Walker Chandiok & Co LLP

Walker Chandiok & Co LLP

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Independent Auditor's Report

To the Members of Global Entropolis (Vizag) Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Global Entropolis (Vizag) Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, 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 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 2022, and its loss (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 Board of Directors' Report, but does not include the financial statements and our auditor's report thereon.

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

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

   The Board of Directors' 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 system 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 2022 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 2022 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 36 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;

        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 2022;

        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 2022;

        iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 44 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 persons) or entities, 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 44 to the financial statements, no funds have been received by the Company from any persons or entities, 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 2022.

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

Sd/-
Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 22213356AMOKDK7483

Hyderabad
28 May 2022

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Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Global Entropolis (Vizag) Private Limited on the financial statements for the year ended 31 March 2022

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 right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of 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 Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its property, plant and equipment and right of use assets or intangible assets during the year.

(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 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. The other inventory comprising of raw material has been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedures of such verification by the management is appropriate and no discrepancy of 10% or more in aggregate for each class of inventory were noticed.

(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.

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(iii)

(a) The Company has provided loans or advances in the nature of loans, or guarantee, or security to Holding company during the year as per details given below:

(₹ in millions)

Particulars	**Guarantees**	**Security**	**Loans**	**Advances in nature of loans**
Aggregate amount provided/granted during the year: - Holding Company	Nil	1,139.23	Nil	Nil
Balance outstanding as at balance sheet date in respect of above cases: - Holding Company	Nil	1,139.23	Nil	Nil

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

(c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit 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 specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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(vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) 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:

(₹ in millions)

Name of the statute	Nature of dues	Amount	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	12.18	5.39	2012-13	ITAT	
Income Tax Act, 1961	Tax/ Interest demanded	7.77	1.17	2014-15	ITAT	
Income Tax Act, 1961	Tax/ Interest demanded	Nil (*)	Nil	2015-16	ITAT	
Income Tax Act, 1961	Tax/ Interest demanded	0.41	Nil	2017-18	CIT(A)	
Finance Act, 1994	Tax/ Interest demanded	109.44	5.63	2008-09 to 2014-15	Central Excise & Service Tax Appellate Tribunal Hyderabad	
Finance Act, 1994	Tax/ Interest demanded	12.72	1.16	2015-16	Office of the commissioner of Central Tax(Audit)	

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Finance Act, 1994	Tax/ Interest demanded	0.87	0.14	Oct-2014 to Sep-2015	Office of the commissioner of Central Tax(Audit)	
Central Goods and Service Tax Act,2017	Tax/Interest demanded	9.46	0.95	2018-19	Office of the Asst Commissioner(ST)(FAC), Chinawaltair Circle, Department of State Tax, Andhra Pradesh	
Finance act, 1994	Tax/Interest demanded	413.42	Nil	October 2015 - June 2017	Office of the commissioner of Central Tax(Audit)	

(*) No tax liability, however the disallowance is under appeal.

(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 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. Further, loans amounting to ₹ 357.08 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.

(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, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

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(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, 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 on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed 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) The Company has not entered into any transactions with the related parties covered under Section 177 or Section 188 of the Act. Accordingly, reporting under clause 3(xiii) of the Order is not applicable to the Company.

(xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(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 them and accordingly, 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.

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(xvii) The Company has incurred cash losses amounting to ₹ 290.71 million in the current financial year but had not incurred cash losses 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, 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, although the Company fulfilled the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. 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 Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 22213356AMOKDK7483

Place: Hyderabad
Date: 28 May 2022

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Annexure II

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

1. In conjunction with our audit of the financial statements of Global Entropolis (Vizag) Private Limited ('the Company') as at and for the year ended 31 March 2022, 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

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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 2022, 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

Sd/-
Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 22213356AMOKDK7483

Hyderabad
28 May 2022

Global Entropolis (Vizag) Private Limited
Regd office: No. 31, 2nd Main Road, T. Chowdaiah Road, Sadashivanagar, Bengaluru- 560080
CIN: U45202KA2008PTC045671
Email ID: companysecretary@shriramproperties.com
Ph No. 080 - 4022 9999

Balance Sheet as at 31 March 2022
(All amounts in ₹ millions, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	3.32	4.88
(b) Other Intangible assets	3	0.28	0.35
(c) Financial assets			
(i) Loans	4a	0.53	0.54
(ii) Other financial assets	5a	51.43	585.67
(d) Non-current tax assets (net)	6	57.43	46.59
(e) Deferred tax assets	7	20.05	138.41
(f) Other non-current assets	8a	2.90	2.80
Total non-current assets		**135.94**	**779.24**
Current assets			
(a) Inventories	9	1,169.51	1,653.51
(b) Financial assets			
(i) Trade receivables	10	96.45	284.32
(ii) Cash and cash equivalents	11	46.45	330.10
(iii) Bank balances other than (ii) above	12	6.19	5.91
(iv) Loans	4b	1.01	0.08
(v) Other financial assets	5b	2,820.88	2,200.82
(c) Other current assets	8b	221.57	188.41
Total current assets		**4,362.06**	**4,663.15**
Total assets		**4,498.00**	**5,442.39**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	130.24	130.24
(b) Other equity	14	1,326.49	472.41
Total equity		**1,456.73**	**602.65**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15a	-	92.52
(ii) Lease liabilities	16a	0.50	1.56
(iii) Other financial liabilities	18a	1.02	1.02
(b) Provisions	19a	3.06	3.28
Total non-current liabilities		**4.58**	**98.38**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15b	1,867.98	2,920.72
(ii) Lease liabilities	16b	1.06	0.88
(iii) Trade payables	17		
(a) Total outstanding dues of micro and small enterprises		2.13	6.59
(b) Total outstanding dues of creditors other than (iii) (a) above		155.10	353.00
(iv) Other financial liabilities	18b	82.27	107.88
(b) Other current liabilities	20	921.74	1,345.61
(c) Provisions	19b	2.34	2.61
(d) Current tax liabilities (net)		4.07	4.07
Total current liabilities		**3,036.69**	**4,741.36**
Total equity and liabilities		**4,498.00**	**5,442.39**
Significant accounting policies	1.2		

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

As per our report of even date

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

Sd/-
Nikhil Vaid
Partner
Membership No.: 213356

Hyderabad
28 May 2022

For and on behalf of the Board of Directors of
Global Entropolis (Vizag) Private Limited

Sd/-	Sd/-	Sd/-
M Murali	**Balaji R**	**D Srinivasan**
Director	Chief Financial Officer and Director	Company Secretary
DIN: 00030096	DIN: 07831896	FCS No.: F5550
Bengaluru	Bengaluru	Bengaluru
28 May 2022	28 May 2022	28 May 2022

Global Entropolis (Vizag) Private Limited
Statement of Profit and Loss for the year ended 31 March 2022
(All amounts in ₹ millions, unless otherwise stated)

	Note	Year ended 31 March 2022	Year ended 31 March 2021
Revenue			
Revenue from operations	21	864.51	1,072.67
Other income	22	167.57	251.08
Total income		**1,032.08**	**1,323.75**
Expenses			
Material and contract cost	23	236.25	236.09
Changes in inventories	24	475.54	196.23
Employee benefits expense	25	25.27	32.00
Finance costs	26	340.51	400.72
Depreciation and amortisation expense	27	1.63	1.85
Impairment losses in value of other financial assets	28 A	-	10.00
Other expenses	28 B	90.14	87.25
Total expenses		**1,169.34**	**964.14**
(Loss) / profit before tax		**(137.26)**	**359.61**
Tax expense	29		
Current tax		-	-
Deferred tax charge		118.37	335.05
Total tax expense		**118.37**	**335.05**
(Loss) / profit after tax		**(255.63)**	**24.56**
Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
(i) Re-measurement of gains on defined benefit plans	38A	0.17	1.09
Total other comprehensive income for the year		**0.17**	**1.09**
Total comprehensive (loss) / profit for the year		**(255.46)**	**25.65**
(Loss) / earnings per share (Nominal value ₹ 10 per share)	30		
Basic and diluted (₹)		(19.63)	1.89
Significant accounting policies	1.2		

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

As per our report of even date

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

Sd/-
Nikhil Vaid
Partner
Membership No.: 213356

Hyderabad
28 May 2022

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M Murali	**Balaji R**	**D Srinivasan**
Director	Chief Financial Officer and Director	Company Secretary
DIN: 00030096	DIN: 07831896	FCS No.: F5550
Bengaluru	Bengaluru	Bengaluru
28 May 2022	28 May 2022	28 May 2022

