



S H R A D D H A

---

**PRIME**  
PROJECTS LTD.

---

CONSTRUCTING VALUE



## SHRADDHA PRIME PROJECTS LIMITED

---

### BOARD OF DIRECTORS

Mr. Sudhir Balu Mehta - Managing Director

Mr. Ramchandra Krishna Ralkar - Director

Mr. Vishal Salecha - Whole Time Director (upto 14<sup>th</sup> April, 2022)

Mr. Rajesh Balu Mehta - Director (upto 8<sup>th</sup> March, 2023)

Mr. Santosh Sadashiv Samant - Director

Mr. Surendra Shah - Non-Executive Director (upto 12<sup>th</sup> September, 2022)

Mr. Rohit Agrawal - Non-Executive Independent Director

Ms. Shivangi Datta - Non-Executive Independent Women Director

Ms. Nimisha Soni - Non-Executive Independent Women Director

|   |   |
|---|---|
| <b>CHIEF FINANCIAL OFFICER</b><br>Mr. Dhruv Rajesh Mehta (w.e.f. 14 <sup>th</sup> April, 2022)<br>Mr. Vishal Salecha (Upto 14 <sup>th</sup> April, 2022)  | <b>CHIEF EXECUTIVE OFFICER</b><br>Mr. Dhruv Rajesh Mehta (upto 14 <sup>th</sup> April, 2022)<br>Mr. Vishal Salecha (w.e.f 08 <sup>th</sup> March, 2023)   |
| <b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b><br>Mrs. Krati Patel (Upto 01 <sup>st</sup> June, 2022)<br>Mrs. Neha Bharat Chhatbar (W.e.f. 01 <sup>st</sup> June, 2022)  | <b>REGISTERED OFFICE</b><br>A-309, Kanara Business Centre Premises CS Limited, Link Road, Laxmi Nagar, Ghatkopar (East) Mumbai –400 075<br>CIN: L70100MH1993PLC394793<br>Tele.: 022 31479024<br>Email: shraddhaprimeprojects@gmail.com<br>Website: www.shraddhaprimeprojects.in / |
| <b>Register and Transfer Agents:</b><br>RCMC Share Registry Private Limited, B-25/1, Okhla Industrial Area, Phase -2, Near Rana Motors, New Delhi – 110020  | <b>BANKERS</b><br>HDFC Bank<br>AU Small Finance Bank Limited  |
| <b>CONTENTS OF THE REPORT</b> <ul style="list-style-type: none"><li>• Notice</li><li>• Boards Report</li><li>• Auditors Report</li><li>• Balance Sheet</li><li>• Statement of Profit and Loss Account</li><li>• Cash Flow Statement</li><li>• Notes to Financial Accounts</li></ul> | <b>AUDITORS</b><br>M/s. Vishwas & Associates<br>Unit No. 5B, Laxmi Plaza, Laxmi Industrial Estate<br>New Link Road, Andheri West, Mumbai - 400053   |

## SHRADDHA PRIME PROJECTS LIMITED

---

### NOTICE

Notice is hereby given that the Thirty First Annual General Meeting of the members of Shraddha Prime Projects Limited (Formerly Towa Sokki Limited) will be held on Thursday, 28<sup>th</sup> September 2023, at 12 Noon through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

#### ORDINARY BUSINESS

1. To consider and adopt the Annual Audited Financial Statements for the financial year ended 31st March, 2023, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ramchandra Krishna Ralkar (DIN 02817292), who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Santosh Sadashiv Samant (DIN 06586861), who retires by rotation, and being eligible offers himself for re-appointment.

**By Order of the Board**  
**Shraddha Prime Projects Limited**  
**(Formerly known as Towa Sokki Limited)**

Sd/-

**Mr. Sudhir Balu Mehta**

Managing Director

DIN: 02215452

Date: 14<sup>th</sup> August, 2023

**Registered office:**

A-309, Kanara Business Centre Premises CS, Limited, Link Road, Laxmi Nagar, Ghatkopar (East) Mumbai –400 075

#### **Notes:**

1. The Company has appointed Ms Neeta H. Desai, Practicing Company Secretary- ND & Associates - Company Secretaries, as Scrutinizer for conducting the voting process in a fair and transparent manner.
2. The Notice is being sent to all the members whose names appear in the Register of Members/List of Beneficial Owners as on the close of business hours on 1<sup>st</sup> September 2023 (Friday) i.e. the cut-off date”.
3. All the material documents i.e. relevant Board resolutions and any other documents related to business set out in the notice are available at the registered office of the Company and the website of the Company.
4. The Ministry of Corporate Affairs (the MCA) has, vide its circular dated 5th May 2022 read with relevant circulars issued by Securities and Exchange Board of India (the SEBI) has permitted the holding of the Annual General Meeting (AGM/ Meeting) through Video Conferencing (“VC”) or other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the 31<sup>st</sup> Annual General Meeting (the AGM) of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for all members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

