 31 March 2023
(All amounts in ₹ millions, unless otherwise specified)

A. Equity share capital

Particulars	Amount
Balance as at 01 April 2021	0.10
Changes in equity share capital during the year	-
Changes in equity share capital due to prior period errors	-
Balance as at 31 March 2022	0.10
Changes in equity share capital during the year	-
Changes in equity share capital due to prior period errors	-
Balance as at 31 March 2023	0.10

B. Other equity

Particulars	Reserves and surplus			
	Retained earnings	Measurement of below market rate financial instruments at fair value		Total
		(*)		
Balance as at 1 April 2021	(300.86)	-	(300.86)	
Measurement of below market rate financial liability at fair value(*)	-	46.71	46.71	
Profit/(Loss) for the year	(47.75)	-	(47.75)	
Balance as at 31 March 2022	(348.61)	46.71	(301.90)	
Measurement of below market rate financial liability at fair value(*)	-	30.18	30.18	
Profit/(Loss) for the year	(153.82)	-	(153.82)	
Balance as at 31 March 2023	(502.43)	76.89	(425.54)	

(*) Represents corporate guarantee provided by Shriram Properties Limited

As per our report of even date

For Abarna & Ananthan
Chartered Accountants
Firm registration number: 0000035

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

sd/-
Dheeraj M
Partner
Membership No.: 234705

sd/-
Rajesh Y Shirwatkar
Director
DIN: 02882293

sd/-
Krishna Veeraraghavan
Director
DIN: 06620405

Place: Bengaluru
Date: 27 May 2023

Place: Bengaluru
Date: 27 May 2023

Place: Bengaluru
Date: 27 May 2023

Shriprop Living Space Private Limited
Notes forming part of Financial Statements

1 Company overview and significant accounting policies

1.1 Company overview

Shriprop Living Space Private Limited ('the Company'), was incorporated on 14 September 2014 under Companies Act, 2013. The registered office of the Company is located at Bengaluru, Karnataka, India. The Company is engaged in the business of development of real estate projects.

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 the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 27 May 2023.

b. Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases that are in effect as at 31 March 2023, as summarized below.

c. 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 2023, the Company has continued to incur losses and has incurred a net loss of ₹ 153.82 million and at that date, the Company's accumulated losses aggregated to ₹ 502.43 million. The Company has generated negative cash flows from their operations in the current year however based on the long term strategy and future business plan, the Company is expecting to generate positive cash flows going forward. Accordingly, these accompanying financial statements have been prepared on a going concern basis as 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.

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

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

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

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

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

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

d. 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.

1.2 Significant accounting policies (continued)

e. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 1.3 and 1.4.

f. 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 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.

g. 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 initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

h. Standards issued/amended by MCA

Companies (Indian Accounting Standards) Amendment Rules, 2023

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments relating to Ind AS 102, Share This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial

Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

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Shriprop Living Space Private Limited
Notes forming part of Financial Statements

1.2 Significant accounting policies (continued)

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured based on the transaction price which is consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in most of its revenue arrangements.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of residential units to customers in an amount that reflects the consideration the company expects to receive in exchange for those residential units .

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

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

Revenue from contracts with customers

In case, revenue is recognised over the time, it is being recognised from the financial year in which the registration of sale deed is executed. In respect of 'over the period of time', the revenue is recognised based on the percentage-of-completion method ('POC method') of accounting with cost of project incurred (input method) for the respective projects determining the degree of completion of the performance obligation.

The period over which revenue is recognised is based on entity's right to payment for performance completed.

The revenue recognition of real estate property under development requires forecasts to be made of total budgeted costs with the outcomes of underlying construction contracts, which further require assessments and judgments to be made on changes in work scopes and other payments to the extent they are probable and they are capable of being reliably measured. In case, where the total project cost is estimated to exceed total revenues from the project, the loss is recognised immediately in the Statement of Profit and Loss

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.

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.

Rental income

Income from rentals are recognised as an income in the statement of profit and loss on a straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

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.

1.2 Significant accounting policies (continued)

j. Inventories

Properties under development

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

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.

k. Property, Plant and Equipment (PPE)

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met, any expected costs of decommissioning and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted 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 PPE is provided on the straight-line method, based on the useful life of asset specified in Schedule II to the Companies Act, 2013. The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Office equipments	5 years
Furniture & fixtures	10 years
Shuttering materials	3 years
Computers	3 years
Vehicles	8 years
Leasehold improvements	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.

l. Investment Properties

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

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

m. 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 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 costs incurred on that borrowing during the period less any interest income earned on temporary investment from that borrowings, 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.

