

SHRIPROP PROJECTS PRIVATE LIMITED

[CIN: U45202KA2008PTC046145]

[Email: cs.spl@shriramproperties.com]

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

BOARDS' REPORT

To the Members,

Your Directors have pleasure in presenting the 16th Annual Report of the Company on the business and operations of the Company, together with the Audited Financial Statements for the year ended March 31, 2024.

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

(All amounts in ₹ Lakhs, unless otherwise stated)

	2023-24	2022-23
Revenue from operations	5,746.52	26,253.88
Other Income	326.18	284.28
Total Income	6,072.70	26,538.16
Total Expenditure	5,996.99	26,726.87
Profit before tax/(Loss)	75.71	(188.71)
Provision for taxation	-	-
MAT Credit Entitlement	-	-
Add/ (Less): Deferred Tax	(219.41)	-
Profit after tax & extraordinary items/(Loss)	410.00	(188.71)

State of Company Affairs

Shriprop Projects Private Limited being a Company engaged in the real estate business. The Company having a revenue generating projects and the details of the business operations of the Company as given below;

Review of Operations and overview

The Company has a turnover of Rs. 5,746.52 Lakhs as on March 31, 2024 and has made a profit of Rs. 410 Lakhs, when compared to previous year the turnover of Rs. 26,253.88 Lakhs and made a Loss of Rs. 188.71 Lakhs.

2. DIVIDEND:

The Board of Directors of your Company has decided that it would be prudent, not to recommend any Dividend for the financial year 2023-2024.

3. TRANSFER TO RESERVES:

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

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

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

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

There have been no material changes and commitments affecting the financial position of your Company which has occurred between March 31, 2024, and the date of this Board's Report.

6. WEBSITE DISCLOSURE OF ANNUAL RETURN:

Since the Company does not have a website, the requirement of placing the copy of the annual return on the website of the Company and providing the web-link for the same is not applicable to the Company during the reporting period.

7. NATURE OF BUSINESS ACTIVITIES AND CHANGES THEREOF:

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

8. CHANGES IN SHARE CAPITAL:

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

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

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

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

9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

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

10. DEPOSITS:

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

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

Prof. R Vaidyanathan was regularised as an Independent Directors of the Company with the approval of the shareholders at the annual general meeting held on September 30, 2023.

12. DIRECTORS RETIRING BY ROTATION:

During the year, Mr. K. R. Ramesh retires by rotation and Mr. K. R. Ramesh, being eligible has offered himself for re-appointment. The Board recommends his re-appointment as Director of the Company as set out in the notice calling Annual General Meeting.

13. MEETINGS OF THE BOARD OF DIRECTORS:

There were 7 (Seven) Meetings of the Board of Directors held during the Financial Year 2023-24 i.e., on May 09, 2023, May 29 2023, June 21, 2023, August 14, 2023, October 18, 2023, November 10, 2023 and February 14, 2024 in compliance with the requirements of the Companies Act, 2013 & SS - 1 (Secretarial Standards on Board Meetings) issued by The Institute of Company Secretaries of India (ICSI).

14. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures, wherever applicable;
- b) the directors had selected such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the losses of the Company for the year ended on that date;

- c) the directors have taken proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts of the Company have been prepared on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. REMUNERATION OF DIRECTORS AND EMPLOYEES OF COMPANIES:

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

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

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

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

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

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

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

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

19. CORPORATE SOCIAL RESPONSIBILITY:

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

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

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

(A) CONSERVATION OF ENERGY;

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

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

The Company does not have any internal generation of power (captive, surplus or otherwise) and the amount spent during the financial year 2023-24 is Nil.

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

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

(iii) Capital investment on energy conservation equipment:

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

(B) TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

(i) The efforts made towards technology absorption:

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

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

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

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

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

(iv) The expenditure incurred on Research and Development:

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

(C) FOREIGN EXCHANGE EARNINGS / OUTGO

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

(in INR)

Particulars	As on 31.03.2024	As on 31.03.2023
Income in Foreign Currency	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil

21. INTERNAL FINANCIAL CONTROL:

The Company has in place the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's Policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

22. STATUTORY AUDITORS:

M/s. Walker Chandiook & Co LLP (Firm Registration No. 001076N/N500013) were appointed as Joint Statutory Auditors of the Company for a period of 5 years at the annual general meeting held in the year 2022 to hold office till the conclusion of Annual General Meeting to be held in the year 2027.

M/s. Abarna & Ananthan, Chartered Accountants, Bangalore (Firm Registration Number 000003S) were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on August 16, 2019, to hold office till the conclusion of the Annual General Meeting to be held for the financial year 2023-24.

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their report on Financial Statements for the Financial Year ended March 31, 2024.

23. FRAUD REPORTING:

During the Financial Year 2023-24, the Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company pursuant to provisions of Section 143(12) of the Companies Act, 2013.

24. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

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

25. SECRETARIAL STANDARDS:

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

26. MAINTENANCE OF COST RECORDS:

During the Financial Year 2023-24, the Company was not required to maintain any cost records and to appoint any Cost Auditor as Section 148(1) of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014 were not applicable to the Company.