## SHRADDHA PRIME PROJECTS LIMITED

---

7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <http://www.shraddhaprimeprojects.in>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e- Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
9. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 , MCA Circular No. 2/2021 dated January 13, 2021, MCA circular no. 02/2022 dated May 05, 2022 and Circular No 10/2022 dated December 28, 2022.
10. Route map and prominent land mark for easy location of venue of the AGM is not provided in the Annual Report since Annual General Meeting is to be held through VC/OAVM.
11. The Registers required to be maintained under the Companies Act, 2013 and all documents referred to in the Notice will be made available for inspection. Members who seek inspection may write to us at [shraddhaprimeprojects@gmail.com](mailto:shraddhaprimeprojects@gmail.com).
12. Members present in the meeting through video conferencing and have not cast their vote on resolutions through remote e-voting, shall be allowed to vote through the e-voting system during the meeting.
13. In line with 'green initiatives', the Act provides for sending the Notice of the AGM and other correspondence through the electronic mode. Hence, Members who have not registered their mail IDs with their depository participants are requested to register their email ID for receiving all our communications, including Annual Report, Notices etc., in the electronic mode. The Company is concerned about protecting the environment and utilizing natural resources in a sustainable way.

### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Monday 25<sup>th</sup> September, 2023 at 09:00 A.M. and ends on Wednesday, 27<sup>th</sup> September, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday 21<sup>st</sup> September, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21<sup>st</sup> September, 2023.

#### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*


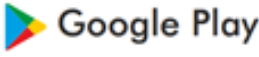


#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in DEMAT mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

## SHRADDHA PRIME PROJECTS LIMITED

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders  | Login Method  |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL  | <ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>   |

## SHRADDHA PRIME PROJECTS LIMITED

|  |  |
|--|--|
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|--|--|

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

### **Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| Login type   | Helpdesk details   |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000                    |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |

### **B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode. How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:   |
|--|--|
| a) For Members who hold shares in demat account with NSDL.     | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL.     | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.  |
| c) For Members holding shares in Physical Form.                | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.



- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [ndassociates@rediffmail.com](mailto:ndassociates@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.



## SHRADDHA PRIME PROJECTS LIMITED

---

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [shraddhaprimeprojects@gmail.com](mailto:shraddhaprimeprojects@gmail.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [shraddhaprimeprojects@gmail.com](mailto:shraddhaprimeprojects@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH**

#### **VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.

## SHRADDHA PRIME PROJECTS LIMITED

---

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (shraddhaprimeprojects@gmail.com). The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker – 3 days prior to the meeting will only be allowed to express their views/ask questions during the meeting.

By Order of the Board

**Shraddha Prime Projects Limited**  
**(Formerly known as Towa Sokki Limited)**

**Registered office:**

A-309, Kanara Business Centre Premises CS, Limited, Link  
Road, Laxmi Nagar, Ghatkopar (East) Mumbai –400 075

Sd/-

**Mr. Sudhir Balu Mehta**  
**Managing Director**  
**DIN: 02215452**

**Date:** 14<sup>th</sup> August, 2023

## SHRADDHA PRIME PROJECTS LIMITED

### BOARD'S REPORT

To,  
The Members of  
Shraddha Prime Projects Limited  
(Formerly – Towa Sokki Limited)

Your Directors are pleased to present the 31<sup>st</sup> Annual report of your Company together with the Standalone and Consolidated audited financial statement and the Auditors Report of your company for the financial year ended March 31, 2023.

#### Financial Highlights:

The Financial performance of the Company during the F.Y. 2022-2023 is as under:

| Particulars   | <i>(Amount in Lacs)</i>          |                                |                                |
|---|----------------------------------|--------------------------------|--------------------------------|
|   | March 31, 2023<br>(Consolidated) | March 31, 2023<br>(Standalone) | March 31, 2022<br>(Standalone) |
| Revenues from Operation                                       | 859.22                           | 0.00                           | 6.97                           |
| Other Income  | 3.03                             | 3.00                           | 6.23                           |
| <b>Total Income</b>   | <b>862.25</b>                    | <b>3.00</b>                    | <b>13.20</b>                   |
| <b>Expenses</b>   | 780.21                           | 89.72                          | 44.14                          |
| <b>Profit / (Loss) Before Income Tax and exceptional item</b> | 80.50                            | (88.26)                        | (30.94)                        |
| <b>Net Profit /(loss)</b>                                     | 50.58                            | (65.31)                        | (30.94)                        |

#### Company's Affairs:

Shraddha Prime Projects Limited is a BSE Listed Company. The Company is engaged in the business of real estate activities which involves developing, leasing, constructing, reconstructing etc of various residential projects in India. The operations for the year under review shows a profit of Rs. 50,57,770/-.