Global Entropolis (Vizag) Private Limited
Statement of Cash Flows for the year ended 31 March 2022
(All amounts in ₹ millions, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities		
(Loss) / profit before tax	**(137.26)**	**359.61**
Adjustments to reconcile (loss) / profit before tax to net cash flows		
Depreciation and amortisation expense	1.63	1.85
Finance costs	340.51	400.72
Provision for expected credit loss on trade receivables	-	10.00
(Gain)/ loss on modification of financial instruments classified as FVTPL	(2.75)	2.67
Unwinding of discounting of other receivables	(163.96)	(248.25)
Liabilities no longer required written back	(0.05)	(2.21)
Loss on sale of property, plant and equipment	-	0.01
Operating profit before working capital changes	**38.12**	**524.40**
Working capital adjustments:		
Decrease in trade receivables	187.87	108.59
Decrease in inventories	484.00	207.13
Decrease in loans and other financial assets	51.13	320.90
Decrease / (increase) in other assets	0.65	(662.83)
(Decrease) / increase in trade payables	(202.31)	39.52
(Decrease) in other current liabilities	(423.87)	(319.74)
(Decrease) in financial liabilities	(25.59)	(22.16)
(Decrease) / increase in provisions	(0.32)	1.22
Cash flow generated from operations	**109.68**	**197.03**
Income tax paid (net)	(10.85)	(3.69)
Net cash generated flows from operating activities	**98.83**	**193.34**
B. Cash flows from investing activities		
Purchase of property, plant and equipment	-	(0.13)
Proceeds from sale of property, plant and equipment	-	0.01
Loans repaid by related parties (net)	-	71.74
Interest income received	0.39	5.88
Movement in bank deposits	(0.01)	(2.82)
Net cash flows generated from investing activities	**0.38**	**74.68**
C. Cash flows from financing activities		
Proceeds from term loans	-	304.10
Repayment of term loans	(306.28)	(89.19)
Loans availed from/ (repaid to) related parties (net)	165.07	(30.25)
Payment of principal portion of lease liabilities	(0.88)	(0.85)
Finance cost paid	(240.77)	(133.78)
Net cash flows (used in) / generated from financing activities	**(382.86)**	**50.03**
Net (decrease) / increase in cash and cash equivalents (A + B + C)	(283.65)	318.05
Cash and cash equivalents at the beginning of the year	330.10	12.05
Cash and cash equivalents at the end of the year (refer note 11)	**46.45**	**330.10**

Global Entropolis (Vizag) Private Limited
Statement of Cash Flows for the year ended 31 March 2022
(All amounts in ₹ millions, unless otherwise stated)

Note :
Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Liabilities	As at 01 April 2020	Cash flows	Non-cash changes				As at 31 March 2021
			Adjustment of processing fee and prepaid guarantee commission	Initial recognition of new lease liability	Adjustment on account of coversion of interest due into loan (*)	Accrued interest	
Borrowings from others(*)	1,478.03	214.91	17.73	-	89.74	(0.18)	1,800.23
Lease liability	0.41	(0.85)	-	2.88	-	-	2.44
Loan from related party	1,069.37	(30.25)	-	-	-	173.89	1,213.01

Liabilities	As at 01 April 2021	Cash flows	Non-cash changes			As at 31 March 2022
			Adjustment of processing fee and prepaid guarantee commission	Accrued interest	Extinguishment of financial liability (refer note 14)	
Borrowings from others(*)	1,800.23	(306.28)	16.61	0.34	-	1,510.90
Lease liability	2.44	(0.88)	-	-	-	1.56
Loan from related party	1,213.01	165.07	-	88.54	(1,109.54)	357.08

(*) Represents restructuring of interest component of the borrowings into principal component on availment of moratorium benefit from the lenders on account of COVID-19 pandemic for the instalments fallen due during the period from March 2020 to August 2020.

As per our report of even date

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

Sd/-
Nikhil Vaid
Partner
Membership No.: 213356

Hyderabad
28 May 2022

For and on behalf of the Board of Directors of
Global Entropolis (Vizag) Private Limited

Sd/-
M Murali
Director
DIN: 00030096

Bengaluru
28 May 2022

Sd/-
Balaji R
Chief Financial Officer and Director
DIN: 07831896

Bengaluru
28 May 2022

Sd/-
D Srinivasan
Company Secretary
FCS No.: F5550

Bengaluru
28 May 2022

Global Entropolis (Vizag) Private Limited
Statement of Changes in Equity for the year ended 31 March 2022
(All amounts in ₹ millions, unless otherwise stated)

A. Equity share capital

Particulars	As at 01 April 2020	Changes in equity share capital during the year	As at 31 March 2021	Changes in equity share capital during the year	As at 31 March 2022
Equity share capital	130.24	-	130.24	-	130.24
	130.24	**-**	**130.24**	**-**	**130.24**

B. Other equity

Particulars	Securities premium	Reserves and surplus			
		Retained earnings	Measurement of below market rate financial liability at fair value (*)	Deemed capital contribution (**)	Total
Balance as at 01 April 2020	2,523.90	(2,135.57)	58.43	-	446.76
Profit for the year	-	24.56	-	-	24.56
Other comprehensive income for the year	-	1.09	-	-	1.09
Balance as at 31 March 2021	**2,523.90**	**(2,109.92)**	**58.43**	**-**	**472.41**
Loss for the year	-	(255.63)	-	-	(255.63)
Gain on extinguishment of financial liability (**)	-	-	-	1,109.54	1,109.54
Other comprehensive income for the year	-	0.17	-	-	0.17
Balance as at 31 March 2022	**2,523.90**	**(2,365.38)**	**58.43**	**1,109.54**	**1,326.49**

(*) Represents accounting for corporate guarantee provided by the Holding company
(**) Refer note 14

As per our report of even date

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

Sd/-
Nikhil Vaid
Partner
Membership No.: 213356

Hyderabad
28 May 2022

For and on behalf of the Board of Directors of
Global Entropolis (Vizag) Private Limited

Sd/-	Sd/-	Sd/-
M Murali	**Balaji R**	**D Srinivasan**
Director	Chief Financial Officer and Director	Company Secretary
DIN: 00030096	DIN: 07831896	FCS No.: F5550
Bengaluru	Bengaluru	Bengaluru
28 May 2022	28 May 2022	28 May 2022

1 Company overview and significant accounting policies

1.1 Company overview

Global Entropolis (Vizag) Private Limited ('Global Vizag' or 'the Company') is principally engaged in the business of real estate construction, development and other related activities. The Company was incorporated on 19 March 2008 in the state of Karnataka. 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 years presented.

The financial statements for the year ended 31 March 2022 were authorized and approved for issue by the Board of Directors on 28 May 2022.

b. Basis of preparation of financial statements

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

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

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

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

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

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

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

c. 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.

d. Recent pronouncements:

Amendment to Ind AS 116 – COVID-19-Related Rent concessions

The economic challenges presented by the COVID-19 pandemic have persisted longer than anticipated, and therefore the practical expedient relating to rent concessions arising as a consequence of COVID-19 has been modified. Accordingly, lessees are now exempted from assessing whether a COVID-19-related rent concession is a lease modification, if the reduction in lease payments affects only payments originally due on or before June 30, 2022. Earlier the practical expedient was allowed only for lease payments originally due on or before 30 June 2021. The adoption of these amendments did not have any impact on the statement of profit and loss for the year ended 31 March 2022.

Amendment to Ind AS 104, Ind AS 107, Ind AS 109 and Ind AS 116 - Interest Rate Benchmark Reform – Phase 2

This amendment relates to 'Interest Rate Benchmark Reform – Phase 2 (Amendments to Ind AS 104, Ind AS 107, Ind AS 109 and Ind AS 116)' which addresses issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. Some of the key amendments arising from the interest rate benchmark are: Ind AS 109: New guidance has been included on changes in the basis for determining the contractual cash flows as a result of interest rate benchmark reform. Ind AS 107: Additional disclosures related to nature and extent of risks to which the entity is exposed from financial instruments subject to interest rate benchmark reform and how the entity manages these risks. The adoption of these amendments did not have any impact on the financial statements.

Amendments to Ind AS consequential to Conceptual Framework under Ind AS

The amendments relating to Ind AS 102, Share-based Payment; Ind AS 103, Business Combinations; Ind AS 106, Exploration for and Evaluation of Mineral Resources; Ind AS 114, Regulatory Deferral Accounts; Ind AS 1, Presentation of Financial Statements; Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors; Ind AS 34, Interim Financial Reporting; Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets; Ind AS 38, Intangible Assets, are consequential due to changes in the Conceptual Framework under Ind AS, made in August 2020. The revised Conceptual Framework introduced some new concepts and clarifications along with revision in definitions and changes in recognition criteria of assets and liabilities under Ind AS. The adoption of these amendments did not have any material impact on the financial statements.

