

**INDEPENDENT AUDITOR'S REPORT**

To the members of Salvia Real Estates Private Limited

Report on the Standalone Financial Statements

**Opinion**

We have audited the accompanying Ind AS financial statements of **Salvia Real Estates Private Limited** (the "Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements for the year ended 31<sup>st</sup> March, 2023 give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2023, its losses, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 independence 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The board report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS financial statements does not cover the other information



and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

### **Responsibility of Management for Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

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 SAs 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



2. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss including statement of Other Comprehensive Income, the Cash Flow Statement and the statement of changes in equity dealt with by this Reports are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rules, 2015 as amended,
  - (e) On the basis of written representations received from the directors as on March 31, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its managerial personnel during the year and accordingly reporting in accordance with the requirements of Section 197(16) of the Act is not required;

- (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, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The company does not have any pending litigations which would impact its financial position of the Company.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. A. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any





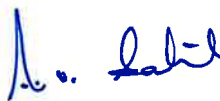
other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

B. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

C. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- v. During the year, the Company, neither declared nor paid any dividend. Hence reporting on compliance with provisions of section 123 of the Act does not arise.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

For GIRISH MURTHY&KUMAR  
Chartered Accountants  
Firm's registration number: 000934S





A.V Satish Kumar  
Partner  
Membership number: 026526  
UDIN No: 23026526BGXOAV5122  
Place: Bangalore  
Date: 23-05-2023

**" Annexure A" to the Independent Auditors' Report referred to in clause 1 of paragraph on the 'Report on Other Legal and Regulatory Requirements" of our report of even date to the financial statements of the Company for the year ended March 31, 2023:**

**Re: Salvia Real Estates Private Limited**

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**I. In respect of the Company's Tangible assets & Intangible assets:**

- i. Based on Verification of books of accounts of the company, the company does not have any assets under the head Property Plant and Equipment and as such reporting requirements under this head is not applicable
- ii. Based on Verification of books of accounts of the company, no Intangible Assets are held during the year.
- iii. In our opinion and according to the information and explanations given to us, the Company is not holding any immovable properties (including investment properties) (other than properties where the Company is a lessee) disclosed in the financial statements. Hence reporting upon title deeds held in the name of the Company is not applicable.
- iv. There is no revaluation done by the company of its property, plant and equipment (including the right of use assets) or intangible assets or both during the year.
- v. There are no proceedings that have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

**II. In respect of details of Company's Inventory & Working capital:**

- i. The Company is yet to commence its commercial operations and hence not holding any stocks during the year. Accordingly, paragraph 3(ii) of the order is not applicable to the company.
- ii. The company, during any point of time of the year, has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

**III. a. According to the information and explanations given to us, the Company has not made any investment in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.**

- b. The investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.
- c. In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular wherever applicable.



- d. According to the information and explanations given to us, there is no amount which is overdue for more than 90 days in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties, except as mentioned in the table above.
- e. The Company has not granted loan(s) or advance(s) in the nature of loan(s) which had fallen due during the year and such loans or advances in the nature of loans were not renewed and extended during the year.
- f. During the year, the Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

IV. In our opinion and according to the information and explanation given to us the company has not granted any loan, made any investments, gave any guarantee or provided security in connection with a loan to any other body corporate or person in contravention of section 185 and 186 of the Companies Act, 2013.

V. According to the information and explanation given to us the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

VI. According to the information and explanation given to us the Central Government has not prescribed the maintenance of cost records under section 148 of the Companies Act, 2013 for the activities carried out by the Company, and hence this clause is not applicable.

VII. In respect of Deposit of Statutory liabilities:

- a. In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

VIII. According to the information and explanations given to us and the records of the company examined by us we have not come across any instances of any transactions which are not recorded in the accounts that have been disclosed or



surrendered before the tax authorities as income during the year in the tax assessments under the income tax act, 1961.

IX. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that, the company has not delayed in the repayment of loans taken from lender & interest thereof during the year.

- a) The company has not taken any loan from Government and the company has not issued any debentures.
- b) The company is not declared as willful defaulter by any bank or financial institution or any other lender.
- c) In our opinion and according to the information and explanations given to us, money is not raised by way of term loans during the year.
- d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates.
- f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

X.

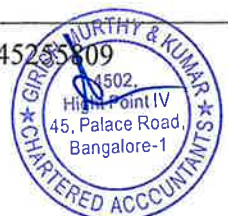
- a. According to the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company
- b. According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable to the Company.

XI. a. During the course of examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have not come across any instance of fraud by the company or on the company by its officers or employees of the company during the year. Further there were no whistle blower complaints received during the year.





- b. No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- XII. In our opinion and according to the information and Explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the order is not applicable.
- XIII. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- XIV. In our opinion and based on our examination, the company have an internal controls for financials transactions but is not required to have internal audit system as per the provisions of the companies act, 2013 and the requirement to consider reports of the Internal Auditors under the clause 3(xiv)(b) does not arise.
- XV. According to the information and explanations given to us and the records of the Company examined by us, we are of the opinion that that the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 of the order is not applicable.
- XVI. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
- XVII. The company has incurred cash losses in the current financial year of Rs. 72,000 and in the immediately preceding financial year of Rs.30,000
- XVIII. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- XX. According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the



GIRISH  
MURTHY & KUMAR  
CHARTERED ACCOUNTANTS

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Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

XXI. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For GIRISH MURTHY&KUMAR  
Chartered Accountants  
Firm's registration number: 000934S

*A.V. Satish Kumar*



A.V Satish Kumar  
Partner  
Membership number: 026526  
UDIN: 23026526BGXOAV5122

Place: Bangalore  
Date: 23-05-2023

**Annexure B to Auditors' Report of even date Report on the Internal Controls on Financial Controls under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Salvia Real Estates Private Limited** ("the Company") as of 31st March 2023 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

