

## BOARDS' REPORT

### To the Members,

Your Directors have pleasure in presenting the 15<sup>th</sup> 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	158.36	258.06
Other Income	52.14	116.34
<b>Total Income</b>	<b>210.50</b>	<b>374.40</b>
Total Expenditure	116.16	283.64
Profit before tax/(Loss)	94.34	90.76
Provision for taxation	49.62	23.56
MAT Credit Entitlement	0	0
Add/ (Less): Deferred Tax	(49.62)	69.96
<b>Profit after tax &amp; extraordinary items/(Loss)</b>	<b>94.34</b>	<b>(2.76)</b>

### Review of Operations and overview

The Company has a turnover of Rs. 158.36 Mn as on March 31, 2023, and has made a Profit of Rs. 94.34 Mn, when compared to previous year the turnover of Rs. 258.06 Mn and made a Loss of Rs. 2.76 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 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 did not have 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. However, Prof R. Vaidyanathan, resigned as Independent Director of the Company with effect from June 21, 2023.

**12. DIRECTORS RETIRING BY ROTATION:**

During the year, Mr. Gopalakrishnan J (DIN: 02354467) retires by rotation. Mr. Gopalakrishnan J, 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 7 (Seven) Meetings of the Board of Directors held during the Financial Year 2022-23 i.e., on May 28, 2022, August 12, 2022, September 16, 2022, November 14, 2022, January 24, 2023, February 14, 2023, and on March 31, 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. DECLARATION GIVEN BY INDEPENDENT DIRECTOR:**

During the reporting period, the Independent Director of the Company has provided the declaration of Independence as required under Section 149(7) of the Companies Act, 2013 confirming that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013. However, he has resigned from the said post with effect from June 21, 2023.

**17. 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.

**18. 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.

**19. 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.

**20. CORPORATE SOCIAL RESPONSIBILITY:**

In compliance with the Companies Act 2013 the Company has constituted a CSR Committee with the following Members.

Prof. R Vaidyanathan  
Mr. Krishna Veeraraghavan  
Mr. Gopalakrishnan J

During the year, the Company has spent Rs. 5.20 Million towards CSR contribution. The details of CSR expenditure is attached to this report.

**21. 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
<b>Income in Foreign Currency</b>	Nil	Nil
<b>Expenditure in Foreign Currency</b>	Nil	Nil

**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. Walker Chandiook & Co LLP (Firm Registration No. 001076N/N500013) were appointed as Joint Statutory Auditors of the Company for a period of 5 years at the annual general meeting held on September 29, 2021, to hold office till the conclusion of the Annual General Meeting to be held in the financial year 2025-2026.

M/s. Abarna & Ananthan, Chartered Accountants, Bangalore (Firm Registration Number 000003S) were appointed as the Joint Statutory Auditors of the Company in the Annual General Meeting held on August 16, 2019, to hold office till the conclusion of the Annual General Meeting to be held in the financial year 2022-23. Your Board recommends their re-appointment to hold office till the conclusion of the Annual General Meeting to be held in the financial year 2027-2028

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. SECRETARIAL AUDITORS:**

Mr. P Shriram, Practising Company Secretary, having membership no. F4862 and certificate of practice No. 3310 as Secretarial Auditor of the Company for the year under review and the report given by the Secretarial Auditor in Form MR-3 is enclosed in this Report.

**25. COST AUDIT AND AUDITOR:**

The Board of Directors has appointed M/s. SBK & Associates, Cost Accountants (Registration No: 000342) as the Cost Auditors of the Company for the financial year 2022-23. In terms of Rule 14

of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is subject to ratification by the shareholders of the Company at the ensuing Annual General Meeting.

The Company has maintained the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

**26. 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.

**27. 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.

**28. 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.

**29. 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.

**30. 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.

**31. 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 Shrivision Homes Private Limited**

SD/-

SD/-

Date: August 14, 2023

Gopalakrishnan J

Krishna Veeraraghavan

Place: Bengaluru

Director

Director

DIN: 02354467

DIN: 06620405

## ANNEXURE TO BOARD REPORT

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

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U45201KA2008PTC047201
ii	Registration Date	18/07/2008
iii	Name of the Company	Shrivation Homes 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, 2nd Main, Sadhashivnagar, Bangalore- 560080
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

**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	70%	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	
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) - Nominee Holder									
<b>SUB TOTAL (B)(2):</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	-	250,000	250,000	100	-	250,000	250,000	100	Nil

**Shriprop Homes Private Limited is holding 1 Equity Share as nominee of Shriram Properties Limited**

(ii) **SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of 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 Properties Limited	175,000	70	Nil	175,000	70	Nil
2	Shriprop Builders Private Limited	75000	30	Nil	75000	30	Nil
	Total	250,000	100.00		250,000	100.00	-

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

NO CHANGE

Sl. No.		Share holding at the beginning of the Year		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				
	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)				
	At the end of the year				

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year				

	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)				
	At the end of the year (or on the date of separation, if separated during the year)				

(v) **Shareholding of Directors & KMP**

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1					
2					
3					
	At the beginning of the year				
	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)				
	<b>At the end of the year</b>				

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	
<b>Indebtness at the beginning of the financial year</b>					
i) Principal Amount	383.10	174.60	-	557.70	
ii) Interest due but not paid					
iii) Interest accrued but not due					
<b>Total (i+ii+iii)</b>	<b>383.10</b>	<b>174.60</b>	<b>-</b>	<b>557.70</b>	
<b>Change in Indebtedness during the financial year</b>					
Additions	-	2.90	-	2.90	
Reduction	306.04	-	-	306.04	
<b>Net Change</b>	<b>-306.04</b>	<b>2.90</b>	<b>-</b>	<b>-303.14</b>	
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount	77.06	177.50	-	254.56	
ii) Interest due but not paid					
iii) Interest accrued but not due					
<b>Total (i+ii+iii)</b>	<b>77.06</b>	<b>177.50</b>		<b>254.56</b>	

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	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 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		
	<b>Total (A)</b>		
	<b>Ceiling as per the Act</b>		

**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					
	<b>Total (1)</b>					
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings					
	(b) Commission					
	(c) Others, please specify.					
	<b>Total (2)</b>					
	<b>Total (B)=(1+2)</b>					
	<b>Total Managerial Remuneration</b>					
	<b>Overall Cieling as per the Act.</b>					

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
1	<b>Gross Salary</b>	<b>CEO</b>	<b>Company Secretary</b>	<b>CFO</b>	<b>Total</b>	
	(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					
	<b>Total</b>					

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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

For and on Behalf of the Board of Directors  
Shrivation Homes Private Limited

SD/-  
Gopalakrishnan J  
Director  
(DIN:02354467)

SD/-  
Krishna Veeraraghavan  
Director  
(DIN: 06620405 )

Place:Bengaluru  
Date: 14/08/2023

## **CORPORATE SOCIAL RESPONSIBILITY**

### 1. Brief outline of the CSR Policy of the Company:

The Company's CSR policy set out the proper and effective utilization of the Company's profit towards eradicating hunger, poverty and malnutrition, promoting health care, medical aid including preventive health. To ensure environmental sustainability and ecological balance and employment and livelihood enhancing vocational skills, supply of clean water under 'sanitation and making available safe drinking water.

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Prof. R Vaidyanathan*	Chairman	1	1
2	Mr. Krishna Veeraraghavan	Member	1	1
3	Mr. Gopalakrishnan J	Member	1	1

\*Note: Prof. R Vaidyanathan resigned as Independent Director of the Company with effect from June 21, 2023.

3. Provide the web-link where the composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company – NA.

4. Provide the details of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014: Not applicable for the Company.



	Year	Unspent CSR Account under subsection (6) of section 135 (in Rs.)	CSR Account under subsection (6) of section 135 (in Rs.)	reporting Financial Year (in Rs.).	under Schedule VII as per second proviso to subsection (5) of section 135, if any.		spent in succeeding Financial Years. (in Rs.)	
					Amount (in Rs).	Date of transfer		
1	FY- 22	<b>NA</b>						
2	FY- 21							
3	FY- 20							
<b>Total</b>								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
<b>NA</b>							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.