Amendment to Schedule III of the Companies Act, 2013

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules, 2015 include, among other things, requirement for disclosure of Current maturities of long-term borrowings separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities. Accordingly the necessary reclassifications have been done (refer note 42). Other amendments in the notification applicable for full annual financial statements have been adopted by the Company by providing applicable disclosures in the financial statements for the year ending 31 March 2022.

e. Standards issued but not yet effective

Companies (Indian Accounting Standards) Amendment Rules, 2022

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable for annual periods beginning on or after 01 April 2022, as below:

Amendments to Ind AS 103 – Business Combinations – Reference to Conceptual Framework

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The adoption of amendments to Ind AS 103 is not expected to have any impact on the financial statements.

Amendments to Ind AS 109 – Financial Instruments

The amendments clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The adoption of amendments to Ind AS 109 is not expected to have any material impact on the financial statements.

Amendments to Ind AS 16 – Property, Plant and Equipment – Proceeds before intended use

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The adoption of amendments to Ind AS 16 is not expected to have any material impact on the financial statements.

Amendments to Ind AS 37 – Onerous Contracts – Cost of Fulfilling a Contract

The amendments specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be the incremental costs of fulfilling that contract (for example, direct labour and materials); or an allocation of other costs that relate directly to fulfilling contracts (for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others). The adoption of amendments to Ind AS 37 is not expected to have any material impact on the financial statements.

f. Current versus non-current classification

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

(i) An asset is classified as current when it is:
- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

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

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

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

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

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

g. 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.

h. Revenue recognition

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 fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in 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 Group expects to receive in exchange for those residential units .

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

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

Revenue from contracts with customers - continued

<u>Revenue from sale / services</u>

Revenue is recognised over the time from the financial year in which the registration of sale deed is executed 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 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.

Further, for projects executed through joint development arrangements not being jointly controlled operations, wherein the land owner/possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project. Revenue is recognised over time using input method, on the basis of the inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

The Company renders development management services involving multiple elements such as Sales and Marketing, Project Management and Consultancy (PMC) services, Customer Relationship Management (CRM) Services and financial management services to other real estate developers. The Company's performance obligation is satisfied either over the period of time or at a point in time, which is evaluated for each service under DM contract seperately. Revenue is recognised upon satisfaction of each such performance obligation.

The Company recognises revenue from administrative fees over the time as and when services are rendered and the collectability is reasonably assured.

The revenue from assignment of development right, foregoing of development right and liquidated damages are recognized in the year in which the legal agreements are duly executed and the performance obligations thereon are duly satisfied and there exists no uncertainty in the ultimate collection of consideration from customers.

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognised based upon underlying agreements with customers except in cases where ultimate collection is considered doubtful.

Interest income is accounted on an accrual basis at effective interest rate, except in cases where ultimate collection is considered doubtful.

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.

i. Inventories

Raw materials

Inventory includes raw materials used for the construction activity. Raw materials are valued at the lower of cost and net realizable value with the cost being determined on a 'First In First Out' basis.

Properties held for development

Properties held for development represents land acquired for future development and construction, and is stated at cost including the cost of land, the related costs of acquisition and other costs incurred to get the properties ready for their intended use.

Properties under development

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

Properties held for sale

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

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

j. Property, Plant and Equipment (PPE)

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. On transition to Ind AS i.e., on 01 April 2015 , the Company had elected to measure all its property, plant and equipment at the previous GAAP carrying value (deemed cost) The cost comprises purchase price, borrowing cost if capitalization criteria are met, any expected costs of decommissioning and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in 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 equipment	5 years
Furniture and fixtures	10 years
Electrical fittings	10 years
Computers	3 years
Vehicles	8 years

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

De-recognition

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

k. Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortization)

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

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 capitalization 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 capitalization are determined by applying a capitalization rate to the expenditures on that asset.

The Company suspends capitalization 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. Employee benefits

Defined contribution plan

The Company's contribution to provident fund is charged to the statement of profit and loss or inventorized as a part of project under development, as the case may be. The Company's contributions towards provident fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Defined benefit plan

The Company has funded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries who use the projected unit credit method to calculate the defined benefit obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss or inventorized as a part of project under development, as the case may be.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost or inventorized as a part of project under development, as the case may be.

Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the year in which such gain or loss arise.

Compensated absenses

The Company also provides benefit of vacation pay to its employees. Liability in respect of vacation pay becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss or inventorized as a part of project under development, as the case may be in the year in which such gains or losses arise.

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Other short-term benefits

Short-term employee benefits comprising employee costs including performance bonus is recognized in the statement of profit and loss on the basis of the amount paid or payable for the period during which services are rendered by the employee.

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 year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act,1961 and other applicable tax laws in the countries where the Company operates and generates taxable income.

Deferred tax

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

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

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

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

Current and deferred tax for the period

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

p. Earnings per share

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

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

q. Provisions, contingent assets and contingent liabilities

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

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

Contingent liability is disclosed for:

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

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

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

r. Financial instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

Debt Instruments

Debt instruments at amortized cost

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

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

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

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

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

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

Equity investments

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

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

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

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

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.

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.

w. Cash flow statement

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

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

x. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition andmeasurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs

incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight line basis over the lease term.

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 fi nancial 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.

f. Control over development management arrangements – The Company has entered into certain agreements to provide development management services for projects with unrelated parties. Management has assessed its involvement in such projects to assess control in such projects in accordance with Ind AS 110, ‘Consolidated Financial Statements’. As the Company does not have the rights to make decisions around all the relevant activities of the project's principal purpose and as the relevant decisions would require the consent of other parties, the management has concluded that the agreement gives the aforesaid parties control of the arrangement and the Company is acting as an agent for such parties and hence does not possess control over the projects.

2 Property, plant and equipment (PPE)

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

Particulars	Computers	Furniture and Fixtures	Vehicles	Office equipment	Electrical fittings	Right of use building	Total
Gross carrying amount							
As at 1 April 2020	2.47	0.59	1.53	1.96	0.37	1.28	**8.20**
Additions	-	0.01	-	0.05	0.07	2.88	**3.01**
Disposals	(0.13)	-	-	-	-	-	**(0.13)**
As at 31 March 2021	**2.34**	**0.60**	**1.53**	**2.01**	**0.44**	**4.16**	**11.08**
Additions	-	-	-	-	-	-	-
As at 31 March 2022	**2.34**	**0.60**	**1.53**	**2.01**	**0.44**	**4.16**	**11.08**
Accumulated depreciation							
Up to 01 April 2020	1.88	0.27	0.34	1.08	0.07	0.90	**4.54**
Charge for the year	0.27	0.23	0.19	0.10	0.04	0.94	**1.77**
Adjustment for disposals	(0.11)	-	-	-	-	-	**(0.11)**
Up to 31 March 2021	**2.04**	**0.50**	**0.53**	**1.18**	**0.11**	**1.84**	**6.20**
Charge for the year	0.15	0.10	0.20	0.10	0.05	0.96	1.56
Up to 31 March 2022	**2.19**	**0.60**	**0.73**	**1.28**	**0.16**	**2.80**	**7.76**
Net block							
As at 31 March 2021	**0.30**	**0.10**	**1.00**	**0.83**	**0.33**	**2.32**	**4.88**
As at 31 March 2022	**0.15**	**-**	**0.80**	**0.73**	**0.28**	**1.36**	**3.32**

a. Contractual obligations

There are no contractual commitments pending for the acquisition of property, plant and equipment as at 31 March 2022 and 31 March 2021.

b. Capitalized borrowing cost

There are no borrowing costs capitalized during the year ended 31 March 2022 and 31 March 2021

c. Details of Property, Plant and Equipment pledged

No Property, plant and equipment have been pledged as at 31 March 2022 and 31 March 2021

3 Intangible assets

Particulars	Computer software	Total
Gross carrying amount		
As at 1 April 2020	1.99	**1.99**
Additions	-	**-**
As at 31 March 2021	**1.99**	**1.99**
Additions	-	**-**
As at 31 March 2022	**1.99**	**1.99**
Accumulated amortisation		
Up to 01 April 2020	1.56	**1.56**
Charge for the year	0.08	**0.08**
Up to 31 March 2021	**1.64**	**1.64**
Charge for the year	0.07	**0.07**
Up to 31 March 2022	**1.71**	**1.71**
Net block		
As at 31 March 2021	**0.35**	**0.35**
As at 31 March 2022	**0.28**	**0.28**

a The Company has not revalued its intangible assets as at the balance sheet date.