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

For GIRISH MURTHY & KUMAR

Chartered Accountants

Firm's registration number: 000934S


A.V Satish Kumar

Partner

Membership number: 026526

UDIN: 23026526BGXOAV5122

Place: Bangalore

Date: 23-05-2023

**Salvia Real Estates Private Limited**

25/1, Ground Floor, Skip House, Museum Road, Bangalore, Karnataka - 560025

**CIN:U70102KA2008PTC044921**

**Balance sheet as at 31 March 2023**

(Rs. In Lakhs)

|            | Particulars                                   | Notes | As at<br>31 March 2023 | As at<br>31 March 2022 | As at<br>01 April 2021 |
|------------|---|-------|------------------------|------------------------|------------------------|
| <b>I</b>   | <b>ASSETS</b>                                 |       |                        |                        |                        |
| (1)        | <b>Non-current assets</b>                     |       |                        |                        |                        |
|            | (a) Financial Assets                          |       |                        |                        |                        |
|            | (i) Other financial assets                    | 3     | 71.51                  | 71.51                  | 71.51                  |
| (2)        | <b>Current assets</b>                         |       |                        |                        |                        |
|            | (a) Financial assets                          |       |                        |                        |                        |
|            | (i) Cash and cash equivalents                 | 4     | 1.01                   | 0.20                   | 0.30                   |
|            | <b>TOTAL ASSETS</b>                           |       | <b>72.52</b>           | <b>71.71</b>           | <b>71.81</b>           |
| <b>II.</b> | <b>EQUITY AND LIABILITIES</b>                 |       |                        |                        |                        |
|            | <b>EQUITY</b>                                 |       |                        |                        |                        |
|            | (a) Equity share capital                      | 5     | 96.00                  | 96.00                  | 96.00                  |
|            | (b) Other equity                              | 6     | (29.08)                | (28.36)                | (28.06)                |
|            | <b>TOTAL EQUITY</b>                           |       | <b>66.92</b>           | <b>67.64</b>           | <b>67.94</b>           |
|            | <b>LIABILITIES</b>                            |       |                        |                        |                        |
| (1)        | <b>Non-current liabilities</b>                |       |                        |                        |                        |
|            | (a) Financial liabilities                     |       |                        |                        |                        |
|            | (i) Borrowings                                | 7     | 5.00                   | 3.86                   | 3.58                   |
|            | (ii) Other financial liabilities              | 8     | 0.24                   | -                      | -                      |
| (2)        | <b>Current liabilities</b>                    |       |                        |                        |                        |
| (a)        | (a) Financial liabilities                     |       |                        |                        |                        |
|            | (i) Trade payables                            | 9     | -                      | -                      | -                      |
|            | (a) to Micro and Small enterprises            |       | -                      | -                      | -                      |
|            | (b) to other than Micro and Small enterprises |       | -                      | -                      | -                      |
|            | (ii) Other financial liabilities              | 8     | 0.33                   | 0.21                   | 0.28                   |
|            | (b) Other current liabilities                 | 10    | 0.03                   | -                      | -                      |
|            | <b>TOTAL LIABILITIES</b>                      |       | <b>5.60</b>            | <b>4.07</b>            | <b>3.87</b>            |
|            | <b>TOTAL EQUITY AND LIABILITIES</b>           |       | <b>72.52</b>           | <b>71.71</b>           | <b>71.81</b>           |

Summary of significant accounting policies

1-2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Girish murthy & Kumar

Chartered Accountants

*A V Satish Kumar*

**A V Satish Kumar**

Partner

M No 026526

Firm's registration no. 0009345

Place: New Delhi

Date: 23rd May'2023



For and on behalf of the Board of Directors

**Salvia Real Estates Private Limited**

*Siddharth Kasturia*

**Siddharth Kasturia**

Director

**DIN: 09422427**

*Ravi Majeti*

**Ravi Majeti**

Director

**DIN: 07106220**





**Salvia Real Estates Private Limited**

25/1, Ground Floor, Skip House, Museum Road, Bangalore, Karnataka - 560025

**CIN:U70102KA2008PTC044921**

**Statement of profit and loss for the year ended 31 March 2023**

(Rs. In Lakhs)

| Particulars  | Notes | For the year ended<br>31 March 2023 | For the year ended<br>31 March 2022 |
|--|-------|-------------------------------------|-------------------------------------|
| <b>Revenue</b>   |       |                                     |                                     |
| I Revenue from operations  | 11    | -                                   | -                                   |
| II Other Income  |       | -                                   | -                                   |
| <b>III Total Revenue (I + II)</b>  |       | -                                   | -                                   |
| <b>IV Expenses</b>   |       |                                     |                                     |
| Finance costs  | 12    | 0.27                                | 0.00                                |
| Other expenses   | 13    | 0.45                                | 0.30                                |
| <b>Total Expenses</b>  |       | <b>0.72</b>                         | <b>0.30</b>                         |
| <b>V Loss before exceptional and extraordinary items and tax (III-IV)</b>        |       | <b>(0.72)</b>                       | <b>(0.30)</b>                       |
| VI Exceptional Items   |       | -                                   | -                                   |
| <b>VII Loss before extraordinary items and tax (V-VI)</b>                        |       | <b>(0.72)</b>                       | <b>(0.30)</b>                       |
| VIII Extraordinary items   |       | -                                   | -                                   |
| <b>IX Loss before tax (VII-VIII)</b>   |       | <b>(0.72)</b>                       | <b>(0.30)</b>                       |
| <b>X Tax expense</b>   |       |                                     |                                     |
| Current tax  |       | -                                   | -                                   |
| Deferred tax   |       | -                                   | -                                   |
| <b>Total tax expense</b>   |       | <b>-</b>                            | <b>-</b>                            |
| <b>XI Loss for the year from continuing operations (IX-X)</b>                    |       | <b>(0.72)</b>                       | <b>(0.30)</b>                       |
| XII Discontinued operations  |       | -                                   | -                                   |
| <b>XIII Loss for the year after tax (IX-X)</b>                                   |       | <b>(0.72)</b>                       | <b>(0.30)</b>                       |
| XIV Other comprehensive income / (loss)  |       | -                                   | -                                   |
| <b>Total comprehensive income / (loss) for the period, net of tax (XIII-XIV)</b> |       | <b>(0.72)</b>                       | <b>(0.30)</b>                       |
| <b>XV Earnings per equity share</b>  | 14    |                                     |                                     |
| Basic and diluted  |       | (0.08)                              | (0.03)                              |
| Summary of significant accounting policies                                       | 1-2   |                                     |                                     |