27. RISK MANAGEMENT POLICY:

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

28. ADDITIONAL INFORMATION:

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

29. ACKNOWLEDGMENTS:

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

For and on behalf of Shriprop Projects Private Limited

Date: August 14, 2024

Place: Bengaluru

Sd/-
Rajesh Yashwant Shirwatkar

Director
DIN: 02882293

Sd/-
K R Ramesh

Director
DIN: 02058969

Independent Auditor's Report

To the Members of Shriprop Projects Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Shriprop Projects Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information 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 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

Our opinion on the financial statements does not cover the other information and we 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 Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - c) The financial statements dealt with by this report agree 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 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and
 - h) 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 33 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
 - 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 2024;
 - 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 2024;
 - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 40 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

SHRIPROP PROJECTS PRIVATE LIMITED
 Regd. Off: No. 31, 2nd Main Road, T. Chowdaiah Road, Sadashivanagar, Bengaluru-560080.
 CIN: U45202KA2008PTC046145
 Email ID: companysecretary@shriramproperties.com
 Ph. No.080-4022 9999

Balance Sheet as at 31 March 2024
 (All amounts in ₹ lakhs, unless otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	8.38	20.14
(b) Financial assets			
(i) Other financial assets	3	0.25	0.25
(c) Deferred tax asset	4	219.41	-
(d) Non-current tax assets (net)	5	372.33	287.25
Total non-current assets		600.37	307.64
Current assets			
(a) Inventories	6	3,428.82	6,437.46
(b) Financial assets			
(i) Investments	7	74.81	69.70
(ii) Trade receivables	8	200.41	236.65
(iii) Cash and cash equivalents	9	850.66	380.84
(iv) Loans	10	2,332.74	1,477.89
(v) Other financial assets	11	10.44	703.13
(c) Other current assets	12	377.19	1,219.84
Total current assets		7,275.07	10,525.51
Total assets		7,875.44	10,833.15
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	1.00	1.00
(b) Other equity	14	49.19	(360.81)
Total equity		50.19	(359.81)
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	1,965.00	2,840.56
(ii) Trade payables	16		
(a) Total outstanding dues of micro and small enterprises		180.32	149.30
(b) Total outstanding dues of creditors other than (ii) (a) above		773.58	1,180.28
(iii) Other financial liabilities	17	451.44	309.03
(b) Current tax liabilities (net)	18	0.13	115.01
(c) Other current liabilities	19	4,454.78	6,598.78
Total current liabilities		7,825.25	11,192.96
Total equity and liabilities		7,875.44	10,833.15

Summary of material 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
 29 May 2024

For Abarna & Ananthan

Chartered Accountants
 Firm's Registration No.: 000003S
 sd/-

Dheeraj M

Partner
 Membership No.: 234705
 Bengaluru
 29 May 2024

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

VG

Rajesh Y Shirwatkar

Director
 DIN: 02882293

Bengaluru
 29 May 2024

VG

K.R. Ramesh

Director
 DIN: 02058969

Bengaluru
 29 May 2024

Shriprop Projects Private Limited
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

	Note	Year ended 31 March 2024	Year ended 31 March 2023
Revenue			
Revenue from operations	20	5,746.52	26,253.88
Other income	21	326.18	284.28
Total income		6,072.70	26,538.16
Expenses			
Material and contract cost		1,788.63	3,189.02
Changes in inventories	22	3,008.64	22,069.09
Finance costs	23	405.20	676.82
Depreciation expense	2	5.56	5.17
Impairment losses	24	410.92	321.74
Other expenses	25	378.04	465.03
Total expenses		5,996.99	26,726.87
Profit/ (loss) before tax		75.71	(188.71)
Tax expense/ (credit)	26		
Current tax		0.13	-
Prior year tax reversal		(115.01)	-
Deferred tax credit		(219.41)	-
Profit/ (loss) after tax		410.00	(188.71)
Other comprehensive income		-	-
Total comprehensive income/ (loss) for the year		410.00	(188.71)
Earnings/ (loss) per equity share	27		
Basic (₹)		4,100.00	(1,887.00)
Diluted (₹)		4,100.00	(1,887.00)

Summary of material accounting policies

1.2

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

As per our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

sd/-

Nikhil Vaid

Partner

Membership No.: 213356

Hyderabad

29 May 2024

For Abarna & Ananthan

Chartered Accountants

Firm's Registration No.: 000003S

sd/-

Dheeraj M

Partner

Membership No.: 234705

Bengaluru

29 May 2024

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

sd/-

sd/-

Rajesh Y Shirwatkar

Director

DIN: 02882293

Bengaluru

29 May 2024

K.R. Ramesh

Director

DIN: 02058969

Bengaluru

29 May 2024

Shriprop Projects Private Limited
Statement of Cash Flows for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
A. Cash flow from operating activities		
Profit/(loss) before tax	75.71	(188.71)
Adjustments to reconcile loss before tax to net cash flows		
Interest income	(229.19)	(6.67)
Profit on sale of property, plant and equipment	-	(67.87)
Gain arising from financial instruments designated as FVTPL	(5.11)	(2.32)
Profit on sale of mutual funds	(0.51)	-
Depreciation expense	5.56	5.17
Finance costs	405.20	676.82
Impairment losses	410.92	321.74
Loss on retirement of assets	6.09	-
Operating profit before working capital changes	668.67	738.16
Working capital adjustments:		
Decrease in inventories	3,008.64	22,068.99
Decrease in trade receivables	36.24	703.56
Decrease in loans and other assets	1,499.74	900.10
(Decrease)/ Increase in trade payables	(375.68)	155.70
(Decrease)/ Increase in other liabilities	(2,376.91)	(21,743.30)
Cash flow generated from operations	2,460.70	2,823.21
Income tax paid (net)	(85.08)	(232.10)
Net cash flow generated from operating activities	2,375.62	2,591.11
B. Cash flows from investing activities		
Purchase of property, plant and equipment	-	(2.90)
Proceeds from sale of property, plant and equipment	0.11	81.80
Loan to related parties	(858.93)	(257.90)
Recovery of loan given/ (loan given to) body corporates	233.27	(1,220.00)
Interest income received	-	6.70
Purchase of mutual funds	(150.00)	(67.38)
Proceeds from sale of mutual funds	150.51	-
Net cash flow (used in) investing activities	(625.04)	(1,459.68)
C. Cash flows from financing activities		
Proceeds from borrowings	-	3,300.00
Repayment of borrowings	(872.35)	(347.80)
Redemption of non-convertible debentures	-	(3,500.00)
Finance cost paid	(408.41)	(698.29)
Net cash flow (used in) financing activities	(1,280.76)	(1,246.09)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	469.82	(114.66)
Cash and cash equivalents at the beginning of the year	380.84	495.50
Cash and cash equivalents at the end of the year (Refer Note 9)	850.66	380.84