Shriprop Living Space Private Limited
Notes forming part of Financial Statements

1.2 Significant accounting policies (continued)

n. 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.

o. Tax expense

Income taxes

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

Current tax

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

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

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

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

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

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

Current and deferred tax for the period

Current and deferred tax are recognized in profit or loss, except when they 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.

p. Earnings per share

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

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

q. Provisions

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

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

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

1.2 Significant accounting policies (continued)

r. Cash flow statement

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

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

s. Rounding off amounts

All amounts disclosed in the financial statements are reported in million as per the requirement of Schedule III, except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

t. Financial instruments

Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price.

Subsequent measurement

Debt Instruments

Debt instruments at amortized cost

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

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

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

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

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

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

Equity investments

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

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

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

De-recognition of financial assets

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

u. 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.

Shriprop Living Space Private Limited
Notes forming part of Financial Statements

1.2 Significant accounting policies (continued)

v. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss.

w. Impairment of non-financial assets

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss.

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

x. Segment Reporting

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

1.3 Significant estimates in applying accounting policies

- a. Revenue from contracts with customers - The Company has applied judgements as detailed in note 1.2(i) that significantly affect the determination of the amount and timing of revenue from contracts with customers.
- b. Net realisable 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 the end of each financial year, 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) and non-financial assets. 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.

1.4 Critical judgements in applying accounting policies

- a. 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.
- b. 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.
- c. Provisions – At each balance sheet date basis the management judgement, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
(All amounts in ₹ millions, unless otherwise specified)

2 Property, plant and equipment

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

Particulars	Office equipments	Shuttering Materials	Total
Gross carrying amount			
As at 01 April 2021	0.10	61.73	61.83
Additions	-	17.61	17.61
Deletions	-	(2.35)	(2.35)
As at 31 March 2022	0.10	76.99	77.09
Additions	-	8.77	8.77
Deletions	-	(21.88)	(21.88)
As at 31 March 2023	0.10	63.88	63.98
Accumulated depreciation			
Upto 31 March 2021	0.03	5.15	5.18
Charge for the year (*)	0.02	23.46	23.48
Depreciation on Deletions	-	(0.43)	(0.43)
Upto 31 March 2022	0.05	29.18	29.23
Charge for the year (*)	0.02	21.75	21.77
Depreciation on Deletions	-	(12.65)	(12.65)
Upto 31 March 2023	0.07	38.28	38.35
Net block			
As at 31 March 2022	0.05	47.81	47.86
As at 31 March 2023	0.03	25.60	25.63

(*) includes depreciation inventoried amounting to ₹ 21.75 million for the year ended 31 March 2023 (31 March 2022 ₹ 23.46 million).

a. Contractual obligations

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

b. Capitalized borrowing cost

There are no borrowing costs capitalized during the year ended 31 March 2023 and 31 March 2022

c. Property, plant and equipment pledged as security

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

d. The Company has not revalued its Property, Plant and Equipment as at the balance sheet date.

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
(All amounts in ₹ millions, unless otherwise specified)

3 Non-current tax assets

Particulars	As at	
	31 March 2023	31 March 2022
Advance income tax, including tax deducted at source	0.40	0.40
	0.40	0.40

4 Inventories *

Particulars	As at	
	31 March 2023	31 March 2022
Property held under development	2,879.94	2,194.36
	2,879.94	2,194.36

* for assets pledged under security refer note 33

5 Trade receivables *

Particulars	As at	
	31 March 2023	31 March 2022
Current		
Trade receivables	151.33	284.04
	151.33	284.04
Trade receivables considered good - Secured	151.33	284.04
Trade receivables considered good - Unsecured	-	-
Receivables which have significance increase in credit risk	-	-
Credit impaired	-	-
	151.33	284.04

* for assets pledged under security refer note 33

As at 31 March 2023						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	42.48	11.39	40.24	28.41	28.81	151.33
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables-Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-considered doubtful	-	-	-	-	-	-

As at 31 March 2022						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	189.31	23.26	35.95	35.52	-	284.04
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables-Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-considered doubtful	-	-	-	-	-	-

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
(All amounts in ₹ millions, unless otherwise specified)

6 Cash and cash equivalents

Particulars	As at	
	31 March 2023	31 March 2022
Cash on hand	2.24	2.14
Balance with banks		
In current accounts	10.27	21.83
In escrow accounts*	13.30	14.71
	25.81	38.68

* for assets pledged under security refer note 33

Note

As at 31 March 2023, the Company had available ₹ 221.26 million (31 March 2022: Nil) of undrawn committed borrowings facilities.