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Girish murthy & Kumar**

**Chartered Accountants**



**A V Satish Kumar**

**Partner**

**M No 026526**

**Firm's registration no. 0009345**

**Place: New Delhi**

**Date: 23rd May'2023**

For and on behalf of the Board of Directors

**Salvia Real Estates Private Limited**

**Siddarth Kasturia**

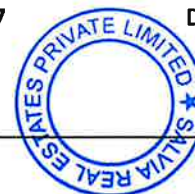
**Director**

**DIN: 09422427**

**Ravi Majeti**

**Director**

**DIN: 07106220**



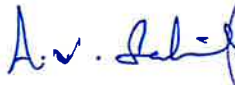

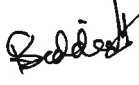
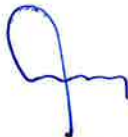

**Salvia Real Estates Private Limited**

25/1, Ground Floor, Skip House, Museum Road, Bangalore, Karnataka - 560025

**CIN:U70102KA2008PTC044921**

**Cash flow statement for the year ended 31 March 2023**

(Rs. In Lakhs)

| Particulars   |  | For the year ended<br>31 March 2023   | For the year ended<br>31 March 2022   |
|---|--|---|---|
| <b>A.</b>   | <b>Cash flow from operating activities</b>                           |   |   |
|   | Profit / (Loss) before tax   | (0.72)  | (0.30)  |
|   | <b>Adjustment to reconcile profit before tax to net cash flows</b>   |   |   |
|   | Interest Expenses  | 0.27  | 0.00  |
|   | <b>Operating profit/ (loss) before working capital changes</b>       | <b>(0.45)</b>   | <b>(0.30)</b>   |
|   | Movement in working capital:   |   |   |
|   | Increase/(Decrease) in other current financial liability             | 0.36  | -0.07   |
|   | Increase/(Decrease) in other current liability                       | 0.03  | -   |
|   | <b>Cash generated from/ (used in) operations</b>                     | <b>(0.06)</b>   | <b>(0.37)</b>   |
|   | Direct taxes refund / (paid)   | -   | -   |
|   | <b>Net cash flow from operating activities</b>                       | <b>(0.06)</b>   | <b>(0.37)</b>   |
| <b>B</b>  | <b>Cash flow from investing activities</b>                           |   |   |
|   | Purchase of property, plant and equipment                            | -   | -   |
|   | <b>Net Cash flow used in investing activities</b>                    | -   | -   |
| <b>C</b>  | <b>Cash flow from financing activities</b>                           |   |   |
|   | Interest paid  | (0.27)  | (0.00)  |
|   | Loan taken / (repaid)  | 1.14  | 0.28  |
|   | <b>Net Cash flow used in financing activities</b>                    | <b>0.87</b>   | <b>0.27</b>   |
|   | <b>Net Increase/ (decrease) in cash and cash equivalents (A+B+C)</b> | <b>0.81</b>   | <b>-0.09</b>  |
|   | Cash and cash equivalents at beginning of the year                   | 0.20  | 0.30  |
|   | <b>Cash and cash equivalents at the end of the year</b>              | <b>1.01</b>   | <b>0.20</b>   |
|   | Components of cash and cash equivalents                              |   |   |
|   | Balance with banks   |   |   |
|   | - on current accounts  | 1.01  | 0.20  |
|   | <b>Total cash and cash equivalents (Note 4)</b>                      | <b>1.01</b>   | <b>0.20</b>   |
|   | Summary of significant accounting policies                           | 1-2   |   |
| As per our report of even date  |  | For and on behalf of the Board of Directors   |   |
| <b>For Girish murthy &amp; Kumar</b>  |  | <b>Salvia Real Estates Private Limited</b>  |   |
| <b>Chartered Accountants</b>  |  |   |   |
|   |  |   |  |
| <b>A V Satish Kumar</b>   |  | <b>Siddarth Kasturia</b>  | <b>Ravi Majeti</b>  |
| <b>Partner</b>  |  | <b>Director</b>   | <b>Director</b>   |
| <b>M No 026526</b>  |  | <b>DIN: 09422427</b>  | <b>DIN: 07106220</b>  |
| <b>Firm's registration no. 000934S</b>  |  |   |   |
| <b>Place: New Delhi</b>   |  |   |   |
| <b>Date: 23rd May'2023</b>  |  |   |   |
|   |  |  |   |

**Salvia Real Estates Private Limited**  
25/1, Ground Floor, Skip House, Museum Road, Bangalore, Karnataka - 560025  
**CIN:U70102KA2008PTC044921**

**Statement of changes in equity for the period ended 31 March 2023**

( Rs. In Lakhs)

**A. Equity share capital**

| Particulars                     | Note | Amount       |
|---------------------------------|------|--------------|
| <b>As at 01 April 2021</b>      |      | <b>96.00</b> |
| Changes in equity share capital | 5    | -            |
| <b>As at 31 March 2022</b>      |      | <b>96.00</b> |
| Changes in equity share capital | 5    | -            |
| <b>As at 31 March 2023</b>      |      | <b>96.00</b> |

**B. Other equity**

| Particulars                                | Note | Retained earnings | Other comprehensive income | Amount         |
|--|------|-------------------|----------------------------|----------------|
| <b>As at 01 April 2021</b>                 |      | <b>(28.06)</b>    | -                          | <b>(28.06)</b> |
| Profit / ( Loss) for the year              | 6    | <b>(0.30)</b>     | -                          | <b>(0.30)</b>  |
| Other comprehensive income                 | 6    | -                 | -                          | -              |
| <b>As at 31 March 2022</b>                 |      | <b>(28.36)</b>    | -                          | <b>(28.36)</b> |
| Profit / ( Loss) for the year              | 6    | <b>(0.72)</b>     | -                          | <b>(0.72)</b>  |
| Other comprehensive income                 | 6    | -                 | -                          | -              |
| <b>As at 31 March 2023</b>                 |      | <b>(29.08)</b>    | -                          | <b>(29.08)</b> |
| Summary of significant accounting policies | 1-2  |                   |                            |                |

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
**For Girish murthy & Kumar**  
**Chartered Accountants**

**A V Satish Kumar**  
**Partner**

**M No 026526**

**Firm's registration no. 0009345**

Place: New Delhi

Date: 23rd May'2023



For and on behalf of the Board of Directors  
**Salvia Real Estates Private Limited**

**Siddarth Kasturia**  
**Director**  
**DIN: 09422427**

**Ravi Majeti**  
**Director**  
**DIN: 07106220**



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

**1 Corporate Information**

**1. Corporate Information**

Salvia Real Estates Private Limited (referred to as "the Company") is a private company domiciled in India and is incorporated on 11th Jan 2008 under the provisions of the Companies Act. The registered office of the company is located at Skip House, 25/1 Museum Road , Bangalore 560025 India.