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

Particulars	As at 31 March 2023	Cash flow	Non cash changes	As at 31 March 2024
			Accrued interest & amortisation of transaction cost	
Term loan from others	2,840.56	(872.35)	(3.21)	1,965.00
Total	2,840.56	(872.35)	(3.21)	1,965.00

Particulars	As at 1 April 2022	Cash flow	Non cash changes	As at 31 March 2023
			Accrued interest & amortisation of transaction cost	
Non-Convertible debentures	3,378.70	(3,500.00)	121.30	-
Term loan from others	-	2,952.20	(111.64)	2,840.56
Total	3,378.70	(547.80)	9.66	2,840.56

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
29 May 2024

For Abarna & Ananthan
Chartered Accountants
Firm's Registration No.: 000003S
sd/-
Dheeraj M
Partner
Membership No.: 234705
Bengaluru
29 May 2024

**For and on behalf of the Board of Directors of
Shriprop Projects Private Limited**
sd/-
sd/-
Rajesh Y Shirwatkar
Director
DIN: 02882293
Bengaluru
29 May 2024
K.R. Ramesh
Director
DIN: 02058969
Bengaluru
29 May 2024

Shriprop Projects Private Limited
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 01 April 2022	1.00
Changes in equity share capital during the year	-
Balance as at 31 March 2023	1.00
Changes in equity share capital during the year	-
Balance as at 31 March 2024	1.00

B. Other equity

Particulars	Reserves and surplus			Total
	Measurement of below market rate financial instruments at fair value (*)	Deemed capital contribution (^)	Retained Earnings	
Balance as at 01 April 2022	62.52	645.98	(880.60)	(172.10)
Loss for the year	-	-	(188.71)	(188.71)
Balance as at 31 March 2023	62.52	645.98	(1069.31)	(360.81)
Profit for the year	-	-	410.00	410.00
Balance as at 31 March 2024	62.52	645.98	(659.31)	49.19

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

(^) Represents the waiver of loan by the Holding company. Refer note 14

As per our report of even date

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013
sd/-
Nikhil Vaid
Partner
Membership No.: 213356
Hyderabad
29 May 2024

For Abarna & Ananthan
Chartered Accountants
Firm registration number: 000003S
sd/-
Dheeraj M
Partner
Membership No.: 234705
Bengaluru
29 May 2024

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

sd/-
Rajesh Y Shirwatkar
Director
DIN: 02882293
Bengaluru
29 May 2024

sd/-
K.R. Ramesh
Director
DIN: 02058969
Bengaluru
29 May 2024

Shriprop Projects Private Limited

Summary of material accounting policies and other explanatory information

1 Company overview and material accounting policies

1.1 Company overview

Shriprop Projects Private Limited ('the Company'), was incorporated on 21 April 2008. The registered office of the Company is located at No. 31, 2nd Main Road, T.Chowdaiah Road, Sadashivanagar, Bengaluru- 560080, India. The Company is engaged in the business of construction, development and sale of all or any part of housing projects, and other related activities. The Company is a wholly owned subsidiary of Shriram Properties Limited.

1.2 Material accounting policies

a. Statement of compliance

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

The financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 29 May 2024.

b. Basis of preparation of financial statements

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

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, 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 accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2024.

e. Current versus non-current classification

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

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

- Expected to be realized or intended to 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.

Shriprop Projects Private Limited

Summary of material accounting policies and other explanatory information

f. Foreign currency transactions

Functional and presentation currency

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

(a) Initial recognition

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

(b) Conversion

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

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

g. 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 transaction price, 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, unless:

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

Revenue from contracts with customers

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

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

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

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

Others

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

The Company recognises revenue from consultancy services when the significant terms of the agreement are enforceable, services have been delivered and the collectability is reasonably assured.

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.

Contract balances

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

h. Inventories

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.

Shriprop Projects Private Limited

Summary of material accounting policies and other explanatory information

i. Property, Plant and Equipment (PPE)

Recognition and initial measurement

Property, 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
Shuttering material	3 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.

j. 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.

k. 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.

l. 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.

m. 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.

Shriprop Projects Private Limited

Summary of material accounting policies and other explanatory information

n. 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.

o. Financial instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

Debt Instruments

Debt instruments at amortized cost

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

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

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

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

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

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

Equity investments

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

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

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

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

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

De-recognition of financial assets

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

p. 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.

q. Financial guarantee contracts

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

r. 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.

s. 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.

t. 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.

u. 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.

1.3 Significant judgements and estimates in applying accounting policies

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

Shriprop Projects Private Limited**Summary of material accounting policies and other explanatory information (continued)**

(All amounts in ₹ lakhs, unless otherwise stated)

2 Property, plant and equipment

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

Particulars	Office equipments	Vehicles	Shuttering material (*)	Computers	Total
Gross carrying amount					
At 01 April 2022	3.27	39.66	202.00	0.86	245.79
Additions	2.91	-	-	-	2.91
Disposals	-	-	(189.30)	-	(189.30)
At 31 March 2023	6.18	39.66	12.70	0.86	59.40
Additions	-	-	-	-	-
Disposals	-	-	(12.70)	-	(12.70)
At 31 March 2024	6.18	39.66	-	0.86	46.70
Accumulated depreciation					
Upto 01 April 2022	3.16	23.57	181.87	0.86	209.46
Charge for the year	0.24	4.93	-	-	5.17
Adjustments for disposals	-	-	(175.37)	-	(175.37)
Upto 31 March 2023	3.40	28.50	6.50	0.86	39.26
Charge for the year	0.56	5.00	-	-	5.56
Adjustments for disposals	-	-	(6.50)	-	(6.50)
Upto 31 March 2024	3.96	33.50	-	0.86	38.32
Carrying amount (net)					
At 31 March 2023	2.78	11.16	6.20	-	20.14
At 31 March 2024	2.22	6.16	-	-	8.38

Note**a. Contractual obligations**

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

b. Capitalized borrowing cost

There are no borrowing costs capitalized during the years ended 31 March 2024 and 31 March 2023.

c. Property, plant and equipment pledged as security

There is no property, plant and equipment pledged as security at the balance sheet date.