	As at 31 March 2022	As at 31 March 2021
4 Loans		
a Non current		
(Unsecured, considered good)		
Security deposits	0.53	0.54
	0.53	**0.54**
b Current		
(Unsecured, considered good)		
Other advances (includes advance given to KMP - refer note 37)	1.01	0.08
	1.01	**0.08**
5 Other financial assets		
a Non current		
Bank deposits with more than 12 months maturity (refer note 12) **(#)**	51.43	48.25
Receivable from transfer of development rights **(*)**	-	537.42
	51.43	**585.67**
b Current		
Advances towards joint development arrangement	-	14.11
Unbilled revenue	1,133.33	1,003.00
Receivable from transfer of development rights **(*)**	1,663.76	1,183.68
Other receivables	23.79	0.03
	2,820.88	**2,200.82**

(#) Details of assets pledged as per note 31

(*) During the year ended 31 March 2016, the Company had proportionately assigned its development right over 2.3 million square feet out of 5.1 million square feet in favour of a third party for a deferred consideration of ₹ 2,800 million. The receivable represents the consideration which will be settled over a period of 5 years through cash payment of ₹ 2,560 million which has been measured at fair value. In addition to above, the Company will receive 0.1 million square feet of constructed area in lieu of the balance consideration.

	As at 31 March 2022	As at 31 March 2021
6 Non-current tax assets (net)		
Advance income tax (net of provision for taxation) (*)	57.43	46.59
	57.43	**46.59**

(*) Includes amount deposited with tax authorities under protest amounting to ₹ 6.56 million (31 March 2021: ₹ 6.56 million)

	As at 31 March 2022	As at 31 March 2021
7 Deferred tax assets		
Deferred tax asset arising on account of:		
Carry forward of business losses	20.05	89.15
Unwinding of trade receivables	-	37.14
Timing difference on provisions for expected credit loses on receivables	-	9.86
Change in measurement of revenue from real estate development (net of cost) as per Ind AS 115	-	2.26
	20.05	**138.41**

Deferred tax assets is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carried forward tax losses can be utilised. Due to lack of convincing evidence the Company has not recorded deferred tax asset on deductible temporary differences which primarily includes the carry forwarded business losses amounting to ₹ 344.83 million as at 31 March 2022 (31 March 2021 : ₹ 954.43 million). The above losses will expire over 6-8 years.

Movement in deferred tax assets

Particulars	As at 01 April 2021	Recognised in securities premium	Recognised in OCI	Recognised in profit and loss	As at 31 March 2022
Deferred tax asset					
Carry forward of business losses	89.15	-	-	(69.10)	20.05
Unwinding of trade receivables	37.14	-	-	(37.14)	-
Timing difference on provisions for expected credit loses on receivables	9.86	-	-	(9.86)	-
Change in measurement of revenue from real estate development (net of cost) as per Ind AS 115	2.26	-	-	(2.26)	-
	138.41	**-**	**-**	**(118.36)**	**20.05**

Particulars	As at 01 April 2020	Recognised in securities premium	Recognised in OCI	Recognised in profit and loss	As at 31 March 2021
Deferred tax asset					
Carry forward of business losses	366.76	-	-	(277.61)	89.15
Unwinding of trade receivables	82.42	-	-	(45.28)	37.14
Timing difference on provisions for expected credit loses on receivables	15.11	-	-	(5.25)	9.86
Change in measurement of revenue from real estate development (net of cost) as per Ind AS 115	9.17	-	-	(6.91)	2.26
	473.46	**-**	**-**	**(335.05)**	**138.41**

	As at 31 March 2022	As at 31 March 2021
8 Other assets		
a Non-current		
Unsecured, considered good		
Other advances	2.90	2.80
	2.90	**2.80**
b Current		
Unsecured, considered good		
Advances to suppliers and contractors	39.70	51.36
Unbilled revenue	31.92	31.02
Prepaid expenses	2.19	3.51
Other advances	112.75	77.13
Duties and taxes recoverable (*)	35.01	25.39
	221.57	**188.41**

(*) Includes amount deposited with tax authorities under protest amounting to ₹ 7.88 million (31 March 2021: ₹ 7.88 million)

9 Inventories (*)		
Raw materials	18.27	26.73
Properties held for development	-	14.86
Properties under development **(^)**	1,151.24	1,606.17
Properties held for sale	-	5.75
	1,169.51	**1,653.51**

(*) Details of assets pledged as per note 31

(^) Includes the Company's entitlement of constructed built up area of 0.1 million sq.ft receivable under assignment deed in lieu of ₹ 240.00 million (31 March 2021: ₹240.00 million) consideration (also refer note 5).

Note:

Reversal of Write-down of inventories to net realisable value amounted to ₹ 39.08 million for the year ended 31 March 2022. This was recorded as a reduction in expense during the year ended 31 Mar 2022 and included in in 'changes in inventories' in statement of profit and loss.

Write-down of inventories to net realisable value amounted to ₹ 40.09 million for the year ended 31 March 2021. This was recorded as an expense during the year ended 31 March 2021 and included in 'changes in inventories' in statement of profit and loss.

	As at 31 March 2022	As at 31 March 2021
10 Trade receivables (*)		
Current		
Trade receivables	190.64	346.51
	190.64	**346.51**
Less: Provision for doubtful debts	(94.19)	(62.19)
	96.45	**284.32**
Break up of security details		
Trade receivables considered good - secured	41.92	103.93
Trade receivables considered good - unsecured	54.53	180.39
Trade receivables which have significant increase in credit risk	94.19	62.19
	190.64	**346.51**
Allowance for doubtful loans		
Trade Receivables which have significant increase in credit risk	(94.19)	(62.19)
	96.45	**284.32**

Trade receivables ageing schedule as at 31 March 2022

	Particulars	Outstanding for following periods from due date of payment					
		Less than 6 months	6months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables- considered good	8.80	-	7.51	3.06	77.08	96.45

Trade receivables ageing schedule as at 31 March 2021

	Particulars	Outstanding for following periods from due date of payment					
		Less than 6 months	6months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables- considered good	18.51	8.90	89.82	167.09	-	284.32

(*) Details of assets pledged as per note 31

	As at 31 March 2022	As at 31 March 2021
11 Cash and cash equivalents		
Cash on hand	0.12	0.05
Balances with banks (*)		
In current accounts	3.86	16.39
In escrow accounts	42.47	313.66
	46.45	**330.10**

(*) Details of assets pledged as per note 31

12 Other bank balances		
Deposits with maturity for more than 3 months but less than 12 months (*)	6.19	5.91
Deposits with maturity for more than 12 months	51.43	48.25
	57.62	**54.16**
Amount disclosed under non-current assets (refer note 5a)	(51.43)	(48.25)
	6.19	**5.91**

(*) Details of assets pledged as per note 31

13 Equity share capital

	As at 31 March 2022		As at 31 March 2021	
Authorized share capital	**Number**	**Amount**	**Number**	**Amount**
each				
Class A equity shares	1,30,25,000	130.25	1,30,25,000	130.25
Class B equity shares	65,95,000	65.95	65,95,000	65.95
Class C equity shares	25,00,000	25.00	25,00,000	25.00
	2,21,20,000	**221.20**	**2,21,20,000**	**221.20**
Issued, subscribed and fully paid-up shares				
Equity share capital of face value of ₹10 each				
Class A equity shares of ₹10 each	1,30,24,000	130.24	1,30,24,000	130.24
	1,30,24,000	**130.24**	**1,30,24,000**	**130.24**

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

Equity shares	**31 March 2022**		**31 March 2021**	
	Number	**Amount**	**Number**	**Amount**
Class A				
Balance at the beginning of the year	1,30,24,000	130.24	1,30,24,000	130.24
Change during the year	-	-	-	-
Balance at the end of the year	**1,30,24,000**	**130.24**	**1,30,24,000**	**130.24**

b. Terms/rights attached to equity shares

The Company has three class of equity shares, viz. Class A, B and C, having a par value of ₹10 per share. Class A equity shares is having a voting rights of one vote per equity. Class B equity shares having no voting rights but entitled to dividends and with put option for buy back. Class C equity shares has no voting rights but entitled to dividends. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion of their holdings in accordance with the shareholders agreement.