**For and on behalf of Shrivision Homes Private Limited**

Date: August 14, 2023  
Place: Bengaluru

Sd/-  
Gopalakrishnan J  
Director  
DIN: 02354467

Sd/-  
Krishna Veeraraghavan  
Director  
DIN: 06620405

**Form No. MR-3**

# Secretarial Audit Report

Financial Year ended 31st March, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Shrivation Homes Private Limited**

Regd. Off.: No. 31, 2nd Main Road, T. Chowdaiah Road, Sadashivanagar, Bangalore, Karnataka - 560080

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shrivation Homes Private Limited (herein after called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- 1) The Companies Act, 2013 and the Rules made there under ["Act"];
- 2) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 3) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii). The other Laws as applicable to the Company are as under:
  - a. Indian Contract Act 1872
  - b. Transfer of Property Act 1882
  - c. Registration Act 1908
  - d. Specific Relief Act 1983
  - e. Environmental (Protection) Act 1986 and State Laws on Pollution Control.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards, etc. mentioned above.

## **We further report that**

The Board of Directors of the Company is duly constituted with Non-Executive. There were no changes in the composition of the Board of Directors during the period under review

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions were carried out with the unanimous approval of the Board and there were no instances of dissent voting by any member during the period under review.

We have examined the systems and procedures of the Company as placed to ensure the compliance with general laws like Labour Laws, Employees Provident Funds Act, Employees State Insurance Act, considering and relying upon representations made by the Company and its officers for systems and mechanisms formed by the Company for compliance under these laws and other applicable sector specific Acts, Laws, Rules and Regulations applicable to the Company and its observance by them, les, Regulations and Guidelines.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period, there were no instances of the following:

- i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii) Redemption / buy-back of securities
- iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- iv) Merger / amalgamation / reconstruction, etc.
- v) Foreign technical collaborations

**For SPNP & Associates**  
Practicing Company Secretaries

**SD/-**  
**P. Sriram**  
Partner

Place: Chennai  
Date: July 31, 2023

FCS No. 4862/C P No: 3310  
Peer Review Number: 1913/2022  
UDIN: F004862E000707124

To  
The Members,  
**Shrivation Homes Private Limited**

Our report of even date is to be read along with this supplementary testimony.

- 1 Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2 We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, the Company had followed provide a reasonable basis for our opinion.
- 3 We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4 We have verified the documents/ details through soft copy shared by the Company vide email.
- 5 Wherever required, we have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.,
- 6 The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 7 The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai  
Date: July 31, 2023

**For SPNP & Associates**  
Practicing Company Secretaries

**SD/-**  
**P. Sriram**  
Partner

FCS No. 4862/C P No: 3310  
Peer Review Number: 1913/2022  
UDIN: F004862E000707124

## **Independent Auditor's Report**

### **To the Members of Shrivision Homes Private Limited**

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

#### **Opinion**

1. We have audited the accompanying financial statements of Shrivision Homes Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

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

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company, as detailed in note 27 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
    - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 35 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 35 to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year ended 31 March 2023; and
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

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

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

Sd/-  
**Nikhil Vaid**  
Partner  
Membership No.: 213356  
UDIN: 23213356BGXLZN6105

Hyderabad  
29 May 2023

Sd/-  
**Dheeraj M**  
Partner  
Membership No.: 234705  
UDIN: 23026379BGXWTQ1309

Bengaluru  
29 May 2023

**Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Shrivision Homes Private Limited on the financial statements for the year ended 31 March 2023**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment property.
- (B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The property, plant and equipment and investment property have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties including investment properties held by the Company are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment during the year. Further, the Company does not hold any intangible assets.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The inventories held by the Company comprise stock of units in completed projects and work in progress of projects under development. Having regard to the nature of inventory, the management has conducted physical verification of inventory by way of verification of title deeds, site visits conducted and continuous project progress monitoring by competent persons, at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

- (iii) (a) The Company has provided loans to Others during the year as per details given below:

(₹ in million)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount provided/granted during the year:				
- Others (*)	Nil	Nil	261.34	Nil
Balance outstanding as at balance sheet date in respect of above cases:				
- Others (*)	Nil	Nil	433.43	Nil

(\*) Represents the Holding company

- (b) In our opinion, and according to the information and explanations given to us, terms and conditions of the grant of all loans are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us, loans granted by the Company amounting to ₹ 433.43 million are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Further, such loans and interest thereon have not been demanded for repayment as on date.
- (d) There is no amount which is overdue for more than 90 days in respect of loans amounting to ₹ 433.43 million granted to such companies, firms, LLPs or other parties.

(e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans that existed as at the beginning of the year.

(f) The Company has granted loans which are repayable on demand as per details below:

(₹ millions)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans			
- Repayable on demand (A)	261.34	261.34	Nil
- Agreement does not specify any terms or period of repayment (B)	Nil	Nil	Nil
Total (A+B)	261.34	261.34	Nil
Percentage of loans to the total loans	100%	100%	

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 of the Act in respect of security provided by it, as applicable. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. Further, the Company has not entered into any transaction covered under section 186(1) of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, income-tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Amount (₹ millions)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Tax/ Interest demanded	0.60	Nil	2015-16	CIT (A)	
Income Tax Act, 1961	Tax/ Interest demanded	151.57	Nil	2016-17	The High Court of Karnataka	
Income Tax Act, 1961	Tax/ Interest demanded	0.19	Nil	2017-18	CIT (A)	

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix) (d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred cash losses in the current year but had incurred cash losses amounting to ₹ 9.11 million in the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Sd/-  
**Nikhil Vaid**  
Partner  
Membership No.: 213356  
UDIN: 23213356BGXLZN6105

Hyderabad  
29 May 2023

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

Sd/-  
**Dheeraj M**  
Partner  
Membership No.: 234705  
UDIN: 23026379BGXWTQ1309

Bengaluru  
29 May 2023

**Annexure II to the Independent Auditor's Report of even date to the members of Shrivision Homes Private Limited on the financial statements for the year ended 31 March 2023**

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

1. In conjunction with our audit of the financial statements of Shrivision Homes Private Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

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

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

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

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

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

## **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

### **Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Sd/-  
**Nikhil Vaid**  
Partner  
Membership No.: 213356  
UDIN: 23213356BGXLZN6105

Hyderabad  
29 May 2023

Sd/-  
**Dheeraj M**  
Partner  
Membership No.: 234705  
UDIN: 23026379BGXWTQ1309

Bengaluru  
29 May 2023

**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
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	0.06	0.08
(b) Investment property	3	0.57	0.57
(c) Deferred tax assets (net)	4	57.83	8.21
<b>Total non-current assets</b>		<b>58.46</b>	<b>8.86</b>
<b>Current assets</b>			
(a) Inventories	5	1,028.48	1,026.95
(b) Financial Assets			
(i) Investments	6	15.36	14.54
(ii) Trade receivables	7	65.62	15.32
(iii) Cash and cash equivalents	8	36.77	22.19
(iv) Loans	9	433.43	327.51
(c) Other current assets	10	110.91	100.18
<b>Total current assets</b>		<b>1,690.57</b>	<b>1,506.69</b>
<b>Total assets</b>		<b>1,749.03</b>	<b>1,515.55</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	2.50	2.50
(b) Other equity	12	(360.33)	(454.67)
<b>Total equity</b>		<b>(357.83)</b>	<b>(452.17)</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	254.56	557.70
(ii) Trade payables	14		
- Total outstanding dues of micro and small enterprises		11.68	11.24
- Total outstanding dues of creditors other than (ii) (a) above		69.64	137.55
(iii) Other financial liabilities	15	44.98	27.38
(b) Other current liabilities	16	1,548.55	1,126.50
(c) Current tax liabilities (net)		177.45	107.35
<b>Total current liabilities</b>		<b>2,106.86</b>	<b>1,967.72</b>
<b>Total equity and liabilities</b>		<b>1,749.03</b>	<b>1,515.55</b>
<b>Significant accounting policies</b>	1.2		
The accompanying notes referred to above form an integral part of the financial statements			