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

Shriprop Projects Private Limited
Summary of material accounting policies and other explanatory information (continued)
(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
3 Other financial assets		
Non-current		
(Unsecured, considered good)		
Security deposits	0.25	0.25
	0.25	0.25
4 Deferred tax asset		
Deferred tax asset arising on account of		
Carry forward business losses	219.41	-
	219.41	-

Movement in deferred tax assets

Particulars	As at 31 March 2023	Recognised in OCI	Recognised in profit and loss	As at 31 March 2024
Carry forward business losses	-	-	219.41	219.41
	-	-	219.41	219.41

	As at 31 March 2024	As at 31 March 2023
5 Non-current tax assets (net)		
Advance tax, net of provision for income tax	372.33	287.25
	372.33	287.25
6 Inventories (*)		
(Valued at cost or Net realisable value, whichever is lower)		
Properties under development	2,625.19	1,985.86
Properties held for sale	803.63	4,451.60
	3,428.82	6,437.46

(*) Details of assets pledged are as per note no.28

7 Investments (*)

Current

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

Investment in mutual fund

217,837 units (31 March 2023: 217,837) in Aditya Birla Sunlife Medium Term Plan - Growth Regular

74.81

69.70

74.81

69.70

Aggregate amount of quoted investments and market value thereof

74.81

69.70

Aggregate amount of unquoted investments

-

-

Aggregate amount of impairment in value of investments

-

-

(*) Details of assets pledged are as per note no.28

8 Trade receivables (*)

Trade receivables

200.41

236.65

200.41

236.65

Break up of security details

Trade receivables considered good - secured

151.33

116.45

Trade receivables considered good - unsecured

49.08

120.20

200.41

236.65

(*) Details of assets pledged are as per note no.28

Trade receivables ageing as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	133.66	22.63	40.75	3.37	-	200.41

Trade receivables ageing as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	91.48	49.45	84.24	11.48	-	236.65

Shriprop Projects Private Limited

Summary of material accounting policies and other explanatory information (continued)

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023		
9 Cash and cash equivalents				
Cash on hand	4.99	5.37		
Balances with banks (*)				
In escrow accounts	15.58	39.44		
In current accounts	730.09	336.03		
Deposits with original maturity of less than three months	100.00	-		
	850.66	380.84		
(*) Details of assets pledged are as per note no.28				
Note:				
The Company had no undrawn committed borrowing facilities as at 31 March 2023 and 31 March 2024.				
10 Loans				
Current				
Loan to related parties (refer note 36)	1,116.82	257.89		
Loan to body corporates	1,215.92	1,220.00		
	2,332.74	1,477.89		
Details of loans - unsecured				
Loan receivables considered good	2,332.74	1,477.89		
	2,332.74	1,477.89		
Loans and advances to Directors / KMP / Related parties repayable on demand:				
	As at 31 March 2024	As at 31 March 2023		
Type of borrower	Amount outstanding	Percentage of total	Amount outstanding	Percentage of total
Promoter	1,116.82	47.88%	257.89	17.45%
	1,116.82	47.88%	257.89	17.45%
			As at	As at
			31 March 2024	31 March 2023
11 Other financial assets				
Current				
(Unsecured, considered good)				
Refundable deposit to land owner			-	1,000.00
Other receivables			10.44	3.13
			10.44	1,003.13
Less: Provision for expected credit loss			-	(300.00)
			10.44	703.13
12 Other current assets				
Advances for purchase of goods and rendering services			109.08	664.53
Unbilled revenue			97.35	314.68
Balance with government authorities			-	74.30
Prepaid expenses			170.76	166.33
			377.19	1,219.84

Shriprop Projects Private Limited
Summary of material accounting policies and other explanatory information (continued)
(All amounts in ₹ lakhs, unless otherwise stated)

13 Equity share capital	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Authorized share capital				
Equity shares of ₹ 10 each	10,000	1.00	10,000	1.00
	10,000	1.00	10,000	1.00
Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 10 each	10,000	1.00	10,000	1.00
	10,000	1.00	10,000	1.00

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

Equity shares	31 March 2024		31 March 2023	
	Number	Amount	Number	Amount
Balance at the beginning of the year	10,000	1.00	10,000	1.00
Add: Changes during the year	-	-	-	-
Balance at the end of the year	10,000	1.00	10,000	1.00

b. Rights attached to equity shares

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

c. Details of shareholder holding more than 5% share capital and shares held the Holding company and promoters

Name of equity shareholder	31 March 2024		31 March 2023	
	Number	% of holding(*)	Number	% of holding(*)
Shriram Properties Limited (Holding Company and Promoter) (^)	10,000	100%	10,000	100%

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

(*) 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 five years immediately preceding the reporting date

The Company has neither issued any bonus shares or shares without consideration other than cash nor there has been any buy back of shares during five years immediately preceding year 31 March 2024. The Company does not have any shares reserved for issue under options.