**2 Significant accounting policies**

**2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified pursuant to section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For all periods up to and including the year ended 31 March 2022, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These financial statements for the year ended 31 March 2023 are the first such statements, the Company has prepared in accordance with Ind AS. Refer to note 27 for information on first time adoption of Ind AS.

The financial statements have been prepared and presented on a historical cost convention on an accrual basis, except for the certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Rs. In Lakhs , which is the functional currency, except when otherwise indicated.

**2.2 Summary of Significant Accounting Policies**

**a. Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

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

The company classifies all other assets as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



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

**b. Foreign currency transactions**

The Company is exposed to currency fluctuations on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

**Transactions and balances**

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss. Non monetary items are stated in the balance sheet using the exchange rate at the date of the transaction.

**c. Fair value measurement**

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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value includes discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result from general approximation of value and the same may differ from the actual realised value.

**d. 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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.





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

**Interest income**

Interest income is recognised on a time proportion basis taking into account the amount of outstanding and the rate applicable.

Interest income is recognised using the effective interest rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the instrument.

**Dividend Income**

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**Fees and commission**

Fee based income are recognised when they become measurable and when it is probable to expect their ultimate collection.

Commission and brokerage income earned for the services rendered are recognised as and when they are due.

**e. Taxes**

Tax expense comprises of current tax and deferred tax. Current tax and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in OCI or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is measured at the amount expected to be paid to the income tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



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

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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**f. Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation/amortization and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The Company has measured all of its property, plant and equipment at their fair value as at its transition date to Ind AS i.e. April 01, 2018 and use these fair value as deemed cost.

Subsequent expenditure related to an item of Property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**Depreciation on Property, plant and equipment**

Depreciation has been provided on straight line method on pro-rata basis from the day of put to use over the useful life prescribed under the schedule II of the Companies Act 2013.

**g. Intangible assets**

Intangible Assets are carried at acquisition cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

The Company has elected to continue with carrying value of all of its Intangible Assets recognised as of April 01, 2018 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.



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

**h. Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur.

**i. Impairment of Non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.



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

**j. Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

If the effect is material, provisions are recognised at present value by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money.

**k. Contingent liability and assets**

Disclosures for contingent liability are made when there is a possible and present obligation that arises from past events which is not recognised since it is not probable that there will be an outflow of resources. When there is a possible and present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Contingent assets are not recognized in the financial statements.

**l. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in the below categories:

- (a) Financial assets at amortised cost
- (b) Financial assets including derivatives at fair value through profit or loss (FVTPL)
- (c) Financial assets at fair value through other comprehensive income (FVTOCI)



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

**(a) Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business where the objective is to hold these assets 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 amortised cost using the EIR method. Amortised 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 amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables, loans and other financial assets.

**(b) Financial Assets at fair value through other comprehensive income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets 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. Derivative instruments included in FVTOCI category are measured initially as well as at each reporting date at fair value. Movement in fair value is recognised in OCI.

**(c) Financial Assets including derivatives at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

**Derecognition**

A financial asset is primarily derecognised when:

- (a) the right to receive cash flows from the asset has expired, or
- (b) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and a) the Company has transferred substantially all the risks and rewards of the asset, or b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the Statement of Profit and Loss.

**Impairment of financial assets**

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on the following financial assets and credit risk exposure:

- (a) Financial assets that are measured at amortised cost e.g. trade receivables
- (b) Trade receivables, any contractual right to receive cash or any another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows the simplified approach for recognition of impairment loss allowance on trade receivables. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.





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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date.

ECL is the difference between net of all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on trade receivables.

The Company does not have any purchased or originated credit-impaired financial assets, i.e., financial assets which are credit impaired on purchase/origination.

ECL impairment loss allowance (or reversal) recognized during the period is recognized in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss (FVTPL), loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings.

##### **Subsequent measurement**

The measurement of financial liabilities depends on their classification as discussed below:



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

**Trade and other payables**

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value is used due to the short maturity of these instruments.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised 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 amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**m. Cash and Cash equivalents**

Cash and cash equivalents include cash at bank and deposits with banks having maturity of three months or less. The bank deposits with original maturity of up to three months are classified as cash and cash equivalents and bank deposits with original maturity of more than three months are classified as other bank balances.



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

**2.3 Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**2.3.1 Impairment of financial assets**

The Company assesses impairment on financial assets based on Expected Credit Loss (ECL) model. The provision matrix is based on its historically observed default rates over the expected life of the financial assets and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward looking estimates are analysed.

**2.3.2 Going Concern**

The financial statements of the Company have been prepared on the basis that the Company is a going concern.



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

(Rs in Lakhs.)

| Particulars                        | As at<br>31 March 2023 | As at<br>31 March 2022 | As at<br>01 April 2021 |
|------------------------------------|------------------------|------------------------|------------------------|
| <b>3 Other financial assets</b>    |                        |                        |                        |
| Capital Advances - Land            | 71.51                  | 71.51                  | 71.51                  |
| <b>Total</b>                       | <b>71.51</b>           | <b>71.51</b>           | <b>71.51</b>           |
| <b>Current</b>                     |                        |                        |                        |
| <b>Unsecured, considered good</b>  |                        |                        |                        |
| Other advances                     | -                      | -                      | -                      |
| <b>Total</b>                       | <b>-</b>               | <b>-</b>               | <b>-</b>               |
| <b>4 Cash and cash equivalents</b> |                        |                        |                        |
| Balances with banks:               |                        |                        |                        |
| – On current account               | 1.01                   | 0.20                   | 0.30                   |
| Cash on hand                       | -                      | -                      | -                      |
| <b>Total</b>                       | <b>1.01</b>            | <b>0.20</b>            | <b>0.30</b>            |



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

( Rs.in Lakhs)