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

	31 March 2022		**31 March 2021**	
Name of equity shareholder	**Number**	**% holding in the class (^)**	**Number**	**% holding in the class (^)**
Class A equity shares				
Shriram Properties Limited (Holding Company) (#)	1,30,24,000	100%	1,30,24,000	100%

(#) (Including 10 shares held by nominee shareholder)

(^) there has been no change in the percentage of shares held by the promoters during the reporting periods

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

The Company has neither issued any bonus shares nor issued shares pursuant to contract without payment being received in cash during five years immediately preceding 31 March 2022.

e. During the financial year 2017-18, 6,593,000 class B equity shares of ₹10 each and 2,490,000 class C equity shares of ₹10 each of were extinguished on buy back by the Company pursuant to special resolution dated 24 November 2017 and vide National Company Law tribunal order dated 26 March 2018.

f. Details of shares holding by promoters

	31 March 2022			**31 March 2021**		
Name	**Number**	**% holding in the class**	**% change during the year**	**Number**	**% holding in the class**	**% change during the year**
Class A equity shares						
Shriram Properties Limited ***(#)***	1,30,24,000	100%	Nil	1,30,24,000	100%	Nil

(#) (Including 10 shares held by nominee shareholder)

14 Other equity	**31 March 2022**	**31 March 2021**
Securities premium	2,523.90	2,523.90
Measurement of below market rate financials liability at fair value **(*)**	58.43	58.43
Deemed capital contribution **(**)**	1,109.54	-
Retained earnings	(2,365.38)	(2,109.92)
	1,326.49	**472.41**

Nature and purpose of reserves

Securities premium

Securities premium reserve is created to record the premium received over and above the face value of shares at the time of issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act 2013.

(*) Represents accounting for corporate guarantee provided by the Holding company

(**) The Company had an outstanding loan balance of ₹ 1,466.62 million payable to Shriram Properties Limited, Holding Company. The loan carried market interest rate of 16% p.a and was repayable on demand. During the year ended 31 March 2022, based on mutual discussion, the Holding Company has approved waiver of the aforesaid outstanding loan balance, including interest charge for the year, and such 'Gain on extinguishment of financial liability' has been treated as 'Capital contribution' directly in equity as it is arising out of transaction with shareholder.

15 Borrowings		
a Non-current		
Term loans (Secured)		
From others (*)	1,510.90	1,800.23
Less: Current maturities for long term borrowings	(1,510.90)	(1,707.71)
	-	**92.52**
b Current		
Secured		
Current maturities for long term borrowings	1,510.90	1,707.71
Unsecured		
Loan from related parties (refer note 37 and 14)	357.08	1,213.01
	1,867.98	**2,920.72**

(*) The Company has applied for rescheduling of loan amounting to ₹ 1,533.65 million outstanding as at 31 March 2021 with one financial institution, LIC Housing Finance Limited, under the “Resolution Framework for COVID-19 related stress” (“the Resolution Framework”) issued by the Reserve Bank of India (“RBI”) on 06 August 2020. Such application was made on 06 October 2020 and acknowledged by lender on 31 December 2020 which is considered to be the ‘date of invocation’ under the Resolution Framework and accordingly, the Company has ceased re-payments to this financial institution after the date of such invocation. Pursuant to such restructuring, an Addendum Sanction Letter with respect to the aforesaid loan has been obtained from the lender in the current year.

15. Borrowings (Continued)

Sl.No	Particulars	Nature of security	Repayment details	Interest rate %	31 March 2022	31 March 2021
Non-current borrowings						
Term loans from others (Secured)						
i)	LIC Housing Finance Limited	a. Equitable mortgage of project land and structure thereon in the project "Shriram Panorama Hills" located at Visakhapatnam, Andhra Pradesh excluding 10% or more area which is mortgaged with a statutory authority as per the laws prevailing in the region. b. Equitable mortgage of land of Bengal Shriram Hitech City Private Limited (Fellow Subsidiary) measuring 37.20 acres situated in Uttarpara, West Bengal including all present and future structures standing thereon. c. Assignment/ hypothecation of the Company's share of receivable in the project "Shriram Panorama"	(i) Repayable in 30 monthly instalments after a moratorium period of 42 months starting October 2018 or ii) after receipt of cumulative sales of ₹ 9,370 million, at least 30% of sale proceeds shall be adjusted towards repayment of principal dues without prepayment charges from all future receivables (Tied or untied)	14.10% to 14.35%	1,225.02	1,533.65
ii)	LIC Housing Finance Limited	a. Second charge on Project land and structure thereon in the project "Shriram Panorama Hills" located at Visakhapatnam, Andhra Pradesh excluding 10% or more area which is mortgaged with a statutory authority (VUDA) as per the law. b. Hypothecation of receivables from project "Shriram Panorama Hills"	Repayable in 48 equated monthly instalments after a moratorium period of 12 months starting April 2021	14%	306.90	304.21
		Unamortised upfront fees on borrowing			(7.90)	(12.83)
		Prepaid gurantee commission premium expense			(13.12)	(24.80)
					1,510.90	**1,800.23**
Current borrowings						
Unsecured loans						
iii)	Shriram Properties Limited	Unsecured	Repayable on demand	16%	357.08	1,213.01
					357.08	**1,213.01**

		31 March 2022	31 March 2021
16	**Lease Liabilities**		
a	**Non-current**		
	Lease liability (refer note 35)	0.50	1.56
		0.50	**1.56**
b	**Current**		
	Lease liability (refer note 35)	1.06	0.88
		1.06	**0.88**

		31 March 2022	31 March 2021
17	**Trade payables**		
	Total outstanding dues of micro and small enterprises (refer note below)	2.13	6.59
	Total outstanding dues to creditors other than to micro enterprises and small enterprises	155.10	353.00
		157.23	**359.59**

Note:
The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSME Act'). Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2022 has been made in the financial statements based on the information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. The disclosures as required under section 22 of MSMED Act, 2006 under the Chapter on Delayed Payments to Micro, Samll and Medium Enterprises is as below:

	Particulars	31 March 2022	31 March 2021
i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
	- Principal	2.13	6.59
	- Interest	2.00	2.00
ii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	2.00	2.00
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 the Act.	-	-

Undisputed trade payables ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	0.45	-	1.22	0.46	2.13
Others	62.83	14.62	49.76	27.88	155.10

Undisputed trade payables ageing schedule as at 31 March 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	0.54	4.90	0.56	0.59	6.59
Others	174.06	118.44	38.85	21.65	353.00

		31 March 2022	31 March 2021
18	**Other financial liabilities**		
a	**Non-current**		
	Security deposits	1.02	1.02
		1.02	**1.02**
b	**Current**		
	Refund due to customers	66.59	72.23
	Corpus and maintenance due to association	9.47	29.79
	Other payables	6.21	5.86
		82.27	**107.88**
19	**Provisions**		
a	**Non-current**		
	Provision for employee benefits		
	Gratuity (refer note 38A)	3.06	3.28
		3.06	**3.28**
b	**Current**		
	Provision for employee benefits		
	Gratuity (refer note 38A)	0.74	0.92
	Compensated absense	1.60	1.69
		2.34	**2.61**
20	**Other current liabilities**		
	Advances received from customers	637.86	1,052.14
	Statutory dues payable	36.14	29.99
	Payable to land owner **(*)**	7.74	23.48
	Other payables **(**)**	240.00	240.00
		921.74	**1,345.61**

(*) Representing the Company's obligation under the joint development agreement

(**) During the year ended 31 March 2016, the Company had proportionately assigned its development right over 2.30 million square feet out of 5.1 million square feet in favour of a third party for a deferred consideration of ₹ 2,800.00 million. The consideration will be settled over the period through cash payment of ₹ 2,560.00 million which has been measured at fair value and the Company will receive 0.10 million square feet of constructed area in lieu of the balance consideration of ₹ 240.00 millions. Built-up area received under the assignment deed is to be transferred to Global Entropolis Asia Private Limited, in terms of joint development agreement (as ammended) between the parties. Accordingly, the Company has reported the liability of ₹ 240.00 million towards this obligation.

	Year ended 31 March 2022	Year ended 31 March 2021
21 Revenue from operations		
Sale of constructed / developed properties	768.09	395.92
Development management fees	96.42	676.75
	864.51	**1,072.67**
22 Other income		
Unwinding of discounting of other receivables	163.96	248.25
Liabilities no longer required written back	0.05	2.21
Gain arising out of modification of financial instrument	2.75	-
Miscellaneous	0.81	0.62
	167.57	**251.08**
23 Material and contract cost		
Material and contract cost	236.25	236.09
	236.25	**236.09**
24 Changes in inventories		
Inventory at the beginning of the year		
Properties held for development	14.86	11.92
Properties under development	1,606.17	1,795.92
Properties held for sale	5.75	15.17
	1,626.78	**1,823.01**
Inventory at the end of the year		
Properties held for development	-	14.86
Properties under development	1,151.24	1,606.17
Properties held for sale	-	5.75
	1,151.24	**1,626.78**
	475.54	**196.23**
25 Employee benefits expense (*)		
Salaries, wages and bonus	22.04	28.81
Contribution to provident fund and other funds (refer note 38B)	1.63	2.06
Gratuity (refer note 38A)	0.65	0.87
Staff welfare expenses	0.95	0.26
	25.27	**32.00**

(*) Includes employee benefit expense inventorised amounting to ₹ 2.02 million (31 March 2021: ₹ 17.62 million).