14 Other equity	As at	As at
	31 March 2024	31 March 2023
Measurement of below market rate financial instruments at fair value	62.52	62.52
Deemed capital contribution	645.98	645.98
Retained earnings	(659.31)	(1,069.31)
	49.19	(360.81)

Nature of reserves
(a) Measurement of below market rate financial instruments at fair value

Represents accounting for corporate guarantee provided by the Holding company

(b) Deemed capital contribution

During the financial year ended 31 March 2022, the Company had an outstanding loan balance of ₹ 645.98 lakhs payable to Shriram Properties Limited, Holding Company. The loan carried market interest rate of 15% p.a and was repayable on demand. Based on mutual discussion, the Holding Company had approved waiver of the aforesaid outstanding loan balance, including outstanding interest, and such 'Gain on extinguishment of financial liability' has been treated as 'Deemed Capital Contribution' and recorded directly in the equity as it is arising out of transaction with shareholders.

(c) Retained earnings

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

15 Borrowings	As at	As at
	31 March 2024	31 March 2023
Current		
Term loans (Secured)		
From financial institutions	1,965.00	2,840.56
	1,965.00	2,840.56

Note:

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

Shriprop Projects Private Limited
Summary of material accounting policies and other explanatory information (continued)
(All amounts in ₹ lakhs, unless otherwise stated)

15 Borrowings (continued)
Disclosure of Security

SI.No	Particulars	Nature of security	Repayment details	Effective interest rate	31 March 2024	31 March 2023
Current borrowings						
1	Term loan from Others Arka Fincap Limited	a) First and exclusive charge over land and buildings & structures thereon and hypothecation of receivables from the project 'Southern crest' located at Bengaluru, Karnataka. b) First exclusive charge by way of mortgage by deposit of title deeds (and registration thereof) on 10 acres of the land of Bengal Shriram Hitech City Private Limited, Uttarpara, West Bengal. c) Corporate Guarantee of Bengal Shriram Hitech City Private Limited, Fellow subsidiary company.	12 Quarters from the date of first draw down, i.e. 22 September 2022 after a moratorium period of 2 quarters from the date of first disbursement	12.25% - 12.85%	2,079.85	2,952.20
	Unamortised loan processing fees				(114.85)	(111.64)
					1,965.00	2,840.56

Shriprop Projects Private Limited

Summary of material accounting policies and other explanatory information (continued)

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
16 Trade payables		
Total outstanding due of micro enterprises and small enterprises (refer note below)	180.32	149.30
Total outstanding due of creditors other than micro enterprises and small enterprises	773.58	1,180.28
	953.90	1,329.58

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

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

Particulars	31 March 2024	31 March 2023
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; (#)		
- Principal	189.96	162.95
- Interest	2.85	2.65
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	2.85	2.65
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

(#) Includes the amounts reported in note 16 and 17 to the financial statements

Trade Payables ageing schedule:

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024						
MSME	-	179.18	0.18	0.96	-	180.32
Others	311.41	132.67	185.29	0.56	143.65	773.58
As at 31 March 2023						
MSME	-	148.34	0.96	-	-	149.30
Others	402.82	630.53	3.28	143.65	-	1,180.28

	As at 31 March 2024	As at 31 March 2023
17 Other financial liabilities		
Current		
Payable to Land owner	185.94	153.67
Refund due to customers	13.60	45.35
Other payables (^)	251.90	110.01
	451.44	309.03

(^*) Includes ₹ 12.49 lakhs (31 March 2023: ₹ 16.30 lakhs) towards payable to Micro and Small Enterprises

18 Current tax liabilities (net)		
Provision for income tax, net of advance tax and tax deducted at source	0.13	115.01
	0.13	115.01

19 Other current liabilities		
Revenue received in advance	4,103.87	5,636.82
Others		
Statutory dues payable	26.79	16.11
Payable to land owner (*)	324.12	945.85
	4,454.78	6,598.78

(*) Pertains to obligation to land owners under joint development arrangement

Shriprop Projects Private Limited

Summary of material accounting policies and other explanatory information (continued)

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
20 Revenue from operations (\$)		
a Sale of constructed / developed properties	5,653.02	26,205.13
b Other operating income		
Transfer fees	8.57	21.86
Holding charges	1.88	21.49
Cancellation charges	83.05	5.40
	93.50	48.75
	5,746.52	26,253.88
(\$) Disaggregated revenue information		
- Revenue recognised at a point of time	93.50	48.75
- Revenue recognised over a period of time	5,653.02	26,205.13
	5,746.52	26,253.88
21 Other income		
Interest income on		
- loan given to body corporates	229.19	6.67
Gain arising from financial instruments designated as FVTPL	5.11	2.32
Profit on sale of property, plant and equipment	-	67.87
Commission income	83.03	207.42
Profits on sale of mutual funds	0.51	-
Miscellaneous income	8.34	-
	326.18	284.28
22 Changes in inventories		
Inventory at the beginning of the year	6,437.46	28,506.55
Inventory at the end of the year	3,428.82	6,437.46
	3,008.64	22,069.09
23 Finance costs (*)		
Finance expense:		
Interest expense		
- term loans	321.47	209.09
- on non-convertible debentures	-	276.26
- on others	0.25	-
Interest on MSME (refer note 16)	0.20	0.75
Loan processing charges	83.28	145.44
Loan foreclosure charges	-	35.00
Guarantee commission expense (refer note 36)	-	41.36
	405.20	707.90
Finance income:		
Unwinding of discount relating to refundable security deposits	-	31.08
	-	31.08
Finance cost (net)	405.20	676.82
(*) Includes finance costs inventorized during the year ended 31 March 2024 amounting to ₹ 324.78 lakhs (31 March 2023: ₹ 569.02 lakhs)		
24 Impairment losses		
Impairment losses in the value of		
Refundable security deposit given to land owner	-	300.00
Unbilled revenue and receivables from land owner	396.36	-
Others	14.56	21.74
	410.92	321.74

Shriprop Projects Private Limited

Summary of material accounting policies and other explanatory information (continued)