**5 (a) Equity share capital**

| Particulars   | No.of    | Amount |
|---|----------|--------|
| <b>Authorised share capital</b>                               |          |        |
| Equity shares of Rs. 10 each fully paid up                    |          |        |
| As at 01 April 2021   | 9,60,000 | 96.00  |
| Increase / (decrease during the year)                         | -        | -      |
| As at 31 March 2022   | 9,60,000 | 96.00  |
| Increase / (decrease during the year)                         | -        | -      |
| As at 31 March 2023   | 9,60,000 | 96.00  |
| <b>a. Issued, subscribed and fully paid up equity capital</b> |          |        |
| Equity shares of Rs. 10 each fully paid up                    |          |        |
| As at 01 April 2021   | 9,60,000 | 96.00  |
| Increase / (decrease during the year)                         | -        | -      |
| As at 31 March 2022   | 9,60,000 | 96.00  |
| Increase / (decrease during the year)                         | -        | -      |
| As at 31 March 2023   | 9,60,000 | 96.00  |

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

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pay dividend in Indian rupees. The dividend proposed by the Board of director is subject to the approval of the shareholder in ensuing Annual General meeting.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive 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. Shares held by holding / ultimate holding company and / or their subsidiaries / associates**

| Particulars  | As at 31 March 2023 |      | As at 31 March 2022 |      | As at 01 April 2021 |      |
|--|---------------------|------|---------------------|------|---------------------|------|
|  | No.of shares        | %    | No.of shares        | %    | No.of shares        | %    |
| Boyance Infrastructure Pvt Ltd.                        |                     |      | 9,60,000            | 100% | 9,60,000            | 100% |
| Cadence Enterprises Private Limited(including Nominee) | 9,60,000            | 100% | -                   | -    | -                   | -    |
|  | 9,60,000            | 100% | 9,60,000            | 100% | 9,60,000            | 100% |

**d. Details of shareholders holding more than 5% shares in the company**

| Particulars                         | As at 31 March 2023 |      | As at 31 March 2022 |      | As at 01 April 2021 |      |
|-------------------------------------|---------------------|------|---------------------|------|---------------------|------|
|                                     | No.of shares        | %    | No.of shares        | %    | No.of shares        | %    |
| Boyance Infrastructure Pvt Ltd.     | -                   | -    | 9,60,000            | 100% | 9,60,000            | 100% |
| Cadence Enterprises Private Limited | 9,60,000            | 100% | -                   | -    | -                   | -    |
|                                     | 9,60,000            | 100% | 9,60,000            | 100% | 9,60,000            | 100% |

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.





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

( Rs.in Lakhs)

**e. Shares held by promoters in the Company**

| Particulars                         | As at 31 March 2023 |             | As at 31 March 2022 |             | As at 01 April 2021 |             |
|-------------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
|                                     | No.of shares        | %           | No.of shares        | %           | No.of shares        | %           |
| Boyance Infrastructure Pvt Ltd.     | -                   | -           | 9,60,000            | 100%        | 9,60,000            | 100%        |
| Cadence Enterprises Private Limited | 9,60,000            | 100%        | -                   | -           | -                   | -           |
|                                     | <b>9,60,000</b>     | <b>100%</b> | <b>9,60,000</b>     | <b>100%</b> | <b>9,60,000</b>     | <b>100%</b> |

**6 (b) Other equity**

| Particulars                                   | ( Rs.in Lakhs) |
|---|----------------|
| <b>a. Retained earnings</b>                   |                |
| Balance as at 01 April 2021                   | (28.06)        |
| Less: Loss for the year                       | (0.30)         |
| Balance as at 31 March 2022                   | (28.36)        |
| Less: Loss for the year                       | (0.72)         |
| Balance as at 31 March 2023                   | (29.08)        |
| <b>b. Other comprehensive income / (loss)</b> |                |
| Balance as at 01 April 2021                   | -              |
| Less: Loss for the year                       | -              |
| Balance as at 31 March 2022                   | -              |
| Less: Loss for the year                       | -              |
| Balance as at 31 March 2023                   | -              |
| <b>c. Other reserves</b>                      |                |
| Balance as at 01 April 2021                   | -              |
| Less: Loss for the year                       | -              |
| Balance as at 31 March 2022                   | -              |
| Less: Loss for the year                       | -              |
| Balance as at 31 March 2023                   | -              |
| <b>Total balance as at 01 April 2021</b>      | <b>(28.06)</b> |
| <b>Total balance as at 31 March 2022</b>      | <b>(28.36)</b> |
| <b>Total balance as at 31 March 2023</b>      | <b>(29.08)</b> |



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

(Rs in Lakhs.)

| Particulars                                   | As at<br>31 March 2023 | As at<br>31 March 2022 | As at<br>01 April 2021 |
|---|------------------------|------------------------|------------------------|
| <b>7 Non-current liabilities</b>              |                        |                        |                        |
| <b>Borrowings</b>                             |                        |                        |                        |
| Unsecured loan from related party*            | 5.00                   | 3.86                   | 3.58                   |
| <b>Total</b>                                  | <b>5.00</b>            | <b>3.86</b>            | <b>3.58</b>            |
| Aggregate Unsecured loans                     | 5.00                   | 3.86                   | 3.58                   |
| Aggregate Secured loans                       | -                      | -                      | -                      |
| <br><b>8 (ii) Other financial liabilities</b> |                        |                        |                        |
| <b>Non-current</b>                            |                        |                        |                        |
| Interest accrued but not due                  | 0.24                   | -                      | -                      |
| <b>Total</b>                                  | <b>0.24</b>            | <b>-</b>               | <b>-</b>               |
| <b>Current</b>                                |                        |                        |                        |
| Employee benefits payable                     | -                      | -                      | -                      |
| Creditor for Expenses payable                 | 0.03                   | 0.04                   | 0.11                   |
| Audit fees payable                            | 0.30                   | 0.18                   | 0.18                   |
| <b>Total</b>                                  | <b>0.33</b>            | <b>0.21</b>            | <b>0.28</b>            |
| <br><b>9 (i) Trade payables</b>               |                        |                        |                        |
| Total outstanding dues                        |                        |                        |                        |
| - to Micro and Small enterprises              | -                      | -                      | -                      |
| - to other than Micro and Small enterprises   | -                      | -                      | -                      |
| <b>Total</b>                                  | <b>-</b>               | <b>-</b>               | <b>-</b>               |
| <br><b>10 Other current liabilities</b>       |                        |                        |                        |
| Statutory dues payable                        | 0.03                   | -                      | -                      |
| <b>Total</b>                                  | <b>0.03</b>            | <b>-</b>               | <b>-</b>               |