As per report of even date

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

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

**For and on behalf of the Board of Directors of  
 Shrivation Homes Private Limited**

sd/-  
**Nikhil Vaid**  
 Partner  
 Membership No : 213356

sd/-  
**Dheeraj M**  
 Partner  
 Membership No.: 234705

sd/-  
**Krishna Veeraraghavan**  
 Director  
 DIN: 06620405

sd/-  
**Gopalakrishnan J**  
 Director  
 DIN: 02354467

Hyderabad  
 29 May 2023

Bengaluru  
 29 May 2023

Bengaluru  
 29 May 2023

Bengaluru  
 29 May 2023

**Shrivation Homes 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
<b>Revenue</b>			
Revenue from operations	17	158.36	258.39
Other income	18	52.14	116.01
<b>Total income</b>		<b>210.50</b>	<b>374.40</b>
<b>Expenses</b>			
Purchase of flats		3.71	-
Material and contract cost		60.79	190.89
Changes in inventories	19	(1.53)	(18.43)
Finance costs	20	33.39	78.00
Depreciation expense	2	0.16	1.12
Other expenses	21	19.64	32.06
<b>Total expenses</b>		<b>116.16</b>	<b>283.64</b>
<b>Profit before tax</b>		<b>94.34</b>	<b>90.76</b>
<b>Tax expense</b>			
Current tax	22	49.62	23.56
Deferred tax (credit)/ charge		(49.62)	69.96
<b>Total tax expense</b>		<b>-</b>	<b>93.52</b>
<b>Profit/ (Loss) after tax</b>		<b>94.34</b>	<b>(2.76)</b>
Other comprehensive income		-	-
<b>Total comprehensive income/ (loss) for the year</b>		<b>94.34</b>	<b>(2.76)</b>
<b>Earnings/ (Loss) per equity share (Nominal value ₹ 10 per share)</b>			
Basic and diluted (₹)	23	377.36	(11.05)
<b>Significant accounting policies</b>			
1.2 The accompanying notes referred to above form an integral part of the financial statements			

As per report of even date

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

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**Shrivision Homes Private Limited**  
**Statement of Cash Flows for the year ended 31 March 2023**  
(All amounts in ₹ millions, unless otherwise specified)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>A. Cash flow from operating activities</b>		
Profit before tax	94.34	90.76
<b>Adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation expense	0.16	1.12
Finance costs	33.39	78.00
Interest income on income tax refund	(1.82)	-
Interest income from related party	(49.29)	(38.42)
Bad debts written off	2.79	-
Fair value loss / (gain) on financial instruments at FVTPL	2.08	(77.43)
<b>Operating profit before working capital changes</b>	<b>81.65</b>	<b>54.03</b>
<b>Working capital adjustments:</b>		
(Increase) / decrease in trade receivables	(53.09)	25.62
Increase in inventories	(1.53)	(18.43)
(Increase) / decrease in loans and advances and other assets	(10.73)	14.52
(Decrease) / increase in trade payables	(67.47)	65.03
Increase in other financial liabilities and current liabilities	439.61	217.90
<b>Cash generated from operating activities</b>	<b>388.44</b>	<b>358.67</b>
Income tax refund received / (paid) , (net)	20.84	(2.11)
<b>Net cash flows generated from operating activities</b>	<b>409.28</b>	<b>356.56</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(0.14)	(1.10)
Purchase of mutual funds	-	(55.00)
Sale of mutual funds	-	55.06
Loan (given to) related parties (net)	(56.63)	(64.05)
<b>Net cash flows used in investing activities</b>	<b>(56.77)</b>	<b>(65.09)</b>
<b>C. Cash flows from financing activities</b>		
Repayment of term loans	(307.53)	(204.83)
Finance cost paid	(30.40)	(73.84)
<b>Net cash used in financing activities</b>	<b>(337.93)</b>	<b>(278.67)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>14.58</b>	<b>12.80</b>
Cash and cash equivalents at the beginning of the year	22.19	9.39
<b>Cash and cash equivalents at the end of the year (refer note 8)</b>	<b>36.77</b>	<b>22.19</b>

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

Particulars	01 April 2022	Cash Flows	Non cash changes			31 March 2023
			Amortisation of loan processing fee	Accrued interest	Fair value changes	
Term loan from other parties	383.10	(307.53)	3.09	(1.60)	-	77.06
Optionally convertible debentures	174.60	-	-	-	2.90	177.50
<b>Total</b>	<b>557.70</b>	<b>(307.53)</b>	<b>3.09</b>	<b>(1.60)</b>	<b>2.90</b>	<b>254.56</b>

Particulars	01 April 2021	Cash Flows	Non cash changes			31 March 2022
			Amortisation of loan processing fee	Accrued interest	Fair value changes	
Term loan from other parties	585.05	(204.83)	4.10	(1.22)	-	383.10
Optionally convertible debentures	251.31	-	-	-	(76.71)	174.60
<b>Total</b>	<b>836.36</b>	<b>(204.83)</b>	<b>4.10</b>	<b>(1.22)</b>	<b>(76.71)</b>	<b>557.70</b>

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

As per report of even date

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N5000

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

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

sd/-  
**Nikhil Vaid**  
Partner  
Membership No : 213356

sd/-  
**Dheeraj M**  
Partner  
Membership No.: 234705

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**Krishna Veeraraghavan**  
Director  
DIN: 06620405

sd/-  
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DIN: 02354467

Hyderabad  
29 May 2023

Bengaluru  
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29 May 2023

Bengaluru  
29 May 2023

**Shrivation Homes 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
<b>Balance as at 01 April 2021</b>	<b>2.50</b>
Changes in equity share capital during the year	-
<b>Balance as at 31 March 2022</b>	<b>2.50</b>
Changes in equity share capital during the year	-
<b>Balance as at 31 March 2023</b>	<b>2.50</b>

**B. Other equity**

Particulars	Reserves and Surplus	
	Retained earnings	Total
<b>Balance as at 01 April 2021</b>	<b>(451.91)</b>	<b>(451.91)</b>
Loss for the year	(2.76)	(2.76)
<b>Balance as at 31 March 2022</b>	<b>(454.67)</b>	<b>(454.67)</b>
Profit for the year	94.34	94.34
<b>Balance as at 31 March 2023</b>	<b>(360.33)</b>	<b>(360.33)</b>

As per report of even date

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

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

**For and on behalf of the Board of Directors of  
Shrivation Homes Private Limited**

sd/-  
**Nikhil Vaid**  
Partner  
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29 May 2023

**1 Company overview and significant accounting policies**

**1.1 Company overview**

Shrivision Homes Private Limited ('the Company'), was incorporated on 18 July 2008 under Companies Act, 1956. The registered office of the Company is located at No. 31, 2nd Main Road, T. Chowdaiah Road, Sadashivanagar, Bengaluru- 560080, India. The Company is engaged in the business of construction, development and sale of residential properties, and other related activities. The Company is a wholly owned subsidiary of Shriram Properties Limited.

**1.2 Significant accounting policies**

**a. Statement of compliance**

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

The financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 29 May 2023.

**b. Basis of preparation of financial statements**

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

**c. Going Concern**

During the year ended 31 March 2023, the Company has made net profit of ₹94.34 million, however the Company has accumulated losses aggregating to ₹ 360.33 millions which is primarily due to losses recognised on fair valuation of optionally convertible debentures. This factor would normally indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. However the Company has been generating operating cash flows from its operations. Further, based on of the long-term business strategy and business plan, duly approved by the Board of Directors, the Company will continue to generate positive cash flows going forward as well. Accordingly, the financial statement are prepared on going concern basis.