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
25 Other expenses (*)		
Rent	4.80	7.20
Legal and professional charges (^)	62.38	67.02
Power and fuel expenses	14.06	44.86
Printing and stationery	0.67	0.84
Rates and taxes	144.51	4.50
Repairs and maintenance	5.87	15.53
Advertisement and sales promotion expenses (refer note 36)	110.36	192.45
Insurance expenses	8.28	7.09
Communication expenses	0.10	-
Manpower supply charges	6.03	60.61
Security expenses	1.45	23.91
Loss on retirement of assets	6.09	-
Miscellaneous expenses	13.44	41.02
	378.04	465.03
(*) Includes expenses inventorised amounting to ₹ 31.87 lakhs (31 March 2023: ₹ 142.43 lakhs) during the year ended 31 March 2024.		
(^) Payment to auditor (on accrual basis, excluding GST) [included in legal and professional charges]		
As Auditor		
- Statutory audit fee	8.10	7.00
- Reimbursement of expenses	0.20	0.20
	8.30	7.20
26 Income tax		
A. Tax expense/ (credit) comprises of:		
Current tax	0.13	-
Prior year tax reversal	(115.01)	-
Deferred tax credit	(219.41)	-
Income tax expense/ (credit) reported in the statement of profit or loss	(334.29)	-
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% (31 March 2023: 25.17%) and the reported tax expense in profit or loss are as follows:		
Reconciliation of effective tax rate		
Accounting profit/ (loss) before tax	75.71	(188.71)
Effective tax rate in India	25.17%	25.17%
At India's statutory income tax rate	19.05	(47.49)
Adjustments:		
Unrecorded deferred tax asset on current year other temporary differences	0.69	67.62
Utilisation of brought forward losses of previous year on which deferred tax asset was not created	(18.38)	(30.73)
Income tax liability pertaining to prior years, reversed in current year	(115.01)	-
Recognition of deferred tax asset on losses pertaining to earlier years	(219.41)	-
Tax effect of non-deductible expenses	(1.23)	10.60
Income tax expense	(334.29)	-
C. Deferred tax		
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 utilized. The Company has unabsorbed losses amounting to Nil as at 31 March 2024 (31 March 2023: ₹ 594.70 lakhs), on which deferred tax asset is not recognised.		
27 Earnings/ (loss) per share		
Weighted average number of shares outstanding during the year	10,000	10,000
Net profit/ (loss) attributable to equity shareholders	410.00	(188.71)
Earnings/ (loss) per share (₹):		
Basic and diluted	4,100.00	(1,887.10)
Nominal value- ₹ 10 per equity share		
28 Assets pledged as security	As at 31 March 2024	As at 31 March 2023
The carrying amounts of assets pledged are:		
Current assets		
Financial assets (First charge)		
Trade receivables	200.41	236.65
Investments	74.81	69.70
Balance with banks in escrow accounts	15.58	39.44
Bank deposits	100.00	-
Non-financial assets (First charge)		
Inventories	3,428.82	6,437.46
Total assets pledged as security	3,819.62	6,783.25

Shriprop Projects Private Limited

Summary of material accounting policies and other explanatory information (continued)

(All amounts in ₹ lakhs, unless otherwise stated)

29 Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2024 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Investments	7	74.81	-	-	74.81	74.81
Security deposits	3	-	-	0.25	0.25	0.25
Trade receivables	8	-	-	200.41	200.41	200.41
Cash and cash equivalents	9	-	-	850.66	850.66	850.66
Loans	10	-	-	2,332.74	2,332.74	2,332.74
Other financial assets	11	-	-	10.44	10.44	10.44
Total financial assets		74.81	-	3,394.50	3,469.31	3,469.31
Financial liabilities :						
Borrowings	15	-	-	1,965.00	1,965.00	1,965.00
Trade payables	16	-	-	953.90	953.90	953.90
Other financial liabilities	17	-	-	451.44	451.44	451.44
Total financial liabilities		-	-	3,370.34	3,370.34	3,370.34

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Investments	7	69.70	-	-	69.70	69.70
Security deposits	3	-	-	0.25	0.25	0.25
Trade receivables	8	-	-	236.65	236.65	236.65
Cash and cash equivalents	9	-	-	380.84	380.84	380.84
Loans	10	-	-	1,477.89	1,477.89	1,477.89
Other financial assets	11	-	-	703.13	703.13	703.13
Total financial assets		69.70	-	2,798.76	2,868.46	2,868.46
Financial liabilities :						
Borrowings	15	-	-	2,840.56	2,840.56	2,840.56
Trade payables	16	-	-	1,329.58	1,329.58	1,329.58
Other financial liabilities	17	-	-	309.03	309.03	309.03
Total financial liabilities		-	-	4,479.17	4,479.17	4,479.17

Notes to financial instruments

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

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

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. Measurement of fair value of financial instruments

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

Investment in mutual funds

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

The following table shows the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 31 March 2024 and 31 March 2023:

31 March 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in mutual funds	74.81	-	-	74.81
31 March 2023				
Financial assets				
Investment in mutual funds	69.70	-	-	69.70

Shriprop Projects Private Limited

Summary of material accounting policies and other explanatory information (continued)

(All amounts in ₹ lakhs, unless otherwise stated)

30 Financial risk management

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, trade receivables, loans and other financial assets	Ageing analysis and recoverability assessment
Liquidity risk	Borrowings, trade payables and other financial liabilities	Rolling cash flow forecasts
Market risk – Price risk	Investments measured at FVTPL	Sensitivity analysis
Market risk – Interest rate	Borrowings at variable rates	Sensitivity analysis

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

A Credit risk

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

Credit Risk Management

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

a. Low credit risk

b. High credit risk

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

Asset group	Description	Provision for expected credit loss (*)	31 March 2024	31 March 2023
Low credit risk	Cash and cash equivalents and secured trade receivables	Life time expected credit loss	1,001.99	497.29
High credit risk	Other financial assets, Security deposit, Loans and unsecured trade receivables	Life time expected credit loss or fully provided for	2,392.51	2,601.47

(*) 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 2024

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment
Trade receivables	200.41	-	200.41
Security deposit	0.25	-	0.25
Cash and cash equivalents	850.66	-	850.66
Loans	2,332.74	-	2,332.74
Other financial assets	10.44	-	10.44

31 March 2023

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment
Trade receivables	236.65	-	236.65
Security deposit	0.25	-	0.25
Cash and cash equivalents	380.84	-	380.84
Loans	1,477.89	-	1,477.89
Other financial assets	1,003.13	300.00	703.13

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. 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.