7 Other bank balances

Particulars	As at	
	31 March 2023	31 March 2022
Deposit with maturity less than 12 months*	50.79	31.29
	50.79	31.29

* for assets pledged under security refer note 33

8 Loans

Particulars	As at	
	31 March 2023	31 March 2022
Unsecured- considered good		
Loans to related parties (#)	621.40	418.32
	621.40	418.32

(#) Loan to related parties represents loans given to Shriram Properties Limited & Shrivision Towers Private Limited at interest rate of 15% p.a. Tenure and terms of repayment have not been specified and hence the loan is considered as receivable on demand.

Loans and advances to Directors / KMP / Related Parties repayable on demand

Type of Borrower	As at 31 March 2023		As at 31 March 2022	
	Amount outstanding (*)	Percentage of Total (^)	Amount outstanding (*)	Percentage of Total (^)
Promoter	586.53	94.39%	418.32	100.00%
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	34.87	5.61%	-	-
	621.40	100.00%	418.32	100.00%

(*) represents loan or advance in the nature of loan

(^) represents percentage to the total Loans and Advances in the nature of loans

9 Other financial assets

Particulars	As at	
	31 March 2023	31 March 2022
Other receivables	0.05	2.35
	0.05	2.35

10 Other current assets

Particulars	As at	
	31 March 2023	31 March 2022
Unsecured- considered good		
Other advances		
Balance with Government Authorities	41.70	53.39
Prepaid expenses	133.61	133.60
Advance for purchase of goods and rendering services	768.69	491.76
	944.00	678.75

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
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11 Equity share capital

i Authorised

50,000 equity shares of Rs 10 each

As at 31 March 2023		As at 31 March 2022	
Number	Amount	Number	Amount
50,000	0.50	50,000	0.50
50,000	0.50	50,000	0.50

ii Issued, subscribed and fully paid up

10,000 equity shares of Rs 10 each, fully paid-up

10,000	0.10	10,000	0.10
10,000	0.10	10,000	0.10

iii 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

Add: Issued during the year

Balance at the end of the year

As at 31 March 2023		As at 31 March 2022	
Number	Amount	Number	Amount
10,000	0.10	10,000	0.10
-	-	-	-
10,000	0.10	10,000	0.10

iv Details of shareholder holding more than 5% share capital

Name of the equity shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares				
Shriram Properties Limited	5,100	51.00%	5,100	51.00%
Iconica Projects (Represented by Partner: Gardencity Realty Private Limited)	4,900	49.00%	4,900	49.00%

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
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11 Equity share capital (continued)

v. Rights attached to the equity shares:

The Company has only one class of equity shares having par value of Rs 10 each. All equity shares carry similar voting rights of 1:1 and similar dividend rights.

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.

vi. Buy back of equity shares, shares allotted by way of bonus shares

There have been no buy back of equity shares, issue of shares by way of bonus share or issue of share pursuant to contract without payment being received in cash since inception.

vii. Details of shareholding by the Promoters:

Shares held by Promoter as at the end of the year

Promoter Name	As at 31 March 2023			As at 31 March 2022		
	No. of Shares	% of total shares	% change during the year	No. of Shares	% of total shares	% change during the year
Shriram Properties Limited	5,100	51%	Nil	5,100	51%	Nil
Iconica Projects (Represented by Partner: Gardencity Realty Private Limited)	4,900	49%	Nil	4,900	49%	Nil

There have been no changes in the shareholding pattern during the current financial year and during the previous financial year

12 Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
Retained earnings	(502.43)	(348.61)
Measurement of below market rate financial instruments at fair value	76.89	46.71
	(425.54)	(301.90)

Nature of reserves

(a) Retained earnings

Retained earnings represents the accumulated undistributed earnings of the Company as at balance sheet date.

(b) Measurement of below market rate financial instruments at fair value

Represents accounting for corporate guarantee provided by Shriram Properties Limited

13 Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
A Secured loans		
Term loans		
From banks	1,956.43	-
From financial institutions	-	1,356.86
B Unsecured loans		
Redeemable non-convertible debentures		
0%, 505 non convertible debentures of ₹ 1,000,000 each (31st March 2021: 505 non convertible debent)	505.00	505.00
Less: Discounting portion	(188.35)	(229.65)
Loans from related parties(*)	1.75	-
	2,274.83	1,632.21

(*) Loan from related parties represents loan taken from SPL Towers Private Limited at interest of 15% p.a. Tenure and terms of repayment have not been specified and hence the loan is considered as repayable on demand. Amount outstanding as at reporting date includes accrued interest.