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

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

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

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

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

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

**d. Use of estimates**

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

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

The 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 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023. The Company has evaluated the amendment and the impact of the amendment is expected to be immaterial upon the financial statements.

## 1.2 Significant accounting policies

### f. Foreign currency transactions

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.

#### (a) Initial recognition

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

#### (b) Conversion

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

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

### g. Current versus non-current classification

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

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

- Expected to be realized or intended to 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.

### h. Revenue recognition

The Company has applied the following accounting policy in the preparation of its financial statements:

Revenue is recognised 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 at the transaction price (net of variable consideration), 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, unless:

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.

#### **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.

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.

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)

### i. Inventories

#### Properties under development

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

#### Properties held for sale

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

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

### j. Property, Plant and Equipment (PPE)

#### Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. 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 Property, Plant & Equipment 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
Computers	3 years
Shuttering materials	1 year

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

#### De-recognition

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

### k. Investment Properties

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

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

### l. Borrowing cost

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

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

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

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

### m. Cash and cash equivalents

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

### n. Earnings per share

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

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

1.2 Significant accounting policies (continued)

**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**

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

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

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

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

**Current and deferred tax for the year**

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

**p. Provisions, contingent assets and contingent liabilities**

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

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

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

**q. Cash flow statement**

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

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

**r. Financial assets**

**Initial recognition and measurement**

All financial assets are recognized initially at fair value, except trade receivable which are initially measured at transaction price. Transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

**Subsequent measurement**

**Debt Instruments**

**Debt instruments at amortized cost**

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

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

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

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

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

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

**Investment in mutual funds**

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

**De-recognition of financial assets**

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

**1.2 Significant accounting policies (continued)**

**s. Financial liabilities**

**Initial recognition**

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

**Subsequent measurement**

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

**De-recognition of financial liabilities**

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

**Offsetting of financial instruments**

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

**t. Impairment of financial assets**

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

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

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

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

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

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

**v. Segment reporting**

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

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

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

**Shrivation Homes Private Limited**

**Notes to the financial statements for the year ended 31 March 2023**

(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	Computers	Shuttering materials (*)	Furniture and fixtures	Total
<b>Gross carrying amount</b>					
As at 01 April 2021	0.76	0.37	-	0.15	1.28
Additions	-	-	1.10	-	1.10
<b>As at 31 March 2022</b>	<b>0.76</b>	<b>0.37</b>	<b>1.10</b>	<b>0.15</b>	<b>2.38</b>
Additions	-	-	0.14	-	0.14
<b>As at 31 March 2023</b>	<b>0.76</b>	<b>0.37</b>	<b>1.24</b>	<b>0.15</b>	<b>2.52</b>
<b>Accumulated depreciation</b>					
Upto 01 April 2021	0.76	0.35	-	0.07	1.18
Charge for the year	-	0.02	1.10	-	1.12
<b>Upto 31 March 2022</b>	<b>0.76</b>	<b>0.37</b>	<b>1.10</b>	<b>0.07</b>	<b>2.30</b>
Charge for the year	-	-	0.14	0.02	0.16
<b>Upto 31 March 2023</b>	<b>0.76</b>	<b>0.37</b>	<b>1.24</b>	<b>0.09</b>	<b>2.46</b>
<b>Net block</b>					
As at 31 March 2022	-	-	-	0.08	0.08
As at 31 March 2023	-	-	-	0.06	0.06

(\*) Includes depreciation inventoried amounting to ₹ 0.14 million for the year ended 31 March 2023 (31 March 2022 ₹ 1.10 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.

**3 Investment Property**

Particulars	Land	Total
<b>Gross carrying amount</b>		
As at 01 April 2021	0.57	0.57
Additions	-	-
<b>As at 31 March 2022</b>	<b>0.57</b>	<b>0.57</b>
Additions	-	-
<b>As at 31 March 2023</b>	<b>0.57</b>	<b>0.57</b>

**Information regarding the income and expenditure of investment property**

Particulars	31 March 2023	31 March 2022
Rental income derived from investment property	-	-
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
<b>Profit arriving from investment property before depreciation and indirect expenses</b>	<b>-</b>	<b>-</b>
Less: Depreciation	-	-
<b>Profit arriving from investment property before indirect expenses</b>	<b>-</b>	<b>-</b>

**a. Contractual obligations**

There are no contractual commitments pending for the acquisition of investment property 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. Investment property pledged as security**

There are no investment property pledged as security.

**d. Fair value of investment property**

The investment property is carried at its original cost, in the books of accounts. Management is of the opinion that the book value of the investment property represents its fair value as at 31 March 2023 and 31 March 2022

e. The title deeds of all the immovable properties are held by the Company are held in the name of the Company.

f. The Company has not revalued its Investment Property as at the balance sheet date.

Shrivation Homes Private Limited

Notes to the financial statements for the year ended 31 March 2023

(All amounts in ₹ millions, unless otherwise specified)

	As at 31 March 2023	As at 31 March 2022
<b>4 Deferred tax assets</b>		
<b>Deferred tax asset arising on account of</b>		
Timing difference on liability carried at fair value	6.47	8.21
Change in measurement of revenue from real estate development (net of cost) as per Ind AS 115	51.36	-
	<b>57.83</b>	<b>8.21</b>

**Movement in deferred tax assets**

Particulars	As at 01 April 2022	Recognised in profit and loss	As at 31 March 2023
<b>Deferred tax asset arising on account of</b>			
Timing difference on liability carried at fair value	8.21	(1.74)	6.47
Change in measurement of revenue from real estate development (net of cost) as per Ind AS 115	-	51.36	51.36
	<b>8.21</b>	<b>49.62</b>	<b>57.83</b>

Particulars	As at 01 April 2021	Recognised in profit and loss	As at 31 March 2022
<b>Deferred tax asset arising on account of</b>			
Timing difference on liability carried at fair value	31.41	(23.20)	8.21
Change in measurement of revenue from real estate development (net of cost) as per Ind AS 115	46.76	(46.76)	-
	<b>78.17</b>	<b>(69.96)</b>	<b>8.21</b>

	As at 31 March 2023	As at 31 March 2022
--	------------------------	------------------------

<b>5 Inventories (*)</b>		
<b>(Valued at cost or net realisable value, which ever is lower)</b>		
Properties under development	989.85	991.87
Properties held for sale	38.63	35.08
	<b>1,028.48</b>	<b>1,026.95</b>

(\*) Details of assets pledged are given under note no. 29

**6 Investments**

**Current**

**Investments carried at fair value through profit or loss (FVTPL)**

**Investment in mutual fund**

51,265.12 (31 March 2022 - 51,265.12) units in Aditya Birla Sunlife floating Rate Fund Growth (*)	15.36	14.54
	<b>15.36</b>	<b>14.54</b>
Aggregate amount of quoted investments and market value thereof	15.36	14.54
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

(\*) Details of assets pledged are given under note no. 29

**7 Trade receivables(\*)**

**Current**

Trade receivables	65.62	15.32
	<b>65.62</b>	<b>15.32</b>

**Breakup of security details**

Trade receivables considered good - Secured	65.62	12.33
Trade receivables considered good - Unsecured	-	2.99
	<b>65.62</b>	<b>15.32</b>
Less: Allowance for doubtful debts	-	-
	<b>65.62</b>	<b>15.32</b>

**Trade receivables ageing schedule 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	63.04	-	1.35	0.08	1.15	65.62

**Trade receivables ageing schedule 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	6.08	-	5.65	1.15	2.44	15.32

(\*) Details of assets pledged are given under note no. 29

**Shrivision Homes Private Limited**

**Notes to the financial statements for the year ended 31 March 2023**

(All amounts in ₹ millions, unless otherwise specified)

	As at 31 March 2023	As at 31 March 2022
<b>8 Cash and cash equivalents</b>		
Cash on hand	0.51	0.48
<b>Balances with banks (*)</b>		
In escrow accounts	4.93	15.47
In current accounts	31.33	6.24
	<b>36.77</b>	<b>22.19</b>

(\*) Details of assets pledged are given under note no. 29

**Note:**

There are no undrawn committed borrowing as at 31 March 2023 and 31 March 2022.