	Year ended 31 March 2022	Year ended 31 March 2021
26 Finance costs (*)		
Finance expense :		
Interest expense		
- on term loans	228.08	219.66
- on loan from related party (refer note 37)	88.54	173.89
Loan and other processing charges	6.45	6.25
Guarantee commission expense	11.68	11.68
Other borrowing costs	11.51	3.48
	346.26	**414.96**
Finance income :		
Interest income		
- Bank deposits	3.84	3.74
- Unwinding of discount relating to refundable security deposits	1.91	1.14
- Interest income on loan given to related party (refer note 37)	-	9.36
	5.75	**14.24**
Finance costs (net)	**340.51**	**400.72**

(*) Includes finance cost inventorised amounting to ₹ 29.80 million (31 March 2021: ₹ 5.86 million)

	Year ended 31 March 2022	Year ended 31 March 2021
27 Depreciation and amortization		
Depreciation of tangible assets (refer note 2)	1.56	1.77
Amortisation of intangible assets (refer note 3)	0.07	0.08
	1.63	**1.85**

		Year ended 31 March 2022	Year ended 31 March 2021
28 A	**Impairment losses**		
	Provision for expected credit loss on trade receivables	-	10.00
		-	**10.00**
28 B	**Other expenses**		
	Repairs and maintenance to buildings	1.69	1.15
	Legal and professional **(*)**	8.96	4.42
	Travel and conveyance	1.34	1.14
	Rent (refer note 35)	-	0.15
	Rates and taxes	3.70	2.94
	Communication costs	0.60	0.73
	Advertising and sales promotion	1.76	1.43
	Corporate social responsibility	-	2.30
	Compensation paid to customers **(#)**	71.15	69.09
	Loss on modification of financial instruments	-	2.67
	Power and fuel	0.38	0.44
	Printing and stationery	0.40	0.43
	Loss on sale of property, plant and equipment	-	0.01
	Miscellaneous expenses	0.16	0.36
		90.14	**87.25**
(*)	**Payment to auditor (on accrual basis, excluding GST)**		
	As auditor:		
	Statutory audit	1.80	1.80
	Other assurance services	0.15	-
	Reimbursement of expenses	0.06	0.06
		2.01	**1.86**

(#) Represents the compensation liability accrued in accordance with the terms of agreements entered with customer and the provisions of the real estate regulations prevailing in the state of Andhra Pradesh, with respect to delay in delivering the possession of flats to customers.

29 Tax expense

	Year ended 31 March 2022	Year ended 31 March 2021
A. Tax expense comprises of:		
Deferred tax charge	118.37	335.05
Income tax expense reported in the statement of profit and loss	**118.37**	**335.05**

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

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% and the reported tax expense in the statement of profit or loss are as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Accounting profit before income tax	**(137.26)**	**359.61**
Effective tax rate in India, applicable to the company	25.17%	25.17%
Expected tax expense	**(34.55)**	**90.51**
Unrecorded deferred tax asset on carry forward losses and other temporary differences	-	14.87
Tax effect of non-deductible expenses	2.94	0.57
Deferred tax asset charged off due to lack of probability of future taxable profits	149.98	229.10
Income tax expense	**118.37**	**335.05**

30 Earnings per share (EPS)

	Year ended 31 March 2022	Year ended 31 March 2021
Weighted average number of shares outstanding	1,30,24,000	1,30,24,000
Net (loss)/ profit after tax attributable to equity shareholders	(255.63)	24.56
(Loss)/ earnings per share (₹):		
Basic and diluted	(19.63)	1.89
Nominal value - (₹) per equity share	10	10

31 Assets pledged as security

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

	Note	Year ended 31 March 2022	Year ended 31 March 2021
Current			
Financial assets (first charge)			
Trade receivables **(*)**	10	96.45	284.32
Unbilled revenue **(*)**	8b	1,165.25	31.02
Bank balances in current accounts	12	6.19	5.91
Non-financial assets (First charge)			
Inventories	9	1,169.51	1,653.51
Total current assets pledged as securities		**2,437.40**	**1,974.76**
Non-current			
Financial assets (first charge)			
Other financial assets	5a	51.43	48.25
Total non-current assets pledged as security		**51.43**	**48.25**
Total assets pledged as security		**2,488.83**	**2,023.01**

(*) DM fees receivable (billed and unbilled) from Gateway Office Parks Private Limited amounting to ₹ 1,139.23 million (31 March 2021 ₹ 1,098.90 million) is pledged against the loan availed by the Holding company.

32 Financial instruments

Financial instruments by category

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	10	-	-	96.45	96.45	96.45
Loans	4a,4b	-	-	1.54	1.54	1.54
Cash and bank balances	11,12, 5a	-	-	104.07	104.07	104.07
Other financial assets	5b	-	-	2,820.88	2,820.88	2,820.88
Total financial assets		**-**	**-**	**3,022.94**	**3,022.94**	**3,022.94**
Financial liabilities :						
Borrowings	15a, 15b	-	-	1,867.98	1,867.98	1,867.98
Lease liabilities	16a, 16b			1.56	1.56	1.56
Trade payables	17	-	-	157.23	157.23	157.23
Other financial liabilities	18a, 18b	-	-	83.29	83.29	83.29
Total financial liabilities		**-**	**-**	**2,110.06**	**2,110.06**	**2,110.06**

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	10	-	-	284.32	284.32	284.32
Loans and advances	4a,4b	-	-	0.62	0.62	0.62
Cash and bank balances	11,12, 5a	-	-	384.26	384.26	384.26
Other financial assets	5a,5b	-	-	2,738.24	2,738.24	2,738.24
Total financial assets		**-**	**-**	**3,407.44**	**3,407.44**	**3,407.44**
Financial liabilities :						
Borrowings	15a, 15b	-	-	3,013.24	3,013.24	3,013.24
Lease liabilities	16a, 16b			2.44	2.44	2.44
Trade payables	17	-	-	359.59	359.59	359.59
Other financial liabilities	18a, 18b	-	-	108.90	108.90	108.90
Total financial liabilities		**-**	**-**	**3,484.17**	**3,484.17**	**3,484.17**

i. Notes to financial instruments

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

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

ii. Fair value hierarchy

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

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.
Level 2: 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

iii. There are no financial assets and liabilities measured at fair value on a recurring basis as at 31 March 2022 and 31 March 2021.

33 Financial risk management

Financial risk factors

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

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

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

a. Credit risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortized cost and deposits with banks and financial institutions.

Credit risk management

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

i) Low credit risk

ii) High credit risk

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

Asset Group	Description	Provision for expenses credit loss (*)	31 March 2022	31 March 2021
Low credit risk	Cash and cash equivalents, other bank balances an secured trade receivables	Life time expected credit loss	145.99	488.19
High credit risk	Unsecured trade receivables, loans and other financial assets	Life time expected credit loss or fully provided for	2,876.95	2,919.25

(*) 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 2022

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Financial assets			
Loans	1.54	-	1.54
Other financial assets	2,820.88	-	2,820.88
Trade receivables	190.64	94.19	96.45
Cash and cash equivalents	46.45	-	46.45
Bank balances other than above	57.62	-	57.62

31 March 2021

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Financial assets			
Loans	0.62	-	0.62
Other financial assets	2,738.24	-	2,738.24
Trade receivables	346.51	62.19	284.32
Cash and cash equivalents	330.10	-	330.10
Bank balances other than above	54.16	-	54.16

33 Financial risk management (continued)

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. The Company has widespread customer base (also refer note 40).