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
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14 Trade payables

Particulars	As at	As at
	31 March 2023	31 March 2022
Dues to micro and small enterprises (refer note below)	67.72	26.79
Dues to creditors other than micro enterprises and small enterprises	156.16	289.91
	223.88	316.70

Note:

A 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 2023 has been made in the financial statements based on the information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2023 and 31 March 2022 is as follows:

Sl. No.	Particulars	As at 31 March 2023	As at 31 March 2022
i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting reporting period;		
	- Principal	81.63	32.07
	- Interest	1.51	0.23
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 reporting period	Nil	Nil
iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the reporting period) but without adding the interest specified under this Act;	1.51	0.23
iv)	the amount of interest accrued and remaining unpaid at the end of reporting period; &	1.51	0.23
v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

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

B Trade payables ageing schedule as on 31 March 2023:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	66.15	1.56	-	0.02	67.72
Others	129.73	14.58	2.64	9.22	156.16
Disputed dues MSME	-	-	-	-	-
Disputed dues Others	-	-	-	-	-

Trade payables ageing schedule as on 31 March 2022:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	26.77	-	0.02	-	26.79
Others	278.06	2.64	9.22	-	289.92
Disputed dues MSME	-	-	-	-	-
Disputed dues Others	-	-	-	-	-

15 Other financial liabilities

Particulars	As at	As at
	31 March 2023	31 March 2022
Current		
Payable for other expenses (^)	83.04	38.73
	83.04	38.73

(^) Includes ₹ 13.91 million (as at 31 March 2022 : ₹ 5.28 million) as at 31 March 2023 towards payable to Micro and Small Enterprises.

16 Other current liabilities

Particulars	As at	As at
	31 March 2023	31 March 2022
Payable for statutory dues	1.43	6.84
Deferred Income on discounting of financial instruments	188.35	229.65
Revenue received in advance	2,353.26	1,773.72
	2,543.04	2,010.21

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
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13 A Borrowings (Continued)

Sl.No	Particulars	Nature of security	Repayment details	Effective interest rate	As at 31 March 2023	As at 31 March 2022
Current borrowings						
Term loans from financial institutions (Secured)						
1	LIC Housing Finance Limited	(a) Equitable Mortgage of Project Land and Structure thereon in the Project "Shriram 107 South east". (b) Assignment/Hypothecation of entire receivables from the Project "Shriram 107 South east"	Principal to be repaid after completion of moratorium period of 36 months from first disbursement, repayment in 36 monthly instalments as per the loan repayment schedule.	13.25%	-	1,130.00
2	LIC Housing Finance Limited	(a) Second Charge of Project land and structure thereon in the project "Shriram 107 South east". (b) Assignment/Hypothecation of company's share of receivables from the Project "Shriram 107 South east"	i) Repayable in 48 Equitable monthly instalments after moratorium period of 24 months starting April 2022.	14.00%	-	285.00
Loan is 100% guaranteed by the National Credit Guarantee Trustee Company Limited under Emergency Credit Line Guarantee Scheme (ECLGS)						
Term loans from banks (Secured)						
1	State Bank of India	(a) Equitable Mortgage of Project Land and Structure thereon in the Project "Shriram 107 South east". (b) Assignment/Hypothecation of entire receivables from the Project "Shriram 107 South east" (c) Corporate guarantee of: (i) Shriram Properties Limited (ii) Gardencity Realty Private Limited (iii) Cybercity Builders and Developers Private Limited (d) DSRA equivalent to 3 months installment & interest	i) Repayable in 36 Equitable monthly instalments after moratorium period of 16 months starting May 2022.	9.40%	2,028.65	-
Less: Prepaid expenses (Guarantee premium)					(24.60)	(35.04)
Less: Unamortised upfront fees on borrowing					(47.62)	(23.09)
					1,956.43	1,356.87
Redeemable non-convertible debentures (Unsecured)						
1	SPL Towers Private Limited	Unsecured	Repayable in single instalment after 10 years from the date of sanction.	0.00%	505.00	505.00
Less: Discounting portion of debentures					(188.35)	(229.65)
					316.65	275.35
Loans from related parties (Unsecured)						
1	SPL Towers Private Limited	Unsecured	Repayable on demand	15.00%	1.75	-
					1.75	-

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
(All amounts in ₹ millions, unless otherwise specified)

17 Other income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cancellation charges	4.91	4.35
Sale of scrap	1.06	-
Profit on sale of property, plant & equipment	1.99	-
	7.96	4.35

18 Material and construction cost

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Material and construction cost	466.74	549.58
	466.74	549.58

19 Changes in inventories

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Inventory at the beginning of the year		
Property held under development	2,194.36	1,426.62
Inventory at the end of the year		
Property held under development	2,879.94	2,194.36
	(685.58)	(767.74)

20 Finance costs (*)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest on		
- term loan	183.43	133.43
- loan from related parties (Refer note 32)	1.83	(0.05)
- MSME	1.28	0.20
Foreclosure charges	22.60	-
Guarantee commission expenses	40.64	7.00
Loan documentation expenses	0.16	1.52
Loan processing Fee	33.68	5.32
	283.62	147.42
Finance Income:		
Interest income	2.00	2.12
Interest income on loan to related parties (Refer Note 32)	69.91	-
	71.91	2.12
	211.71	145.30

(*) Includes finance expenses inventorised amounting to ₹ 185.99 millions (31 March 2022 ₹ 145.10 millions) for the year ended 31 March 2023

21 Depreciation(*)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation	21.77	24.48
	21.77	24.48

(*) Includes depreciation inventorised amounting to ₹ 21.75 million for the year ended 31 March 2023 (31 March 2022 ₹ 23.46 million).