**9 Loans**

**(Unsecured, considered good)**

Loan to related parties (refer note 31)

	433.43	327.51
	<b>433.43</b>	<b>327.51</b>

**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	433.43	100.00%	327.51	100.00%
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	-	-	-	-
	<b>433.43</b>	<b>100.00%</b>	<b>327.51</b>	<b>100.00%</b>

**10 Other assets**

**Current**

**(Unsecured, considered good)**

Advances other than capital advances

Advances for purchase of goods and availing of services

Other advances

Others

Duties and taxes recoverable

Deposits with regulatory authorities

Prepaid expenses

	As at 31 March 2023	As at 31 March 2022
Advances for purchase of goods and availing of services	49.07	79.41
Other advances	0.03	0.36
Duties and taxes recoverable	25.62	1.07
Deposits with regulatory authorities	1.29	1.99
Prepaid expenses	34.90	17.35
	<b>110.91</b>	<b>100.18</b>

**Shrivation Homes Private Limited**
**Notes to the financial statements for the year ended 31 March 2023**

(All amounts in ₹ millions, unless otherwise specified)

**11 Equity share capital**

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
<b>i Authorized shares</b>				
Equity shares of ₹ 10 each	1,100,000	11.00	1,100,000	11.00
	<b>1,100,000</b>	<b>11.00</b>	<b>1,100,000</b>	<b>11.00</b>
<b>ii Issued, subscribed and fully paid-up shares</b>				
Equity shares of ₹ 10 each	250,000	2.50	250,000	2.50
	<b>250,000</b>	<b>2.50</b>	<b>250,000</b>	<b>2.50</b>

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

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
<b>Equity shares</b>				
Balance at the beginning of the year	250,000	2.50	250,000	2.50
Issued during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>250,000</b>	<b>2.50</b>	<b>250,000</b>	<b>2.50</b>

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

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

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

Equity shares	As at 31 March 2023		As at 31 March 2022	
	Number	% holding	Number	% holding
Shriram Properties Limited - Holding Company (*)	175,000	70%	175,000	70%
Shriprop Builders Private Limited - Fellow Subsidiary	75,000	30%	75,000	30%

(\*) includes 1 equity share held by a nominee of Shriram Properties Limited

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

The Company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2023.

**e. Details of share holding by promoters in the Company**

Promoters name	As at 31 March 2023			As at 31 March 2022		
	Number	% holding	% changes during the year	Number	% holding	% changes during the year
Shriram Properties Limited - Holding Company (*)	175,000	70%	-	175,000	70%	-
Shriprop Builders Private Limited - Fellow Subsidiary	75,000	30%	-	75,000	30%	-

(\*) includes 1 equity share held by a nominee of Shriram Properties Limited.

**12 Other equity**

	As at 31 March 2023	As at 31 March 2022
Retained earnings	(360.33)	(454.67)
	<b>(360.33)</b>	<b>(454.67)</b>

**Nature of reserves**
**(a) Retained earnings**

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

**Shrivation Homes Private Limited****Notes to the financial statements for the year ended 31 March 2023**

(All amounts in ₹ millions, unless otherwise specified)

	As at 31 March 2023	As at 31 March 2022
<b>13 Borrowings (#)</b>		
<b>Current</b>		
<b>Term loans (Secured) (refer note 13A)</b>		
From others	77.06	383.10
<b>Unsecured loans</b>		
Debentures (*)	177.50	174.60
898,500 ( 31 March 2022: 898,500) fully paid optionally convertible debentures of ₹ 100 each		
	<b>254.56</b>	<b>557.70</b>

**Note:**

- The Company has utilized the borrowings from financial institutions for the specific purpose for which it was taken at the balance sheet date.
- The Company does not have any charge which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

(#) Details of assets pledged are given under note no. 29

(\*) Pursuant to Debenture Trustee Agreement dated 30 October 2012 ('the Agreement'), the Company had issued 3,594,000 class 'A' and 8,382,500 class 'B' Optionally Convertible Debentures (OCD's) of ₹ 100 each to Shriram Properties Limited (SPL) and ASK Real Estate Special Opportunities Fund ('ASK'), respectively. During the year ended 31 March 2017, the Company had redeemed 2,695,500 class 'A' and 6,286,875 class 'B' optionally convertible debentures (OCD's) of ₹ 100 each to Shriram Properties Limited (SPL) and ASK Real Estate Special Opportunities Fund (ASK) respectively. During the year ended 31 March 2020, pursuant to Securities Purchase Agreement entered between Shriprop Builders Private Limited and ASK Real Estate Special Opportunities Fund ('ASK'), 2,095,625 Debentures held by ASK has been transferred to Shriprop Builders Private Limited. During the financial year ended 31 March 2021, the Company had redeemed 2,095,625 Debentures of ₹ 100 each held by Shriprop Builders Private Limited. Accordingly, 898,500 class 'A' OCDs held by Shriram Properties Limited, are outstanding as at 31 March 2023.

The first charge created on all assets including land forming part of the project undertaken by the Company against debentures issued by the Company has been subordinated to Aditya Birla Finance Limited (ABFL) as a security against new term loan obtained from ABFL vide credit facility letter dated 24 December 2020. Accordingly, the redemption of debentures is subject to the repayment of loan taken from Aditya Birla Finance Limited.

**Terms attached to optionally convertible debentures:**

'The aforesaid debentures are issued on the following terms:

- debentures to carry a minimum coupon rate of 10% p.a.;
- debentures are eligible for an interest/ return/ premium which gives an IRR of 25% (including the minimum coupon rate of 10% p.a) on the principal amount and are eligible for purchase by the Company upon fulfilment of terms and conditions mentioned in the agreement and upon event of default as contemplated in the agreement these debentures are eligible for conversion into such number of equity shares on a fully diluted basis as would be available to the investor of the Company if a drag right was exercised by the investor as per the terms of the agreement;
- simultaneous to the conversion of the class B Debentures, class A Debentures shall be converted into equity shares in a similar ratio as class B Debentures;
- aforesaid debentures are redeemable upon completion of the project undertaken by the Company and fulfilment of conditions within the time frame contained in Security subscription and Security Holders Agreement subject to repayment of debt to ABFL.
- debentures shall rank in pari passu inter se without any preference or priority of one over the other or others of them except in the event of default, then class B Debentures shall have the priority over the class A Debentures. As at balance sheet date, there are no class A Debentures outstanding.
- The remaining Class A Debentures are eligible for conversion into equity shares.

**Shrivation Homes Private Limited**

**Notes to the financial statements for the year ended 31 March 2023**

(All amounts in ₹ millions, unless otherwise specified)

	As at 31 March 2023	As at 31 March 2022
<b>14 Trade payables</b>		
Total outstanding dues of micro and small enterprises (refer note below)	11.68	11.24
Total outstanding dues to creditors other than to micro enterprises and small enterprises	69.64	137.55
	<b>81.32</b>	<b>148.79</b>

**Note**

**Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006:**

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	31 March 2023	31 March 2022
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; (#)		
- Principal	11.93	14.82
- Interest	0.94	0.90
(ii) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.94	0.90
(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 of MSMED Act, 2006.	-	-

(#) includes the amounts reported in note 15 to the financial statements

**Trade payables ageing schedule as at 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	3.04	0.07	0.19	8.38	11.68
Others	41.95	14.57	1.66	11.46	69.64

**Trade payables ageing schedule as at 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	0.97	0.06	10.21	-	11.24
Others	113.95	3.68	19.91	-	137.55

	As at 31 March 2023	As at 31 March 2022
<b>15 Other financial liabilities</b>		
<b>Current</b>		
Cancellation refund	39.82	4.83
Other payables (^)	5.16	22.55
	<b>44.98</b>	<b>27.38</b>

(^) Includes ₹ 0.25 million (31 March 2022 : ₹ 3.58 million) as at 31 March 2023 towards payable to Micro and Small Enterprises.