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

(Rs in Lakhs.)

| Particulars                       | For the year ended<br>31 March 2023 | For the year ended<br>31 March 2022 |
|-----------------------------------|-------------------------------------|-------------------------------------|
| <b>11 Revenue from operations</b> | -                                   | -                                   |
| <b>Total</b>                      | <b>-</b>                            | <b>-</b>                            |
| <b>12 Finance costs</b>           |                                     |                                     |
| Interest expense                  | 0.27                                | -                                   |
| Bank charges                      | -                                   | 0.00                                |
| <b>Total</b>                      | <b>0.27</b>                         | <b>0.00</b>                         |
| <b>13 Other expenses</b>          |                                     |                                     |
| Rates and taxes                   | 0.04                                | 0.04                                |
| Legal and professional fees       | 0.11                                | -                                   |
| Business consultancy charges      | -                                   | 0.07                                |
| Printing and stationery           | -                                   | 0.01                                |
| Payment to auditors               | -                                   | -                                   |
| - Audit fee                       | 0.30                                | 0.18                                |
| <b>Total</b>                      | <b>0.45</b>                         | <b>0.30</b>                         |



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

( Rs. In Lakhs)

**14 Earnings per share (EPS)**

- a. Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

- b. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

- c. The following reflects the income and share data used in the basic and diluted EPS computations:

| Particlars  | For the year<br>ended 31 March<br>2023 | For the year<br>ended 31 March<br>2022 |
|---|--|--|
| Profit / (Loss) attributable to the equity holders of the company                                 | (0.72)                                 | (0.30)                                 |
| <b>Profit / (Loss) attributable to the equity holders of the parent</b>                           | <b>(0.72)</b>                          | <b>(0.30)</b>                          |
| Weighted average number of equity shares used for computing Earning per share (Basic and diluted) | 9,60,000                               | 9,60,000                               |
|   | <b>9,60,000</b>                        | <b>9,60,000</b>                        |
| Earning per share (Basic) (Rs.)   | (0.08)                                 | (0.03)                                 |
| Earning per share (Diluted) (Rs.)   | (0.08)                                 | (0.03)                                 |
| Face value per share (Rs.)  | 10.00                                  | 10.00                                  |

**15 Capital Commitment**

| Particlars   | 31 March 2023 | 31 March 2022 | 01 April 2021 |
|--|---------------|---------------|---------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | -             | -             | -             |

**16 Contingent Liability**

| Particlars   | 31 March 2023 | 31 March 2022 | 01 April 2021 |
|--|---------------|---------------|---------------|
| <b>Contingent Liabilities (not provided for) in respect of</b> |               |               |               |
| Claims against the company not acknowledged as debt;           | -             | -             | -             |
| Other money for which the company is contingently liable.      | -             | -             | -             |

- 17 Company does not have any pending litigations which would impact its financial position as on 31 March 2023.

**18 Segment Information**

The Company is engaged primarily in the business of providing Real Estate & Property Development services. Considering this, the Company has only one business / geographical segment as per Ind AS 108 "Operating Segments".

- 19 The Company does not have any lease transactions reportable under Ind AS 116.



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

( Rs.in Lakhs)

**20 Related Party Transactions**

**a. Name of related parties and description of relationship**

**i. Enterprises where control exists**

|                                  |   |                                     |
|----------------------------------|---|-------------------------------------|
| Holding Company as on 31.03.2023 | 1 | Cadence Enterprises Private Limited |
| Holding Company as on 31.03.2022 | 2 | Boyance Infrastructure Pvt Ltd      |

**ii. Other related parties where transactions have taken place during the year:**

|  |                               |
|--|-------------------------------|
| Enterprises under Common Control / Fellow subsidiaries         |                               |
| Company/ Joint Ventures ( where Transactions have taken place) | Grandhi Enterprises Pvt. Ltd. |

**iii. Key Management Personnel and their Relatives**

Mr. Dinesh Jhunjunwala, Director upto 11th April'2022  
Mr.V.B.Manikya Gupta, Director upto 11th April'2022  
Mr. Siddarth Kasturia , Director appointed on 11th April'2022  
Mr. Ravi Majeti , Director appointed on 11th April'2022

**b. Transactions and year end balances with Related Parties**

| Particulars                                 |               | Holding Company | Fellow subsidiaries Company/ Joint Ventures | Total |
|---|---------------|-----------------|---|-------|
| <b>i. Transactions during the year</b>      |               |                 |   |       |
| Loans taken                                 |               |                 |   |       |
| Grandhi Enterprises Pvt. Ltd.               |               |                 |   |       |
|   | 31 March 2023 | -               | 5.00  | 5.00  |
|   | 31 March 2022 | -               | -   | -     |
|   | 01 April 2021 | -               | -   | -     |
| <b>ii. Boyance Infrastructure Pvt Ltd</b>   |               |                 |   |       |
|   | 31 March 2023 | -               | -   | -     |
|   | 31 March 2022 | 0.28            | -   | 0.28  |
|   | 01 April 2021 | -               | -   | -     |
| <b>ii. Loan Repaid during the year</b>      |               |                 |   |       |
| Boyance Infrastructure Pvt Ltd              |               |                 |   |       |
|   | 31 March 2023 | 3.86            | -   | 3.86  |
|   | 31 March 2022 | -               | -   | -     |
|   | 01 April 2021 | -               | -   | -     |
| <b>ii. Balances outstanding at year end</b> |               |                 |   |       |
| Loans availed                               |               |                 |   |       |
| Grandhi Enterprises Pvt. Ltd.               |               |                 |   |       |
|   | 31 March 2023 | -               | 5.00  | 5.00  |
|   | 31 March 2022 | -               | -   | -     |
|   | 01 April 2021 | -               | -   | -     |
| Loans availed                               |               |                 |   |       |
| Boyance Infrastructure Pvt Ltd              |               |                 |   |       |
|   | 31 March 2023 | -               | -   | -     |
|   | 31 March 2022 | 3.86            | -   | 3.86  |
|   | 01 April 2021 | 3.58            | -   | 3.58  |
| Interest payable                            |               |                 |   |       |
| Grandhi Enterprises Pvt. Ltd.               |               |                 |   |       |
|   | 31 March 2023 | -               | 0.24  | 0.24  |
|   | 31 March 2022 | -               | -   | -     |
|   | 01 April 2021 | -               | -   | -     |





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

( Rs.in Lakhs)

**21 Fair values**

**A. Accounting classification and fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the company's financial instruments.