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22 Other expenses()**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Bank charges	1.11	0.70
Legal and professional charges*	5.16	1.76
Development and management expenses (Refer Note 32)	75.12	49.40
Printing and stationery	0.40	0.10
Rent, rates and taxes	17.14	0.12
Repairs and maintenance	0.50	0.18
Sales promotion expenses	33.62	40.82
Loss on sale of property, plant & equipment	-	0.49
Travel and conveyance	0.48	0.31
Manpower supply charges	2.08	0.65
Insurance expenses	2.58	2.11
Security expenses	3.56	0.89
Power and fuel expenses	1.83	0.76
Miscellaneous Expenses	3.56	2.19
	147.14	100.48

(**) Includes expenses inventorised amounting to ₹ 11.10 million (31 March 2022 - ₹ 4.53 millions) for the year ended 31 March 2023.

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

As auditor:

Audit fee	0.41	0.30
	0.41	0.30

23 Tax expense

A. Particulars	As at 31 March 2023	As at 31 March 2022
-Current tax	-	-
-Deferred tax	-	-
Income tax expense reported in the statement of profit or loss	-	-

B. Deferred tax assets

Deferred tax assets is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carried forward tax losses can be utilised. Although the Company has unabsorbed losses as at 31 March 2023, deferred tax asset has not been recognized.

24 Earnings per share

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Weighted average number of shares outstanding during the year	10,000	10,000
Add: Dilutive effect of stock options	-	-
Weighted average number of shares used to compute diluted EPS	10,000	10,000
Net profit/(loss) after tax attributable to equity shareholders	(153.82)	(47.75)
Earnings per share		
Basic (in ₹)	(15,381.56)	(4,774.51)
Diluted (in ₹)	(15,381.56)	(4,774.51)
Nominal value - per equity share (in ₹)	10.00	10.00

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
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25 Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2023 are as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	5	-	-	151.33	151.33	151.33
Cash and cash equivalents	6	-	-	25.81	25.81	25.81
Other bank balances	7	-	-	50.79	50.79	50.79
Loans	8	-	-	621.40	621.40	621.40
Other financial assets	9	-	-	0.05	0.05	0.05
Total financial assets		-	-	849.38	849.38	849.38
Financial liabilities :						
Borrowings	13	-	-	2,274.83	2,274.83	2,274.83
Trade payables	14	-	-	223.88	223.88	223.88
Other financial liabilities	15	-	-	83.04	83.04	83.04
Total financial liabilities		-	-	2,581.75	2,581.75	2,581.75

The carrying value and fair value of financial instruments by categories as at 31 March 2022 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	5	-	-	284.04	284.04	284.04
Cash and cash equivalents	6	-	-	38.68	38.68	38.68
Other bank balances	7	-	-	31.29	31.29	31.29
Loans	8	-	-	418.32	418.32	418.32
Other financial assets	9	-	-	2.35	2.35	2.35
Total financial assets		-	-	774.68	774.68	774.68
Financial liabilities :						
Borrowings	13	-	-	1,632.21	1,632.21	1,632.21
Trade payables	14	-	-	316.70	316.70	316.70
Other financial liabilities	15	-	-	38.73	38.73	38.73
Total financial liabilities		-	-	1,987.64	1,987.64	1,987.64

Notes to financial instruments

- i. The management has assessed that the fair value of financial assets and other financial liabilities will approximate to the carrying amount largely due to short-term maturity of these instruments.
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- ii. **Fair value hierarchy**
Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:
 - Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.
 - Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates.
 - Level 3:** Inputs for the assets or liabilities that are not based on the observable marked data (unobservable inputs)

26 Financial risk management

Financial risk factors

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

Risk	Exposure arising from	Measurement
Credit risk	Trade receivables, cash & cash equivalents, other bank balances, loans and other financial assets	Ageing analysis
Liquidity risk	Borrowings, trade payables and other financial liabilities	Rolling cash flow forecasts
Market risk – Interest rate	Long-term borrowings at variable rates	Sensitivity analysis

a. Credit risk

Credit risk arises from cash and cash equivalent, other bank balances, trade receivables, loans & 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 expected credit loss (*)	As at 31 March 2023	As at 31 March 2022
Low credit risk	Trade receivables, cash & cash equivalents, other bank balances, loans and other financial assets	Life time expected credit loss	849.38	774.68
High credit risk	Loans, Unsecured trade receivables and other financial assets	Life time expected credit loss or fully provided for	-	-