**16 Other current liabilities**

	As at 31 March 2023	As at 31 March 2022
Revenue received in advance	1,547.88	1,124.20
Statutory dues payable	0.67	2.30
	<b>1,548.55</b>	<b>1,126.50</b>

Shrivation Homes Private Limited

Notes to the financial statements for the year ended 31 March 2023

(All amounts in ₹ millions, unless otherwise specified)

13 Borrowings (continued)

A Note on security

Sl.No	Particulars	Nature of security	Repayment details	Interest rate	31 March 2023	31 March 2022
<b>Current borrowings</b>						
<b>Term loans (secured)</b>						
1	<b>Aditya Birla Finance Limited</b>	a. First charge by way of Registered Memorandum of Entry on unsold area of the project "Chirping woods" admeasuring 1,29,775 sft saleable area along with undivided share of the land located at Harlur Road, Kasavanahalli Village, Off Sarjapura Road, Bengaluru having total land area of 6,62,112 sft; b. First and exclusive charge by way of Registered Mortgage on the "Property 2" i.e. land admeasuring 423,839 sq.ft. owned by Bengal Shriram Hitech City Private Limited (a fellow subsidiary of the Company); c. Assignment/ hypothecation of the receivables from the project "Shriram Chirping woods"; d. First and exclusive charge by way of hypothecation on escrow and scheduled receivables from any current or future projects to be developed on the land referred in (b) above e. An exclusive charge on Interest Service Reserve account(ISRA)/Debt Service Reserve Account(DSRA) (in the form of investment into liquid financial investments) equivalent to 2 months interest to be created at the time of each disbursement. f. Irrevocable and unconditional Corporate Guarantee given by: (i) Shriram Properties Limited - Ultimate Holding Company (ii) Bengal Shriram Hitech City Private Limited - Fellow Subsidiary	Earlier/Higher of below: a) Repayable in 18 monthly instalments, first instalment falling after 30 months from the date of first disbursement.  (b) Escrow Mechanism: from the date of first disbursement of the loan (i) Upto collection of ₹ 30 crore: 20% of the collection to be transferred towards loan repayment; (ii) Beyond collection of ₹ 30 crore till ₹ 50 crore : 50% of the collection to be transferred towards loan repayment; (iii) Beyond collection of ₹ 50 crore till ₹ 70 crore : 75% of the collection to be transferred towards loan repayment; (iv) Beyond collection of ₹ 70 crore till loan closure : 85% of the collection to be transferred towards loan repayment;	14% - 16.15%	77.06	386.19
	Unamortised upfront fees on borrowings				-	(3.09)
					<b>77.06</b>	<b>383.10</b>

**Shrivation Homes Private Limited**
**Notes to the financial statements for the year ended 31 March 2023**

(All amounts in ₹ millions, unless otherwise specified)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>17 Revenue from operations (\$)</b>		
Sale of constructed properties	156.54	258.06
<b>A</b>	<b>156.54</b>	<b>258.06</b>
<b>Other operating revenue</b>		
Income from cancellation and other charges	1.82	0.33
<b>B</b>	<b>1.82</b>	<b>0.33</b>
<b>(A+B)</b>	<b>158.36</b>	<b>258.39</b>
<b>(\$)</b> <b>Disaggregated revenue information</b>		
Set out below is the disaggregation of the company's revenue from contract with customers by timing of transfer of goods or services		
Revenue recognition at a point of time	1.82	0.33
Revenue recognition over period of time	156.54	258.06
	<b>158.36</b>	<b>258.39</b>
<b>18 Other income</b>		
Interest income		
- from related party (refer note 31)	49.29	38.42
- on income tax refund	1.82	-
Fair value gain on financial instruments at FVTPL, net (refer note 31) (*)	-	77.43
Miscellaneous income	1.03	0.16
	<b>52.14</b>	<b>116.01</b>
(*) Includes ₹ Nil (31 March 2022 ₹ 76.71 million) pertaining to related parties		
<b>19 Changes in inventories</b>		
<b>Inventory at the beginning of the year</b>		
Properties under development	991.87	995.95
Properties held for sale	35.08	12.57
<b>Inventory at the end of the year</b>		
Properties under development	989.85	991.87
Properties held for sale	38.63	35.08
	<b>(1.53)</b>	<b>(18.43)</b>
<b>20 Finance costs (*)</b>		
<b>Finance expense:</b>		
Interest expense		
- on term loans	28.80	72.62
- on delay in remittance of income tax	1.46	1.18
- on delay in payment to MSME vendors	0.04	0.10
Loan processing charges	3.09	4.10
	<b>33.39</b>	<b>78.00</b>
(*) Includes finance expense capitalized amounting to ₹ 31.89 millions (31 March 2022: ₹ 76.72 millions).		
<b>21 Other expenses (^)</b>		
Administrative fee (refer note 31)	-	5.44
Development management expense (refer note 31)	-	1.18
Insurance expense	1.11	1.08
Legal and professional charges(*)	3.17	3.17
Power and fuel	1.12	0.25
Printing and stationery	-	0.02
Rates and taxes	2.33	0.45
Sales promotion	-	7.48
Fair value loss on financial instruments at FVTPL, net (includes amount pertains to related parties, refer note 31)	2.08	-
Security charges	0.77	0.63
Traveling and conveyance expenses	0.03	0.29
Repairs and maintenance	0.13	0.12
Corporate social responsibility expenses	5.20	8.40
Directors' Sitting fee	0.03	0.01
Bad debts written off	2.79	-
Miscellaneous	0.88	3.54
	<b>19.64</b>	<b>32.06</b>
(^*) includes other expenses inventorized amounting to ₹ 3.45 million ( 31 March 2022 : ₹ 3.96 million) for the year ended 31 March 2023.		
<b>(*) Payment to auditor (on accrual basis, excluding GST) [included in legal and professional charges]</b>		
<b>As auditor:</b>		
Statutory audit	0.92	0.80
Tax audit	0.10	0.10
	<b>1.02</b>	<b>0.90</b>

**Shrivation Homes Private Limited**

**Notes to the financial statements for the year ended 31 March 2023**

(All amounts in ₹ millions, unless otherwise specified)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>22 Income tax</b>		
<b>A. Tax expense comprises of:</b>		
Current tax	49.62	23.56
Deferred tax	(49.62)	69.96
<b>Income tax expense reported in the statement of profit or loss</b>	<b>-</b>	<b>93.52</b>
The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate to reported tax expense in profit or loss are as follows:		
<b>B. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>		
Accounting profit before tax from continuing operations	94.34	90.76
At India's statutory income tax rate of 25.168% (31 March 2022 - 25.168%)	23.74	22.84
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Reversal of deferred tax asset pursuant to re-assessment of future taxable income	-	46.76
Unrecorded deferred tax asset on temporary differences arisen during the year	(25.43)	21.48
Tax effect of non-deductible expenses	1.69	2.44
<b>Income tax expense</b>	<b>-</b>	<b>93.52</b>
<b>C. Recognised deferred tax assets and liabilities</b>		
Deferred tax assets is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carried forward tax losses can be utilised. Refer note 4.		
<b>23 Earnings/ (Loss) per equity share</b>		
<b>Net profit / (loss) after tax attributable to equity shareholders</b>	94.34	(2.76)
Weighted average number of Equity shares for basic EPS	250,000	250,000
<b>Earnings / (loss) per equity share:</b>		
Basic and diluted (in ₹.)	377.36	(11.05)
Nominal value ₹ 10/- per each equity share		

**Shrivation Homes Private Limited**  
**Notes to the financial statements for the year ended 31 March 2023**  
**(All amounts in ₹ millions, unless otherwise specified)**