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

The movement in allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	**31 March 2022**	**31 March 2021**
Opening balance	62.19	74.02
Add: Allowance made	32.00	25.33
Less: Written off	-	(25.61)
Expected credit loss reversed	-	(11.55)
Closing balance	94.19	62.19

b. Liquidity risk

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

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

Maturities of financial liabilities

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

31 March 2022	**Less than 1 year**	**1 years to 5 years**	**5 years and above**	**Total**
Non-derivatives				
Borrowings	1,084.82	1,101.40	-	2,186.22
Lease liabilities	1.20	0.51	-	1.71
Trade payables	123.57	33.66	-	157.23
Other financial liabilities	82.27	1.02	-	83.29
Total	**1,291.87**	**1,136.59**	**-**	**2,428.46**

31 March 2021	**Less than 1 year**	**1 years to 5 years**	**5 years and above**	**Total**
Non-derivatives				
Borrowings	1,712.88	1,863.68	-	3,576.56
Lease liabilities	1.15	1.71	-	2.86
Trade payables	321.84	37.75	-	359.59
Other financial liabilities	107.88	1.02	-	108.90
Total	**2,143.75**	**1,904.16**	**-**	**4,047.91**

c. Interest rate risk

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

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

Variable rate borrowings **(*)**	1,225.02	1,533.65
Fixed rate borrowings	663.98	1,517.22
Total borrowings	**1,889.00**	**3,050.87**

(*) Excludes adjustment of unamortised processing fees and guarantee commission

Interest rate risk

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

Particulars		
Interest rates – increase by 50 basis points (50 bps)	(6.53)	(7.79)
Interest rates – decrease by 50 basis points (50 bps)	6.53	7.79

34 Capital management

The Company's objectives when managing capital are to:

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

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

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

Particulars	31 March 2022	31 March 2021
Non-current borrowings	-	92.52
Current borrowings	1,867.98	2,920.72
Less: Cash and cash equivalents	(46.45)	(330.10)
Less : Bank balances other than cash and cash equivalents	(57.62)	(54.16)
Net debt	**1,763.91**	**2,628.98**
Total equity	1,456.73	602.65
Gearing ratio	1.21	4.36

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

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2022 and 31 March 2021.

35 Leases

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2022 and 31 March 2021

Particulars	ROU asset (Buildings)
Net Block as on 01 April 2020	**0.38**
Additions during the year	2.88
Depreciation for the year	(0.94)
Net block as on 31 March 2021	**2.32**
Additions during the year	-
Depreciation for the year	(0.96)
Net block as on 31 March 2022	**1.36**

The following is the movement in lease liabilities during the year ended 31 March 2022 and 31 March 2021

Particulars	Lease liability
As on 01 April 2020	**0.41**
Additions	2.88
Finance cost accrued during the year	0.22
Payment of lease liabilities	(1.07)
As on 31 March 2021	**2.44**
Additions	-
Finance cost accrued during the year	0.27
Payment of lease liabilities	(1.15)
As on 31 March 2022	**1.56**
Current	1.06
Non-current	0.50

The incremental borrowing rate applied to lease liabilities as at 1 April 2021 is 13%

Lease liabilities:

The maturity analysis of lease liabilities are disclosed below:

Not later than one year	1.20
Later than one year and not later than five year	0.51
Later than five years	-
Less: Future interest expense	(0.15)
Total	**1.56**

The following are the amounts recognised in statement of profit & loss	31 March 2022	31 March 2021
Depreciation expense of right-of-use assets	0.96	0.94
Interest expense on lease liabilities	0.27	0.22
Expense relating to short-term leases	-	0.15
Total amount recognised in profit or loss	**1.23**	**1.31**

36 Contingent liabilities and commitments :	**31 March 2022**	**31 March 2021**
(i) Contingent Liabilities shall be classified as:		
(a) Claims against the Company not acknowledged as debt :		
(i) Demand pertaining to indirect tax matters	13.94	13.94
(ii) Demand pertaining to income tax matters	-	-

I There are various disputes pending with the authorities of service tax and raised a demand of ₹ 545.91 millions. The Company is contesting these demands raised by authorities and are pending at various appellate authorities and deposited ₹ 7.88 million (31 March 2021: ₹ 7.88 million) under protest with tax authorities. Based on the grounds of the appeals and advice of the independent legal counsels, the management believes that there is a strong likelihood of succeeding before the various authorities and in a worst case scenario the outflow will be ₹ 13.94 million. Pending the final decisions on the above matter, no adjustment has been made in these financial statements.

II The Income Tax Authorities have disputed certain allowances claimed by the Company and resultant carry forward of business losses pertaining to different assessment years and also raised a demand of ₹ 20.36 millions. The Company is contesting the adjustments, which are pending before various appellate levels and deposited ₹ 6.56 million (31 March 2021: ₹ 6.56 million) under protest with tax authorities. Based on the advice from independent tax experts and the development on the appeals, the management is confident that loss disallowed will not be sustained on completion of the appellate proceedings and accordingly, pending the decision by the appellate authorities, no provision has been made in these financial statements.

Commitments

I The Company has entered into joint development agreements with owners of land for its construction and development. Under the agreements the Company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

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37 Related party transactions

Names of the related parties and description of relationship

(i)	**Party exercising control**	**Relationship**
	Shriram Properties Limited	Holding company
(ii)	**Key management personnel (KMP)**	
	Murali M	Director
	Vaidyanathan Ramamurthy	Director
	Balaji R	Director
(iii)	**Other related parties**	
	Bengal Shriram Hitech City Private Limited	Fellow subsidiary
	Shriprop Constructors Private Limited	Fellow subsidiary
	SPL Sheltors Private Limited	Fellow subsidiary

(iv) Balances with related parties

Particulars	31 March 2022			31 March 2021		
	Holding Company	Other related parties	KMP's	Holding Company	Other related parties	KMP's
Shriram Properties Limited						
Loan taken	357.08	-	-	1,213.01	-	-
Corporate guarantee received	3,090.00	-	-	3,000.00	-	-
Security given	1,139.23	-	-	1,098.90	-	-
Bengal Shriram Hitech City Private Limited						
Security received	-	585.11	-	-	561.39	-
Balaji R						
Staff advances	-	-	0.04	-	-	0.05

(v) Transactions with related parties during the year

Particulars	31 March 2022			31 March 2021		
	Holding Company	Other related parties	KMP's	Holding Company	Other related parties	KMP's
Balaji R						
Staff advance recovered	-	-	0.01	-	-	-
Shriram Properties Limited						
Loan taken	625.09	-	-	78.53	-	-
Repayment of loan	460.02	-	-	108.78	-	-
Interest expense	88.54	-	-	173.89	-	-
Guarantee commission expense	11.68	-	-	11.68	-	-
Waiver of loan	1,109.54	-	-	-	-	-
Guarantee taken	90.00	-	-	-	-	-
Security given	1,139.23	-	-	-	-	-
SPL Sheltors Private Limited						
Loans given, received back	-	-	-	-	53.54	-
Interest income	-	-	-	-	8.03	-
Shriprop Constructors Private Limited						
Loans given, received back	-	-	-	-	8.84	-
Interest income	-	-	-	-	1.33	-

38A Defined benefit plan

The Company has gratuity and vacation pay as defined benefit retirement plans for its employees. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age. As at 31 March 2022 and 31 March 2021 the plan assets were invested in insurer managed funds.

The following tables set out the funded status of gratuity plans and the amount recognized in Company's financial statements :

		31 March 2022	31 March 2021
		Gratuity	**Gratuity**
1	**The amounts recognized in the Balance Sheet are as follows:**		
	Present value of the obligation as at the end of the year	4.03	4.30
	Fair value of plan assets as at the end of the year	(0.23)	(0.10)
	Net liability recognized in the Balance Sheet	**3.80**	**4.20**
2	**Changes in the present value of defined benefit obligation**		
	Defined benefit obligation as at beginning of the year	4.30	4.95
	Service cost	0.39	0.55
	Interest cost	0.28	0.35
	Actuarial losses/(gains) arising from		
	- change in demographic assumptions	(0.03)	(0.15)
	- change in financial assumptions	(0.05)	(0.18)
	- experience variance (i.e. Actual experiences assumptions)	(0.09)	(1.00)
	Benefits paid	(0.77)	(0.22)
	Defined benefit obligation as at the end of the year	**4.03**	**4.30**
3	**Changes in the fair value of plan assets**	**31 March 2022**	**31 March 2021**
	Fair value as at the beginning of the year	0.10	0.53
	Return on plan assets	0.01	0.03
	Actuarial (losses)/gains	-	(0.24)
	Contributions	0.89	-
	Benefits paid	(0.77)	(0.22)
	Fair value as at the end of the year	**0.23**	**0.10**
	Non-current	3.06	3.28
	Current	0.74	0.92
	Assumptions used in the above valuations are as under:		
	Discount rate	7.35%	7.22%
	Expected return on plan assets	7.22%	7.22%
	Future salary increase	8.00%	8.00%
	Attrition rate	5.00%	5.00%
	Retirement age	60 years	60 years
4	**Net gratuity cost for the year ended 31 March 2022 and year ended 31 March 2021 comprises of following components.**		
		31 March 2022	**31 March 2021**
	Service cost	0.39	0.55
	Net interest cost on the net defined benefit liability	0.26	0.32
	Components of defined benefit costs recognized in Statement of Profit and Loss	**0.65**	**0.87**
5	**Other Comprehensive Income**		
		31 March 2022	**31 March 2021**
	Change in financial assumptions	0.05	0.18
	Experience variance (i.e. Actual experience vs assumptions)	0.09	1.00
	Return on plan assets, excluding amount recognized in net interest expense	-	(0.24)
	Change in demographic assumption	0.03	0.15
	Components of defined benefit costs recognized in other comprehensive income	**0.17**	**1.09**
6	**Experience adjustments**	**31 March 2022**	**31 March 2021**
	Defined benefit obligation as at the end of the year	4.03	4.30
	Plan assets	0.23	0.10
	Surplus	3.80	4.20
	Experience adjustments on plan liabilities	(0.09)	(1.00)
	Experience adjustments on plan assets	-	(0.24)
7	**Maturity Profile of Defined Benefit obligation**	**31 March 2022**	**31 March 2021**
	a) Year (1)	0.31	0.38
	b) Year (2)	0.30	0.19
	c) Year (3)	0.27	0.31
	d) Year (4)	0.26	0.19
	e) Year (5) onwards	8.67	10.26
		9.81	**11.33**

38B Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees State Insurance Scheme as per the Employees' State Insurance Act, 1948. This is a defined contribution and contribution made was ₹1.63 million (31 March 2021 : ₹ 2.06 million).