**As at 31 March 2023**

| Particulars                    | Amortised Cost | Carrying value | Fair value   |
|--------------------------------|----------------|----------------|--------------|
| <b>Financial assets</b>        |                |                |              |
| (i) Trade receivables          | -              | -              | -            |
| (ii) Cash and cash equivalents | 1.01           | 1.01           | 1.01         |
| (iii) Other financial assets   | 71.51          | 71.51          | 71.51        |
|                                | <b>72.52</b>   | <b>72.52</b>   | <b>72.52</b> |

| Particulars                       | Amortised Cost | Carrying value | Fair value  |
|-----------------------------------|----------------|----------------|-------------|
| <b>Financial liabilities</b>      |                |                |             |
| (i) Borrowings                    | 5.00           | 5.00           | 5.00        |
| (ii) Trade payables               | -              | -              | -           |
| (iii) Other financial liabilities | 0.60           | 0.60           | 0.60        |
|                                   | <b>5.60</b>    | <b>5.60</b>    | <b>5.60</b> |

**As at 31 March 2022**

| Particulars                       | Amortised Cost | Carrying value | Fair value   |
|-----------------------------------|----------------|----------------|--------------|
| <b>Financial assets</b>           |                |                |              |
| (i) Trade receivables             | -              | -              | -            |
| (ii) Cash and cash equivalents    | 0.20           | 0.20           | 0.20         |
| (iii) Other financial assets      | 71.51          | 71.51          | 71.51        |
|                                   | <b>71.71</b>   | <b>71.71</b>   | <b>71.71</b> |
| <b>Financial liabilities</b>      |                |                |              |
| (i) Borrowings                    | 3.86           | 3.86           | 3.86         |
| (ii) Trade payables               | -              | -              | -            |
| (iii) Other financial liabilities | 0.21           | 0.21           | 0.21         |
|                                   | <b>4.07</b>    | <b>4.07</b>    | <b>4.07</b>  |

**As at 01 April 2021**

| Particulars                      | Amortised Cost | Carrying value | Fair value   |
|----------------------------------|----------------|----------------|--------------|
| <b>Financial assets</b>          |                |                |              |
| (i) Trade receivables            | -              | -              | -            |
| (ii) Cash and cash equivalents   | 0.30           | 0.30           | 0.30         |
| (iii) Other financial assets     | 71.51          | 71.51          | 71.51        |
|                                  | <b>71.81</b>   | <b>71.81</b>   | <b>71.81</b> |
| <b>Financial liabilities</b>     |                |                |              |
| (i) Borrowings                   | 3.58           | 3.58           | 3.58         |
| (ii) Other financial liabilities | 0.28           | 0.28           | 0.28         |
|                                  | <b>3.87</b>    | <b>3.87</b>    | <b>3.87</b>  |

The carrying amount of financial instruments are considered to be same as their fair value due to their short term nature.

**B. Fair Value Hierarchy**

The following table provides fair value measurement hierarchy of financial instruments as referred in note (A) above:

Quantitative disclosures fair value measurement hierarchy

| Year          | Level 1 | Level 2 | Level 3 |
|---------------|---------|---------|---------|
| 31 March 2023 | -       | -       | -       |
| 31 March 2022 | -       | -       | -       |
| 01 April 2021 | -       | -       | -       |

There have been no transfers Level 1 and Level 2 during the period.



## 22 Capital management

For the purpose of the Company's capital management, the capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustment in light of changes in economic conditions and the requirements of financial covenants. To maintain and adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is a net debt divided by total capital plus net debt. The Company's policy is to keep the gearing at an optimum level. The Company includes within net debt interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

| Particlars                   | 31 March 2023 | 31 March 2022 | 01 April 2021 |
|------------------------------|---------------|---------------|---------------|
| Borrowings                   | 5.00          | 3.86          | 3.58          |
| Trade payables               | -             | -             | -             |
| Other financial liabilities  | 0.60          | 0.21          | 0.28          |
| Less: Cash and bank balances | (1.01)        | (0.20)        | (0.30)        |
| <b>Net debt</b>              | <b>4.59</b>   | <b>3.87</b>   | <b>3.57</b>   |
| <b>Equity</b>                | <b>66.92</b>  | <b>67.64</b>  | <b>67.94</b>  |
| Capital and net debt         | 71.51         | 71.51         | 71.51         |
| Gearing ratio                | 15.57         | 18.48         | 20.02         |

## 23 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, security deposits and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk management team of the Parent that advises on financial risks and the appropriate financial risk governance framework for the Company. The risk management team ensures that the Company's financial activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.

### Market Risk

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, trade receivables, trade payables, and other financial assets including derivative financial instruments.

### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Surplus funds are invested in deposits at fixed interest rates. The tenure of deposits is managed to match with the liquidity profile of the Company.



### Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Company transacts in Dollar currency and has foreign currency trade payables. Hence, the Company is exposed to foreign exchange risk. Company has no exposure to the risk of changes in foreign exchange rates in respect of Investing and Financial activities.

### Credit Risk

Credit risk is defined as an unexpected loss in financial instruments if the contractual partner is failing to discharge its obligations in full and on time. The Company is exposed to credit risk from its operating and financing activities like trade receivables, deposits with banks and other financial instruments.

### Trade receivables

The major exposure to credit risk at the reporting date is primarily from receivables comprising of trade. Credit risk on receivables is limited. For receivables, as a practical expedient, the Company computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. Additionally, the Company also computes customer specific allowances at each reporting date. The receivables are from fellow subsidiaries or JV's under the same parent company.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The ECL is calculated on default probability percentage arrived from the historic default trend. In order to determine the default probability percentage, a simple average of customer wise specific allowances or actual bad debts incurred in succeeding year (derived rates) (whichever is higher) for the preceding three years is considered as a percentage of gross receivables positions of each customer as at reporting date.