Reconciliation of expected credit loss in connection with Other financial assets

	Amount
Loss allowance on 1 April 2022	-
Allowance for expected credit loss	300.00
Loss allowance on 31 March 2023	300.00
Write back of expected credit loss	(300.00)
Loss allowance on 31 March 2024	-

Shriprop Projects Private Limited**Summary of material accounting policies and other explanatory information (continued)**

(All amounts in ₹ lakhs, unless otherwise stated)

30 Financial risk management (Continued)**B Liquidity risk**

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

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows 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 analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

31 March 2024	Less than 1 year	1 year to 5 years	5 years and above	Total	Carrying amount
Non-derivatives					
Borrowings	652.57	1,744.20	-	2,396.77	1,965.00
Trade payables	695.88	258.02	-	953.90	953.90
Other financial liabilities	451.44	-	-	451.44	451.44
Total	1,799.89	2,002.22	-	3,802.11	3,370.34

31 March 2023	Less than 1 year	1 year to 5 years	5 years and above	Total	Carrying amount
Non-derivatives					
Borrowings	409.90	3,281.80	-	3,691.70	2,840.56
Trade payables	926.71	402.87	-	1,329.58	1,329.58
Other financial liabilities	309.03	-	-	309.03	309.03
Total	1,645.64	3,684.67	-	5,330.31	4,479.17

C Market risk**a) Interest rate risk****1 Liabilities**

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

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

Particulars	31 March 2024	31 March 2023
Variable rate borrowing	2,079.85	2,952.20
Fixed rate borrowing	-	-
Total borrowings	2,079.85	2,952.20

Sensitivity

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

Particulars	31 March 2024	31 March 2023
Interest rates – increase by 50 basis points (50 bps)	(12.62)	(8.44)
Interest rates – decrease by 50 basis points (50 bps)	12.62	8.44

2 Assets

The Company's security deposits are interest free and loans are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

b) Price risk

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

Sensitivity

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

Particulars	31 March 2024	31 March 2023
Price increase by 5% - FVTPL	3.74	3.49
Price decrease by 5% - FVTPL	(3.74)	(3.49)

31 Corporate social responsibility expenses

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the years ended 31 March 2024 and 31 March 2023.

Shriprop Projects Private Limited**Summary of material accounting policies and other explanatory information (continued)****(All amounts in ₹ lakhs, unless otherwise stated)****32 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 2024	31 March 2023
Short term borrowings	1,965.00	2,840.56
Less : Cash and cash equivalents	(850.66)	(380.84)
Net debt	1,114.34	2,459.72
Total equity	50.19	(359.81)
Gearing ratio	22.20	(6.84)

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

(ii) Debt is defined long term and short term borrowings and current maturities of non-current borrowings

The Company is a SPV of Shriram Properties Limited (the "Holding Company"). In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

33 Other commitments and contingencies**Claims against the Company not acknowledged as debts****Income tax matters**

242.33

242.33

During the earlier years, the Income Tax Authorities have disputed certain allowances claimed/ incomes offered by the Company and resultant carry forward of business losses pertaining to assessment year 2016-17 and 2018-19. The Company is contesting these adjustments, which are pending before National Faceless Appeal Centre. 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

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 in exchange of undivided share in land as stipulated under the agreements.

34 There are no employees in the Company, Hence Disclosures as required under IndAS 19 - 'Employee Benefits' is not applicable to the Company.

35 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 IndAS 108, 'Segment Reporting'. The Company operates primarily in India and there is no other significant geographical segment. The Company has widespread customer base and no single customer accounted for 10% or more of revenue in any of the years indicated and hence the Company does not have any concentration risk.

Shriprop Projects Private Limited**Summary of material accounting policies and other explanatory information (continued)**

(All amounts in ₹ lakhs, unless otherwise stated)

36 Related party disclosures	Nature of relationship
(i) Parties exercising control	
Shriram Properties Limited	Holding company
(ii) Key management personnel	
K. R. Ramesh	Director
Krishna Veeraraghavan	Director
Rajesh Yashwant Shirwatkar	Director
(iii) Other related parties	
Bengal Shriram Hitech City Private Limited	Fellow subsidiary
Shriprop Developers Private Limited	Fellow subsidiary
Shriprop Builders Private Limited	Fellow subsidiary
Shriprop Structures Private Limited	Fellow subsidiary
Shriprop Properties Private Limited	Fellow subsidiary
Shriprop Living Space Private Limited	Joint venture of Holding company

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

Name of the related party	Nature of balance	As at 31 March 2024	As at 31 March 2023
Shriram Properties Limited	Loans given	1,116.82	257.89
Bengal Shriram Hitech City Private Limited	Security received	1,064.12	1,026.60

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

Name of the related party	Nature of transaction	Year ended 31 March 2024	Year ended 31 March 2023
Shriram Properties Limited	Loan taken	1,263.40	-
	Loan repaid	1,263.40	-
	Loan given	2,847.38	3,961.08
	Loan given, repaid	1,988.45	3,703.18
	Guarantee commission expense	-	41.36
	Guarantee released	-	4,000.00
	Cross charge of marketing expense on the Company	-	9.20
Bengal Shriram Hitech City Private Limited	Security received	37.52	1,026.60
	Cross charge of marketing expense by the Company	-	0.90
Shriprop Developers Private Limited	Sale of shuttering material	-	2.40
Shriprop Builders Private Limited	Purchase of lift	-	2.35
Shriprop Structures Private Limited	Cross charge of marketing expense on the Company	5.06	0.64
Shriprop Properties Private Limited	Sale of shuttering material	-	10.14
Shriprop Living Space Private Limited	Sale of shuttering material	-	67.29
	Cross charge of marketing expense by the Company	1.40	-