38C Sensitivity Analysis

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

Interest Rate Risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (for example, increase in the maximum liability on gratuity of ₹ 2 million)

Investment risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment

Asset liability mismatching or market risk: The duration of the liability is longer compared to duration of assets exposing the company to market risks for volatilities/fall in interest rate.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Gratuity	31 March 2022		31 March 2021	
	Decrease	**Increase**	**Decrease**	**Increase**
Discount Rate (+ / - 1%)	9.14%	10.65%	10.00%	11.81%
Salary Growth Rate (- / + 1%)	8.15%	9.27%	9.35%	10.46%
Attrition Rate (+ / - 1%)	0.85%	0.97%	1.19%	1.36%

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There are no changes from the previous year in the methods and assumptions used in preparing the sensitivity analysis.

There is no change in the method of valuation for the prior period.

39 Corporate social responsibility expenses

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

Particulars	Year ended 31 March 2022 (*)	Year ended 31 March 2021
a) Gross amount required to be spent by the Company during the year	-	2.05
b) Amount spent during the year for purposes other than construction/acquisition of any asset		
- Paid	-	2.30
- Yet to be paid	-	-
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	Covid - 19 relief activities	Covid - 19 relief activities

(*) The Company fulfilled the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act.

40 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'.

Major customer:

Revenues from one customer of the Company's business represents approximately ₹ 96.42 million (11.15%) (31 March 2021: ₹ 676.75 million, (63.09%)) of the Company's total revenues.

41 Disclosures mandated under IndAS 115

A. Contract balances

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

Particulars	Year ended 31 March 2022 (*)	Year ended 31 March 2021
Contract assets		
Unbilled revenue	1,165.25	1,034.02
Total contract assets	**1,165.25**	**1,034.02**
Contract liabilities		
Advance from customers	637.86	1,052.14
Payable to land owners	7.74	23.48
Total contract liabilities	**645.60**	**1,075.62**
Receivables		
Trade receivables	96.45	284.32
Total receivables	**96.45**	**284.32**

Contract asset is the right to consideration that is conditional upon factors other than the passage of time. Contract assets are initially recognised for revenue earned from property under development rendered but yet to be billed to customers. Upon billing of invoice, the amounts recognised as contract assets are reclassified to trade receivables.

Contract 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

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	Contract liabilities		Contract liabilities	
	Advances from customers	Payable to land owner	Advances from customers	Payable to land owner
Opening balance	1,052.14	23.48	1,347.25	48.93
Addition during the year	337.07	-	73.74	-
Revenue recognised during the year	(751.35)	(15.74)	(368.85)	(25.45)
Closing balance	**637.86**	**7.74**	**1,052.14**	**23.48**

C. Reconciliation of revenue recognised with contract revenue:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Contract revenue	864.51	1,072.67
Revenue recognised	**864.51**	**1,072.67**

D. The performance obligation of the Company in case of sale of residential apartments, villas and commercial office space is satisfied once the project is completed and control is transferred to the customers. The customer makes the payment for contracted price as per the instalment stipulated in the customers' Agreement. The transaction price of the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2022 is ₹ 684.70 million (31 March 2021 : ₹ 1,773.75) million. The same is expected to be recognised within 1 to 4 years.

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

Particulars	Unbilled Revenue	
	Year ended 31 March 2022	Year ended 31 March 2021
Opening balance	1,034.02	301.66
Revenue recognised from sale of constructed properties	1.00	1.62
Development Management income recognied	96.42	676.75
Unwinding of unbilled revenue	33.92	56.79
Amount billed during current year	(0.11)	(2.80)
Closing Balance	**1,165.25**	**1,034.02**

42 Material reclassifications

Particulars	31 March 2021 (reported)	Reclassifications	31 March 2021 (reclassified)
Assets			
Other financial assets (Current)	1,197.82	1,003.00	2,200.82
Other current assets (Current)	1,193.03	(1,004.62)	188.41
	2,390.85	**(1.62)**	**2,389.23**
Liabilities			
Borrowings (Non-current)	1,540.29	(1,447.77)	92.52
Lease liabilities (Non-current)	-	1.56	1.56
Other financial liabilities (Non-current)	2.58	(1.56)	1.02
Borrowings (Current)	1,213.01	1,707.71	2,920.72
Lease liabilities (Current)	-	0.88	0.88
Trade payables	349.30	10.29	359.59
Other financial liabilities (Current)	379.00	(271.12)	107.88
Other current liabilities	1,347.23	(1.62)	1,345.61
	4,831.41	**(1.63)**	**4,829.78**

43 Ratios required as per Schedule III requirements

Description	Numerator	Denominator	31 March 2022	31 March 2021	% variance	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.44	0.98	46.05%	Refer note a
Debt Equity ratio	Total Debt	Shareholder's fund	1.28	5.00	(74.35)%	Refer note b
Debt Service Coverage ratio	Earnings available for debt service (Net Profit after taxes+Interest+Non cash operating expenses+other adjustments)	Debt service (Interest and lease payments + Principal repayments)	(0.07)	(2.08)	(96.64)%	Refer note c
Return on Equity	Net profit after taxes	Average shareholder's Equity	(0.25)	0.04	(696.20)%	Refer note c
Inventory Turnover ratio	Cost of revenue	Average Inventory	0.48	0.25	(90.49)%	Refer note d
Trade Recievables Turnover Ratio	Revenue from operations	Average trade receivables	4.54	3.12	(45.46)%	Refer note e
Trade payables Turnover Ratio	Material and contract cost	Average trade Payables	0.91	0.70	(30.03)%	Refer note f
Net Capital Turnover Ratio	Revenue from operations	Working capital (Current assets - Current liabilities)	0.65	(13.72)	104.76%	Refer note a
Net Profit Ratio	Net profit after taxes	Revenue from operations	(0.30)	0.02	1391.43%	Refer note c
Return on Capital Employed	EBIT	Capital employed (Net worth + Total Debt - Deferred tax asset)	0.01	0.15	92.12%	Refer note c

Notes:

a. Improvement in current ratio and net capital turnover ratio are on account of decrease in current liabilities pursuant to waiver of loan by holding company in the current year. Refer note 14.

b. Variance in debt equity ratio is majorly on account of decrease in borrowing pursuant to waiver of loan by holding company in the current year and decrease in loan taken from LICHFL pursuant to repayments during the year.

c. Decrease in debt service coverage ratio, return on equity ratio, net profit ratio and return on capital employed are on account of higher profit earned in previous year pursuant to recognition of development management income which with high gross margin.

d. Variance is on account of recognition of revenue from block-II with corresponding recognition of cost of revenue. As the Company is solely developing the project Shriram Panorama, with revenue recognition over the period, there is a decrease in average inventory.

e. Variance is on account of reduction in receivable on account of collections and compensation adjustments during the year. Further, there is a decrease in revenue as compared to the previous year due to recognition of higher development management revenue in previous year.

f. Varaince is on account of decrease in trade payables during the current year

44 <u>Other statutory information</u>

(i) The Company has neither advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) , including foreign entities (Intermediaries) nor received with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(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.

45 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2022 and the date of authorization of these financial statements.

As per our report of even date attached

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

Sd/-
Nikhil Vaid
Partner
Membership No.: 213356

Hyderabad
28 May 2022

For and on behalf of the Board of Directors of
Global Entropolis (Vizag) Private Limited

Sd/-	Sd/-	Sd/-
M Murali	**Balaji R**	**D Srinivasan**
Director	Chief Financial Officer and Director	Company Secretary
DIN: 00030096	DIN: 07831896	FCS No.: F5550
Bengaluru	Bengaluru	Bengaluru
28 May 2022	28 May 2022	28 May 2022