**24 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
<b>Financial assets :</b>						
Investments	6	15.36	-	-	15.36	15.36
Trade receivables	7	-	-	65.62	65.62	65.62
Cash and cash equivalents	8	-	-	36.77	36.77	36.77
Loans	9	-	-	433.43	433.43	433.43
<b>Total financial assets</b>		<b>15.36</b>	<b>-</b>	<b>535.82</b>	<b>551.18</b>	<b>551.18</b>
<b>Financial liabilities :</b>						
Borrowings	13	177.50	-	77.06	254.56	254.56
Trade payables	14	-	-	81.32	81.32	81.32
Other financial liabilities	15	-	-	44.98	44.98	44.98
<b>Total financial liabilities</b>		<b>177.50</b>	<b>-</b>	<b>203.36</b>	<b>380.86</b>	<b>380.86</b>

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
<b>Financial assets :</b>						
Investments	6	14.54	-	-	14.54	14.54
Trade receivables	7	-	-	15.32	15.32	15.32
Cash and cash equivalents	8	-	-	22.19	22.19	22.19
Loans	9	-	-	327.51	327.51	327.51
<b>Total financial assets</b>		<b>14.54</b>	<b>-</b>	<b>365.02</b>	<b>379.56</b>	<b>379.56</b>
<b>Financial liabilities :</b>						
Borrowings	13	174.60	-	383.10	557.70	557.70
Trade payables	14	-	-	148.79	148.79	148.79
Other financial liabilities	15	-	-	27.38	27.38	27.38
<b>Total financial liabilities</b>		<b>174.60</b>	<b>-</b>	<b>559.27</b>	<b>733.87</b>	<b>733.87</b>

**Notes to financial instruments**

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

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

- (ii) **Fair values hierarchy**

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

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

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

**Level 3:** unobservable inputs for the asset or liability.

**Measurement of fair value of financial instruments**

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

**Optionally Convertible Debentures**

The fair values of the optionally convertible debentures are estimated using a discounted cash flow approach, which discounts the estimated contractual cash flows using discount rates derived from observable market interest rates of similar bonds with similar risk.

**Investment in mutual funds**

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

The following table shows the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 31 March 2023 and 31 March 2022:

31 March 2023	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investment in mutual funds	15.36	-	-	15.36
<b>Financial liabilities</b>				
Optionally convertible debentures	-	-	177.50	177.50
31 March 2022	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investment in mutual funds	14.54	-	-	-
<b>Financial liabilities</b>				
Optionally convertible debentures	-	-	174.60	174.60

**Shrivation Homes Private Limited**  
**Notes to the financial statements for the year ended 31 March 2023**  
**(All amounts in ₹ millions, unless otherwise specified)**

**24 Financial instruments (continued)**

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

Particulars	Fair value as at		Significant unobservable inputs	Data inputs		Sensitivity (^)	
	31 March 2023	31 March 2022		31 March 2023	31 March 2022	1% increase in inputs	1% decrease in inputs
Optionally convertible debentures	177.50	174.60	Discount rate	18.87%	13.20%	31 March 2023 - ₹0.51 million; 31 March 2022 - ₹0.68 million	31 March 2023 - ₹(0.51) million; 31 March 2022 - ₹(0.68) million;

(^) this represents fair value gain/(loss) considering changes in inputs.

(iv) The following table presents the changes in level 3 items for the year ended 31 March 2023:

Particulars	Optionally convertible debentures
<b>As at 01 April 2021</b>	<b>251.31</b>
Fair value gain	(76.71)
<b>As at 31 March 2022</b>	<b>174.60</b>
Fair value loss	2.90
<b>As at 31 March 2023</b>	<b>177.50</b>

**25 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 to which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

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

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

**a. Credit risk**

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

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

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

Asset group	Description	Provision for expenses credit loss (*)	31 March 2023	31 March 2022
Low credit risk	Cash and cash equivalents, secured trade receivables	Life time expected credit loss	102.39	34.52
High credit risk	Unsecured trade receivables and loans	Life time expected credit loss or fully provided for	433.43	330.50

(\*) A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

**Credit risk exposure****Provision for expected credit losses**

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

**31 March 2023**

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of allowance for ECL
Trade receivables	65.62	-	65.62
Cash and cash equivalents	36.77	-	36.77
Loans	433.43	-	433.43

**31 March 2022**

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of allowance for ECL
Trade receivables	15.32	-	15.32
Cash and cash equivalents	22.19	-	22.19
Loans	327.51	-	327.51

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. 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.

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

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

During the years presented, the Company made write-off of trade receivables to the extent of INR 2.79 million (31 March 2022: Nil).

**Shrivation Homes Private Limited**

**Notes to the financial statements for the year ended 31 March 2023**

(All amounts in ₹ millions, unless otherwise specified)

**25 Financial risk management (continued)**

**b. Liquidity risk**

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

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

**Maturities of financial liabilities**

The tables below 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.

<b>31 March 2023</b>	<b>Less than 1 year</b>	<b>1 year to 5 years</b>	<b>5 years and above</b>	<b>Total</b>
<b>Non-derivatives</b>				
Borrowings	77.65	188.50	-	266.15
Trade payables	52.22	29.10	-	81.32
Other financial liabilities	44.98	-	-	44.98
<b>Total</b>	<b>174.85</b>	<b>217.60</b>	<b>-</b>	<b>392.45</b>
<b>31 March 2022</b>	<b>Less than 1 year</b>	<b>1 year to 5 years</b>	<b>5 years and above</b>	<b>Total</b>
<b>Non-derivatives</b>				
Borrowings	413.75	189.96	-	603.71
Trade payables	120.20	28.59	-	148.79
Other financial liabilities	27.38	-	-	27.38
<b>Total</b>	<b>561.33</b>	<b>218.55</b>	<b>-</b>	<b>779.88</b>

**c. Market risk**

**i) Interest rate risk**

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

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

	<b>31 March 2023</b>	<b>31 March 2022</b>
Variable rate borrowing (*) (#)	77.06	386.19
<b>Total borrowings</b>	<b>77.06</b>	<b>386.19</b>

(\*) Excluding optionally convertible debentures. Refer 24(iii)

(#) Excluding adjustment for unamortised processing fees

**Interest rate risk**

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

**Particulars**

Interest rates – increase by 50 basis points (50 bps)	(0.98)	(2.59)
Interest rates – decrease by 50 basis points (50 bps)	0.98	2.59

**Shrivation Homes Private Limited****Notes to the financial statements for the year ended 31 March 2023****(All amounts in ₹ millions, unless otherwise specified)****26 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 on 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 Current borrowings less cash and cash equivalents.

<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Current borrowings	254.56	557.70
Less: Cash and cash equivalents	(36.77)	(22.19)
<b>Net debt</b>	<b>217.79</b>	<b>535.52</b>
Total equity	(357.83)	(452.17)
Gearing ratio	(0.61)	(1.18)

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

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

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

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023 and 31 March

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

**27 Other commitments and contingencies:**

<b>Claims against the company not acknowledged as debts</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Income tax matters (refer note below)	151.57	151.57

**Note:** The Income Tax Authorities have disputed certain allowances claimed by the Company and raised demand for assessment year 2017-18. The Company is contesting the aforesaid adjustments and resulting demand made by the Income Tax Authorities, which is pending before the Honourable high court of Karnataka. Based on the advice from independent tax/ legal experts, the management is confident that the aforesaid adjustments/ demand will not be sustained on completion of the proceedings and accordingly, pending the decision by the Honourable high court of Karnataka, no provision has been made in these financial statements.

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

**29 Assets pledged as security**

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

<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Current assets</b>		
<b>Financial assets</b>		
<b>First charge (*)</b>		
Investments	15.36	14.54
Cash and Cash equivalents	4.93	15.47
Trade receivables	65.62	15.32
<b>Non-financial assets</b>		
<b>First charge(*)</b>		
Inventories	1,012.25	1,014.44
<b>Total assets pledged as security</b>	<b>1,098.16</b>	<b>1,059.77</b>

(\*) These assets are also pledged as second charge.