### Other financial assets

Credit risk from cash and cash equivalents, term deposits and derivative financial instruments is managed by the Company's treasury department/risk management team in accordance with the Company's policy. Investments, in the form of fixed deposits, of surplus funds are made only with banks. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

### Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company regularly monitors the rolling forecasts and actual cashflows, to ensure it has sufficient funds to meet the operational needs.

The table below summarise the maturity profile of the Company's financial liabilities based on contractually agreed undiscounted cash flows:

|                             | Within 1 year | More than 1 year | Total       |
|-----------------------------|---------------|------------------|-------------|
| <b>As at 31 March 2023</b>  |               |                  |             |
| Borrowings                  | -             | 5.00             | 5.00        |
| Other financial liabilities | 0.33          | 0.24             | 0.57        |
| Other Current liabilities   | 0.03          | -                | 0.03        |
|                             | <b>0.36</b>   | <b>5.24</b>      | <b>5.60</b> |
| <b>As at 31 March 2022</b>  |               |                  |             |
| Borrowings                  | 3.86          | -                | 3.86        |
| Other financial liabilities | 0.21          | -                | 0.21        |
|                             | <b>4.07</b>   | <b>-</b>         | <b>4.07</b> |
| <b>As at 01 April 2021</b>  |               |                  |             |
| Borrowings                  | -             | 3.58             | 3.58        |
| Other financial liabilities | 0.28          | -                | 0.28        |
|                             | <b>0.28</b>   | <b>3.58</b>      | <b>3.87</b> |



**24 MSMED disclosure**

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosure are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006. Disclosure as per Section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006" (as certified by the management).

| Particulars  | 31 March 2023 | 31 March 2022 | 01 April 2021 |
|--|---------------|---------------|---------------|
| The Principal amount and interest due thereon remaining unpaid to any supplier   | Nil           | Nil           | Nil           |
| - Principal Amount   |               |               |               |
| - Interest thereon   |               |               |               |
| 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.  | Nil           | Nil           | Nil           |
| The amount of interest due and payable for the year 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           | Nil           |
| The amount of interest accrued and remaining unpaid  | Nil           | Nil           | Nil           |
| The amount of further interest remaining due and payable in the succeeding year till the date of finalization of financial statements  | Nil           | Nil           | Nil           |

**25 Pending Registration of Capital Advance:**

The company entered into MOU with M/s Emmar Hills Township Private Limited (seller) for purchase of a plot at Manikonda, Rangareddy District bearing 1405 Sq. yards vide agreement to sell dated 31.03.2010 with the seller and the developer cum GPA holder viz., M/s Emmar MGF Land Limited and paid 95% of the sale consideration. The agreement to sell was registered vide document no.949 dt.9.4.2010 with SRO, Serilingampally, Hyderabad. The registration in the name of the company could not be completed due to litigation on the seller/developer. The company hopes the same would be cleared in near future, and as such treated the advance made for purchase of plot as good.



**26 Key Financial Ratios**

| Particulars                           | Numerator                           | Denominator  | FY 2022-23 | FY 2021-22 | FY 2020-21 |
|---------------------------------------|-------------------------------------|--|------------|------------|------------|
| Current ratio (in times)              | Current assets                      | Current liabilities  | 2.83       | 0.95       | 1.05       |
| Debt-Equity ratio (in times)          | Total Debt (borrowings)             | Shareholder's Equity   | 0.07       | 0.06       | 0.05       |
| Return on Equity ratio (in %)         | Profit after tax                    | Average total equity   | (0.01)     | (0.00)     | (0.01)     |
| Net Capital turnover ratio (in times) | Revenue from operations             | Working capital  | -          | -          | -          |
| Net profit ratio (in %)               | Profit after tax                    | Revenue from operations  | -          | -          | -          |
| Return on capital employed (in %)     | Profit before tax and finance costs | Capital Employed =<br>Tangible Net Worth +<br>Total Debt + Deferred<br>Tax Liability | -0.01      | 0.00       | 0.00       |





## 27 First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2023, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2022, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Amendment Rules, 2016 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2023, together with the comparative period data as at and for the year ended 31 March 2022, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 01 April 2021, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the balance sheet as at 01 April 2021 and the financial statements as at and for the year ended 31 March 2022.

### A. Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

#### i. Estimates

The estimates at 1 April 2021 and 31 March 2022 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

Impairment of financial assets based on expected credit loss model.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2021, the date of transition of Ind AS and as of 31 March 2022.

#### ii. Fair value measurement of financial assets and liabilities

Under IGAAP the financial assets and liabilities were being carried at transaction value.

First time adopters may apply Ind AS 109 to day one gain or loss provision prospectively to transactions occurring on or after the date of transition of Ind AS. Further, unless a first time adopter elects to apply Ind AS 109 retrospectively to day one gain or loss, transactions that occurred prior to date of transition to Ind AS do not need to be retrospectively restated.

The Company has assessed its financial assets and liabilities at amortised cost or fair value.

### B. Reconciliation between previously reported Indian GAAP (IGAAP) and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods and no differences are noticed in respect of the same as arrived as per the erstwhile Indian GAAP and as arrived as per Ind AS there. Accordingly no separate reconciliation is required in respect of the following

- i) Equity as at 1 April 2021 (date of transition to Ind AS)
- ii) Equity as at 31 March 2022
- iii) Profit or loss for the year ended 31 March 2022



**Salvia Real Estates Private Limited**

25/1, Ground Floor, Skip House, Museum Road, Bangalore, Karnataka - 560025



**CIN:U70102KA2008PTC044921**

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

**28 -** The comparatives given in the standalone financial statements have been complied after making necessary Ind AS adjustments if any and regrouping to the respective audited financial statements under previous GAAP to give a true and fair view in accordance with Ind AS.

As per our report of even date

**For Girish murthy & Kumar  
Chartered Accountants**

**A V Satish Kumar  
Partner**

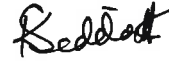
**M No 026526**

**Firm's registration no. 000934S**

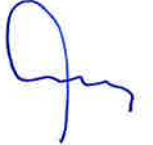
Place: New Delhi

Date: 23rd May'2023

For and on behalf of the Board of Directors  
**Salvia Real Estates Private Limited**



**Siddarth Kasturia  
Director  
DIN: 09422427**



**Ravi Majeti  
Director  
DIN: 07106220**