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

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting year. 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:

As at 31 March 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	151.33	-	151.33
Cash & cash equivalents	25.81	-	25.81
Other bank balances	50.79	-	50.79
Loans	621.40	-	621.40
Other financial assets	0.05	-	0.05

As at 31 March 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	284.04	-	284.04
Cash and cash equivalents	38.68	-	38.68
Other bank balances	31.29	-	31.29
Loans	418.32	-	418.32
Other financial assets	2.35	-	2.35

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics.

a. Credit risk

Expected credit loss for trade receivables under simplified approach

The Company's trade receivables in respect of projects does not have any expected credit loss as registry of properties sold is generally carried out once the Company receives the entire payment. In respect of other trade receivables, the Company considers provision for lifetime expected credit loss

26 Financial risk management (continued)

b. Liquidity risk

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

Maturities of financial liabilities

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

Particulars	Less than 1 year	1 year to 5 years	5 years and above	Total	Carrying value
As at 31 March 2023					
Non-derivatives					
Borrowings *	634.69	2,075.89	-	2,710.58	2,274.83
Trade payables	167.75	56.13	-	223.88	223.88
Other financial liabilities	83.04	-	-	83.04	83.04
Total	885.48	2,132.02	-	3,017.50	2,581.75

* net of unamortised upfront fees and guarantee commission premium on borrowing of ₹ 72.22 million.

Particulars	Less than 1 year	1 year to 5 years	5 years and above	Total	Carrying value
As at 31 March 2022					
Non-derivatives					
Borrowings *	189.63	1,760.48	92.43	2,042.53	1,632.21
Trade payables	289.12	27.58	-	316.70	316.70
Other financial liabilities	38.73	-	-	38.73	38.73
Total	517.47	1,788.06	92.43	2,397.96	1,987.64

* net of unamortised upfront fees and guarantee commission premium on borrowing of ₹ 58.13 million.

c. 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	As at 31 March 2023	As at 31 March 2022
Variable rate borrowing(*)	1,956.43	1,356.86
Fixed rate borrowing(*)	318.40	275.35
	2,274.83	1,632.21

(*) Includes unamortized prepaid processing & Discounting portion of Debentures

Interest rate risk

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

Particulars	As at 31 March 2023	As at 31 March 2022
Interest rates – increase by 50 basis points (50 bps)	4.89	5.62
Interest rates – decrease by 50 basis points (50 bps)	(4.89)	(5.62)

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
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27 Capital Management

The Company's objectives when managing capital are to:

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

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

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

Particulars	As at	As at
	31 March 2023	31 March 2022
Short term borrowings	2,274.83	1,632.21
Less: Cash and cash equivalents	25.81	38.68
Less : Bank balances other than cash and cash equivalents	50.79	31.29
Net debt	2,198.23	1,562.24
Total equity	(425.44)	(301.80)
Gearing ratio	(5.17)	(5.18)

Note: Equity includes all capital and reserves of the Company that are managed as capital.

28 Other commitments and contingencies :

Particulars	As at	As at
	31 March 2023	31 March 2022
Income tax matters	-	-
Other tax matters	-	-

29 Corporate social responsibility expenses

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2023 and 31 March 2022.

30 Segment reporting

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 in India and there is no other significant geographical segment.

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
(All amounts in ₹ millions, unless otherwise specified)

31 Additional disclosures under Ind AS 115

A Contract balances

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

Particulars	As at	As at
	31 March 2023	31 March 2022
Contract assets		
Unbilled revenue	-	-
Total contract assets	-	-
Contract liabilities		
Revenue received in advance	2,353.26	1,773.72
Deferred revenue	-	-
Total contract liabilities	2,353.26	1,773.72
Receivables		
Trade receivables	151.33	284.04
Total receivables	151.33	284.04

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. 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 assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied. During the year ended 31 March 2023, the Company does not have any contract assets (conditional upon factors other than passage of time).

Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract liabilities are recognised as revenue as and when the performance obligation is satisfied. Contract liabilities include amounts received as part payment from customers on conditional exchange of contracts relating to sale of units of property towards the purchase at completion date.

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

Particulars	As at	As at
	31 March 2023	31 March 2022
	Contract liabilities	Contract liabilities
	Revenue received in advance	Revenue received in advance
Opening balance	1,773.72	897.12
Addition(Adjustments) during the year	579.54	876.60
Revenue recognised during the year	-	-
Closing balance	2,353.26	1,773.72

C Reconciliation of revenue recognised with contract revenue:

Particulars	Year ended	Year ended
	31 March 2023	31 March 2022
Contract revenue	-	-
Adjustment for:		
(a) Subvention cost*	-	-
(b) Compensation#	-	-
Revenue recognised	-	-

* Subvention cost represent the expected cash outflow under the arrangement determined basis time elapsed.