**Shrivision Homes Private Limited****Notes to the financial statements for the year ended 31 March 2023**

(All amounts in ₹ millions, unless otherwise specified)

**30 Corporate Social Responsibility**

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

Particulars	31 March 2023	31 March 2022
a) Gross amount required to be spent by the company during the year	5.20	8.26
b) Amount spent during the year on purposes other than construction/acquisition of any asset		
-Spent	5.20	8.40
-Yet to be spent	-	-
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Education	Covid - 19 relief

**31 Related party disclosures****(i) Names of the related parties and description of relationship****(a) Parties exercising control****Names of the related parties**

Shriram Properties Limited

**Relationship**

Holding Company

**(b) Key managerial personnel**

Gopalakrishnan Jagadeeswaran

Director

Krishna Veeraraghavan

Director

Ravindra Kumar Pandey

Director

Vaidyanathan Ramamurthy

Independent director

**(c) Other related parties**

Shriprop Builders Private Limited

Fellow subsidiary

Bengal Shriram Hitech City Private Limited

Fellow subsidiary

SPL Towers Private Limited

Joint venture of the Holding Company

Shriprop Properties Private Limited

Joint venture of the Holding Company

**(ii) Amount outstanding as at the balance sheet date:**

Particulars	31 March 2023	31 March 2022
<b>Optionally convertible debentures</b>		
- Shriram Properties Limited	177.50	174.60
<b>Corporate Guarantee given on behalf of the Company</b>		
- Shriram Properties Limited	590.00	590.00
- Bengal Shriram Hitech City Private Limited	590.00	590.00
<b>Security Received</b>		
- Bengal Shriram Hitech City Private Limited	153.08	153.08
<b>Loan to related party</b>		
- Shriram Properties Limited	433.43	327.51

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

Particulars	31 March 2023	31 March 2022
<b>Shriram Properties Limited</b>		
- Loans given by the Company	261.34	143.40
- Loans recovered by the Company	204.71	79.35
- Interest income	49.29	38.42
- Fair value gain on financial instruments at FVTPL	-	76.71
- Fair value loss on financial instruments at FVTPL	2.90	-
- Administration fees	-	5.44
- Development management fees	-	1.18
<b>SPL Towers Private Limited</b>		
- Sale of Shuttering Materials	11.63	-
<b>Shriprop Properties Private Limited</b>		
- Sale of Shuttering Materials	2.24	-
<b>Vaidyanathan Ramamurthy</b>		
- Director sitting fees	0.03	0.01

**Shrivation Homes Private Limited**  
**Notes to the financial statements for the year ended 31 March 2023**  
(All amounts in ₹ millions, unless otherwise specified)

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

**a. Contract balances**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Contract liabilities</b>		
Revenue received in advance	1,547.88	1,124.20
<b>Total contract liabilities</b>	<b>1,547.88</b>	<b>1,124.20</b>
<b>Receivables</b>		
Trade receivables	65.62	15.32
<b>Total receivables</b>	<b>65.62</b>	<b>15.32</b>

- i. Contract asset is the right to consideration that is conditional upon factors other than the passage of time. Contract assets are initially recognised for revenue earned from property under development rendered but yet to be billed to customers. Upon billing of invoice, the amounts recognised as contract assets are reclassified to trade receivables.
- ii. Contract liabilities include amount received from customers as per the installments stipulated in the buyer agreement to deliver properties once the properties are completed and control is transferred to customers.

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

Particulars	Revenue received in advance	
	31 March 2023	31 March 2022
Opening balance	1,124.20	905.76
<b>Add:</b> Additions/adjustments during the year	582.04	476.83
<b>Less:</b> Revenue recognised during the year	(158.36)	(258.39)
Closing balance	<b>1,547.88</b>	<b>1,124.20</b>

**c. Disaggregated revenue information**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contract revenue	158.36	258.39
<b>Revenue recognised</b>	<b>158.36</b>	<b>258.39</b>

- d. The performance obligation of the Company in case of sale of residential Villaments and Apartments is satisfied once the project is completed and control is transferred to the customers. The customer makes the payment of the contract price as per 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 ₹ 1,640.16 million (31 March 2022 ₹ 1,406.71 million). The same is expected to be recognised within 1 to 3 years.

**33 Segmental Information**

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

**Shrivation Homes Private Limited**  
**Notes to the financial statements for the year ended 31 March 2023**  
**(All amounts in ₹ millions, unless otherwise specified)**

**34 Ratios required as per Schedule III requirements**

Ratio Name	Numerator	Denominator	Ratio (2022-23)	Ratio (2021-22)	% of change	Explanation for change beyond 25%
Current Ratio	Current Assets	Current Liabilities	0.80	0.77	4.79%	NA
Debt Equity Ratio	Total Debt	Shareholders equity	(0.71)	(1.23)	42.28%	refer note a.
Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Interest +/- Non cash operating	Debt Service (Interest+lease payments +Principal repayments)	0.38	0.33	15.93%	NA
Return on Equity Ratio	Net Earnings	Shareholder's fund	NA	NA	NA	refer note b.
Inventory Turnover ratio	Cost of goods sold	Average Inventory	0.10	0.25	(61.54%)	refer note c.
Trade Receivables Turnover Ratio	Net Credit Sales	Average trade receivables	3.91	9.19	(57.40%)	refer note d.
Trade payables Turnover Ratio	Net Credit Purchase	Average trade Payables	0.53	1.64	(67.82%)	refer note e.
Net Capital Turnover Ratio	Net Sales	Working Capital	(0.38)	(0.56)	(32.13%)	refer note d.
Net Profit Ratio	Net Profit (Revenue-cost)	Revenue	0.60	(0.01)	(5677.21%)	refer note f.
Return on Capital Employed	EBIT	Capital Employed (Tangible networth+Total Debt-Deferred Tax asset)	NA	0.95	NA	refer note g.
Return on investment	Gain from Mutual fund	Average investment	0.05	0.05	8.53%	NA

\* EBID= Net profit after tax+non cash operating expenditure(Depreciation, Amortization)+Other Adjustments(loss/profit on sale of FA)+interest

# Debt Service=DebtInterest+lease payments +Principal repayments current year maturity

^ Capital Employed=

**Note:**

- Improvement in Debt equity ratio is mainly on account of repayment of term loans
- Decrease in Debt service coverage ratio is mainly on account of lower interest cost during the current year as a result of lower debt balance
- Return on equity ratio is not applicable due to negative Shareholders fund
- Decrease in Inventory turnover ratio is mainly on account of decrease in revenue on sale of constructed properties
- Decrease in Trade receivables turnover ratio and net capital turnover ratio is mainly on account of decrease in sales during the year
- Improvement in Trade payables turnover ratio is mainly on account of lower purchases during the year
- Increase in Net profit ratio is mainly on account of increase in profit resulting from lower finance costs
- Return on capital employed is not applicable because of negative Capital employed as at the end of the current year

**Shrivation Homes Private Limited**

**Notes to the financial statements for the year ended 31 March 2023**

**(All amounts in ₹ million, unless otherwise mentioned)**

**35 Other statutory information**

- (i) The Company has not advanced or provided loan to or invested funds in any entities including foreign entities (Intermediaries) or to any other persons, with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Company has not received any fund from any persons or entities, including foreign entities (funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**36 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.

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As per our report of even date attached

**For Walker Chandio & Co LLP**

Chartered Accountants  
Firm's Registration No.:  
001076N/N500013

**For Abarna & Ananthan**

Chartered Accountants  
Firm's Registration No.:  
000003S

**For and on behalf of the Board of Directors of  
Shrivation Homes Private Limited**

sd/-

**Nikhil Vaid**

Partner

Membership No : 213356

Hyderabad

29 May 2023

sd/-

**Dheeraj M**

Partner

Membership No.: 234705

Bengaluru

29 May 2023

sd/-

**Krishna Veeraraghavan**

Director

DIN: 06620405

Bengaluru

29 May 2023

sd/-

**Gopalakrishnan J**

Director

DIN: 02354467

Bengaluru

29 May 2023