Shriprop Projects Private Limited
Summary of material accounting policies and other explanatory information (continued)
(All amounts in ₹ lakhs, unless otherwise stated)

37 Additional disclosures under IndAS 115 (Revenue from contract with customers)

A. Reconciliation of revenue recognised with contract revenue:

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contract revenue		
Sale of constructed / developed properties	5,653.02	26,205.13
Commission income	83.03	207.42
Revenue recognised	5,736.05	26,412.55

B. Contract balances

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

Particulars	As at 31 March 2024	As at 31 March 2023
Contract assets		
Unbilled revenue	97.35	314.68
Total contract assets	97.35	314.68
Contract liabilities		
Revenue received in advance	4,103.87	5,636.82
Payable to land owner	324.12	945.85
Total contract liabilities	4,427.99	6,582.67
Receivables		
Trade receivables	200.41	236.65
Total receivables	200.41	236.65

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.

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Contract liabilities		Contract liabilities	
	Revenue received in advance	Payable to land owner	Revenue received in advance	Payable to land owner
Opening balance	5,636.82	945.85	26,969.30	1,582.60
Additions /adjustments during the year	3,454.09	-	4,222.30	-
Revenue recognised during the year	(4,987.04)	(621.73)	(25,554.78)	(636.75)
Closing balance	4,103.87	324.12	5,636.82	945.85

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

Particulars	Unbilled revenue	
	As at 31 March 2024	As at 31 March 2023
Opening balance	314.68	184.10
Commission income recognised during the year	83.03	207.42
Revenue recognised during the year	44.25	13.60
Amount billed during the year	(182.62)	(90.44)
Other adjustments	(161.99)	-
Closing balance	97.35	314.68

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

The transaction price of the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2024 is ₹ 4,179.57 lakhs (31 March 2023 is ₹ 7,205.5 lakhs). The same is expected to be recognised within 1 to 3 years.

Shriprop Projects Private Limited**Summary of material accounting policies and other explanatory information (continued)**

(All amounts in ₹ lakhs, unless otherwise stated)

38 Ratios required as per Schedule III requirements

Ratio Name	Numerator	Denominator	Ratio (2023-24)	Ratio (2022-23)	% of change	Explanation
Current Ratio	Current Assets	Current Liabilities	0.93	0.94	-1.14%	NA
Debt Equity Ratio	Total Debt	Shareholders equity	39.15	(7.89)	595.92%	refer note - a
Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes+Interest +/-Non cash operating expenses/ (income) +other adjustments)	Debt service (Interest and lease payments + Principal repayments)	0.96	0.75	29%	refer note - c
Return on Equity Ratio	Net profit after taxes	Average shareholders equity	NA	NA	NA	NA
Inventory Turnover ratio	Cost of revenue	Average Inventory	1.04	1.45	-27.85%	refer note - b
Trade Receivables Turnover Ratio	Revenue from operations excluding other operating revenue	Average trade receivables	26.30	43.81	-39.97%	refer note - b
Trade payables Turnover Ratio	Material and contract cost	Average trade Payables	1.57	2.55	-38.51%	refer note - d
Net Capital Turnover Ratio	Revenue from operations	Working capital (Current assets - Current liabilities)	(10.44)	(39.33)	73.45%	refer note - b
Net Profit Ratio	Net profit after taxes	Revenue from operations	0.07	(0.01)	1092.61%	refer note - c
Return on Capital Employed	EBIT	Capital employed (Net worth + Total Debt - Deferred tax asset)	0.24	0.32	-24.26%	NA
Return on Investment	Gain from Mutual funds	Average investment	0.07	0.07	6.24%	NA

Note

- The increase is on account of reduction in debt pursuant to repayment and increase in equity pursuant to profit earned during the current year.
- The reduction in the inventory turnover ratio, trade receivables turnover ratio and net capital turnover ratio is on account of no major registration of constructed properties to customers during the current year from properties held for sale and the registration process is yet to commence for properties under development.
- The improvement in debt service coverage ratio and net profit ratio are on account of improvement in net earnings during the current year.
- The reduction in trade payables turnover ratio is on account of reduced procurements during the current year

Shriprop Projects Private Limited**Summary of material accounting policies and other explanatory information****(All amounts in ₹ lakhs, unless otherwise mentioned)****39 Compliance with the requirement of the Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014**

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the financial year commencing on 1 April 2023, the Company has used an accounting software SAP for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software.

Audit trail (edit log) is enabled only at the application level as part of standard SAP framework in line with the recommendation in the accounting software administration guide which states that enabling the same at database level all the time consume storage space on the disk and can impact database performance significantly. Further, the Company's users have access to perform transactions only from the application level, and no access has been provided to any user for accessing database and there are no instances of audit trail feature being tampered with.

40 Other statutory information

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

41 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2024 and the date of authorization of these financial statements.

As per our report of even date attached

For Walker Chandiook & Co LLP

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

Nikhil Vaid

Partner
Membership No.: 213356
Hyderabad
29 May 2024

For Abarna & Ananthan

Chartered Accountants
Firm's Registration No.: 000003S
sd/-

Dheeraj M

Partner
Membership No.: 234705
Bengaluru
29 May 2024

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

sd/-

sd/-

Rajesh Y Shirwatkar

Director
DIN: 02882293

Bengaluru
29 May 2024

K.R. Ramesh

Director
DIN: 02058969

Bengaluru
29 May 2024