Compensation is determined as per contractual terms for the year of delay in handing over the control of property.

D 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 contract price as per instalment stipulated in customer's agreement which can be cancelled by the customer at his convenience.

The transaction price of the remaining performance obligation (unsatisfied or partly satisfied) as at 31 March 2023 is ₹ 4417.50 millions (31 March 2022 - ₹ 3,178.49 millions). The same is expected to recognised within 1 to 4 years.

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
(All amounts in ₹ millions, unless otherwise specified)

32 Related party transactions

(i) Parties where control exists

Shriram Properties Limited
Gardencity Realty Private Limited

(ii) Key management personnel

N. Nagendra	Director
Krishna Veeraraghavan	Director
Rajesh Yashwant Shirwatkar	Director

(iii) Parties having significant influence

Iconica Projects

(iv) Other related parties

SPL Towers Private Limited
Shrivation Towers Private Limited
Shriprop Projects Private Limited
Shriprop Properties Private Limited
Shriprop Structures Private Limited

I Balances with related parties as on date are as follows

Sl. No	Nature of Transaction	As at 31 March 2023	As at 31 March 2022
1	Loans given by company		
	Shriram Properties Limited	586.53	418.32
	Shrivation Towers Private Limited	34.87	-
2	Loan taken by the company		
	SPL Towers Private Limited	1.75	-
3	Project Advance		
	Iconica Projects	659.10	371.43
4	Retention payable		
	Iconica Projects	22.31	13.05
5	Project consultancy fee payable		
	Gardencity Realty Private Limited	0.84	1.06
6	Debentures Outstanding		
	SPL Towers Private Limited	505.00	505.00

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
(All amounts in ₹ millions, unless otherwise specified)

32 Related party transactions(continued)

II The transactions for the year with the related parties are as follows

Sl. No	Nature of Transaction	Year ended 31 March 2023	Year ended 31 March 2022
1	Loan taken by company		
	Shriram Properties Limited	-	81.72
	Shrivision Towers Private Limited	10.00	-
	SPL Towers Private Limited	119.50	-
2	Loan taken by company, repaid		
	Shriram Properties Limited	-	107.39
	Shrivision Towers Private Limited	10.00	-
	SPL Towers Private Limited	119.58	-
3	Loans given by company		
	Shriram Properties Limited	187.69	442.41
	Shrivision Towers Private Limited	260.68	-
4	Loans given by the company, repayment		
	Shriram Properties Limited	89.25	23.97
	Shrivision Towers Private Limited	225.94	-
5	Interest expense		
	SPL Towers Private Limited	1.83	-
6	Guarantee commission expenses		
	Shriram Properties Limited	40.64	7.00
7	Interest income		
	Shriram Properties Limited	69.78	0.05
	Shrivision Towers Private Limited	0.13	-
8	Development and Management fee		
	Shriram Properties Limited	75.12	49.40
9	Purchase of shuttering materials		
	Shriram Properties Limited	-	0.41
	Shriprop Projects Private Limited	7.00	2.49
	Shriprop Structures Private Limited	0.65	-
10	Sale of shuttering materials		
	SPL Towers Private Limited	-	1.44
	Shriprop Properties Private Limited	11.22	-
11	Civil Contract works		
	Iconica Projects	156.84	155.22
12	Cross charge of marketing expenses		
	Shriprop Structures Private Limited	11.94	-
13	Project consultancy service		
	Gardency Realty Private Limited	5.38	3.57

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
(All amounts in ₹ millions, unless otherwise mentioned)

33 Assets pledged as security

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

Particulars	As at	
	31 March 2023	31 March 2022
Current		
Financial assets		
First charge		
Trade receivables	151.33	284.04
Balance with banks in escrow accounts	13.30	14.71
Deposit with maturity less than 12 months	50.79	31.29
Non-financial assets		
First charge		
Inventories	2,879.94	2,194.36
Total current assets pledged as securities	3,095.36	2,524.40

- 34 The Company has utilized the borrowings from financial institutions for the specific purpose for which it was taken at the balance sheet date.
- 35 The requirement to disclose title deeds of immovable property not held in name of the company is not applicable as the Company does not own any immovable property to be classified as Property, Plant and Equipment as at 31st March 2023.
- 36 The Company doesn't have capital work in progress and intangibles under development as at the balance sheet date.
- 37 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder as at the balance sheet date.
- 38 The quarterly returns / statements of current assets filed by the Company with financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.
- 39 The Company has not been declared as a wilful defaulter by any bank or financial Institution or other lender as at the balance sheet date.
- 40 The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 41 The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period as at the balance sheet date.
- 42 The Company is not a holding company and is not required to comply with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 as at 31st March 2023.

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Shriprop Living Space Private Limited
Notes forming part of Financial Statements
(All amounts in ₹ millions, unless otherwise mentioned)

43 Ratios

Ratio Name	Numerator	Denominator	Ratio (2022-23)	Ratio (2021-22)	% of change	Explanation
Current Ratio	Current Assets	Current Liabilities	0.91	0.91	(0.06%)	NA
Debt Equity Ratio	Total Debt	Shareholder's equity	(5.35)	(5.41)	(1.13%)	NA
Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes+Interest +/- Non cash operating expenses/(income) +other adjustments)	Debt service (Interest and lease payments + Principal repayments)	0.05	0.92	(94.68%)	refer note - a
Return on Equity Ratio	Net profit after taxes	Average shareholders equity	0.11	0.50	(78.85%)	refer note - b
Inventory Turnover ratio	Cost of Revenue	Average Inventory	0.00	0.00	0.00%	refer note - c
Trade Receivables Turnover Ratio	Revenue from operations excluding other operating revenue	Average trade receivables	0.00	0.00	0.00%	refer note - c
Trade payables Turnover Ratio	Material and contract cost	Average trade Payables	0.43	0.68	(36.25%)	refer note - d
Net Capital Turnover Ratio	Revenue from operations	Working capital (Current assets - Current liabilities)	0.00	0.00	0.00%	refer note - c
Net Profit Ratio	Net profit after taxes	Revenue from operations	0.00	0.00	0.00%	refer note - c
Return on Capital Employed	EBIT (Profit before tax + Interest)	Capital employed (Net worth + Total Debt - Deferred tax liability)	0.03	0.07	(57.31%)	refer note - e
Return on Investment	Interest income on bank deposits	Average bank deposits	0.01	0.02	(30.26%)	refer note - f

Note:

- The reduction in Debt Service Coverage ratio is primarily on account of lower earnings available for servicing of debt resulting from higher finance cost and other expenses
- Return on equity ratio is not applicable on account of negative net worth
- Inventory turnover ratio, Trade receivables turnover ratio, Net capital turnover ratio and Net profit ratio are not applicable on account of Nil turnover.
- Decrease in trade payables turnover ratio is primarily on account Change on account of increase in scale of operations.
- The reduction in return on capital employed is on account of lower earnings resulting from higher finance cost and other expenses
- The reduction in return on investment is lower on account of higher amount of investment made in fixed deposit towards the end of the year leading to lower interest income

Shriprop Living Space Private Limited
Notes forming part of Financial Statements
(All amounts in ₹ millions, unless otherwise mentioned)

- 44 The Company has not entered into any scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 or Section 560 of companies Act, 1956 as at 31st March 2023.
- 45 (A) The company has neither advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) , including foreign entities (Intermediaries) nor received with the understanding whether recorded in writing or otherwise) that the Intermediary shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company/Funding party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
(B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) the company shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- 46 The Company doesn't have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 47 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended 31st March 2023
- 48 Events occurring after the reporting date**
No adjusting or significant non-adjusting events have occurred between 31 March 2023 and the date of authorization of these financial statements.
- 49 There are no employees in the Company. Hence, disclosures as required under Ind AS 19- 'Employee Benefits' is not applicable to the Company.
- 50 The Company has not incurred any expenditure in foreign currency during the year.
- 51 The Company did not have any imports during the year.
- 52 The Company did not have any earnings in foreign currency during the year.
- 53 During the year ended 31 March 2023, no material foreseeable loss was incurred for any long-term contract including derivative contracts.
- 54 Unhedged foreign currency exposure as at balance sheet date is Nil.

55 Reclassifications

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

Particulars	As at	Reclassifications	As at
	31 March 2022 (reported)		31 March 2022 (reclassified)
Non-current tax assets (net)	-	(0.40)	0.40
Cash and cash equivalents	69.97	31.29	38.68
Othe bank balances	-	(31.29)	31.29
Other current assets	679.15	0.40	678.75
	749.12	0.00	749.12

As per our report of even date

For Abarna & Ananthan

Chartered Accountants
Firm registration number: 000003S

sd/-

Dheeraj M

Partner

Membership No.: 234705

Place: Bengaluru

Date: 27 May 2023

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

sd/-

Rajesh Y Shirwatkar

Director

DIN: 02882293

Place: Bengaluru

Date: 27 May 2023

sd/-

Krishna Veeraraghavan

Director

DIN: 06620405

Place: Bengaluru

Date: 27 May 2023