During the year under review your Company has entered into Partnership agreements with Shree Krishna Rahul Developers, Padmagriha Heights and Shree Mangesh Constructions to take over the projects and the Company has also executed registered Development Agreements with them for the various projects.

Your Directors are hopeful of achieving growth in revised business line in coming years.

#### Rights Issue:

The Board of Directors of your Company at their meeting dated 11th October, 2022 approved the issuance of equity shares by way of rights issue to the existing shareholders of the Company as on the record date. In accordance with the applicable SEBI Regulations and other applicable laws of the "Rights Issue" the company at its meeting held on 13th March, 2023, considered and approved Draft Letter of Offer (DLOF), terms of issue and other allied as well as ancillary matters. Allotment of the rights shares were done on 28.07.2023 and the company received trading permission w e f . 02.08.2023.

#### Change in Nature of Business

There is no change in the Nature of Business during the year under review.

#### Change in Registered Office of the Company

The Company's registered office has been shifted from State of Gujarat to State of Maharashtra vide approval of Regional Director's order effective from 20th October 2022.

#### Share Capital

- A) **Authorised Capital:** The authorized share capital of the Company is Rs. 30,00,00,000/- (Thirty Crores Only) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- (Ten Rupees Only) each.
- B) **Paid-up Share Capital:** The Paid-up Share Capital of the Company is Rs. 4,55,48,000/-.

## SHRADDHA PRIME PROJECTS LIMITED

---

- C) Issue of Equity Shares with Differential Rights:** The Company has not issued any equity shares with differential rights during the Financial Year 2022-2023.
- D) Issue of Sweat Equity Shares:** The Company has not issued any Sweat Equity Shares during the Financial Year 2022-2023.
- E) Issue of Employee Stock Options:** The Company has not issued any Employee Stock Options during the Financial Year 2022-2023.

### **Subsidiaries, Joint Ventures and Associate Companies**

During the year under review your Company has entered into Partnership agreements with Shree Krishna Rahul Developers, Padhmagriha Heights and Shree Mangesh Constructions and hence are treated as subsidiaries and figures are consolidated.

### **Weblink for annual return**

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 (as substituted by the Companies (Management and Administration) Amendment Rules, 2021 dated March 05, 2021), a copy of the Annual Return is available on the website of the Company at [www.shraddhaprimeprojects.in](http://www.shraddhaprimeprojects.in)

### **Number of Meetings of the Board**

The Board of Directors duly met 13 times during the Financial Year 2022-23 in compliance of applicable provisions of Companies Act, 2013.

### **Independent Directors and their Meeting**

Your Company received annual declarations from all Independent Directors of the Company, confirming that they meet the criteria of 'independence' provided in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There was no change in the circumstances, which could affect their status as Independent Director during the financial year.

The Independent Directors met on 14<sup>th</sup> February, 2023, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, took into account the views of Executive Directors and Non-Executive Directors; it assessed the quality, quantity and timeliness of information flow between the Company's management and the Board necessary for the Board to effectively perform their duties.

### **Board Evaluation**

Pursuant to the provisions of Section 134 (3) of the Companies Act, 2013 and the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors evaluated the performance of Non-Independent Directors and Chairperson of the Company after considering the views of the Executive and Non-Executive Directors, the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

The Nomination and Remuneration Committee evaluated the performance of every Director. The Board of Directors adopted a formal mechanism for the evaluation of its performance as well as that of its committees and Individual Directors, including the Chairman of the Board.

The Independent Directors were regularly updated on the industry and market trends, project undertaken and the operational performance of the Company through presentations.

### **Directors Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 (the "Act"):

1. that in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

## SHRADDHA PRIME PROJECTS LIMITED

---

2. that such accounting policies, as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the annual financial statements have been prepared on a going concern basis;
5. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **Management Discussion and Analysis**

The report on management discussion and analysis as per the SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 forms integral part of this Annual Report as **Annexure I**.

### **Details in respect of frauds reported by Auditors**

No fraud in or by the Company were noticed or reported by the auditors during the period under review.

### **Particulars of Loans, Guarantees or Investments made under Section 186 of the Act**

The Company has not made any loans and investments but has provided guarantee after complying with the procedure under the Companies Act, 2013.

### **Particulars of Contracts or Arrangements made with related parties**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company.

Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval. Considering the nature of transactions, the Board doesn't consider the same to be material transactions and hence the same are not presented in prescribed form AOC 2.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

This Policy was considered and approved by the Board and has been uploaded on the website of the Company at [www.shraddhaprimeprojects.in](http://www.shraddhaprimeprojects.in).

### **Transfer to reserves**

The Company has not transferred any amount to the general reserves.

### **Dividend**

During the year under review, the Company has not declared any Dividend.

### **Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

The Company was not required to transfer any Unclaimed Dividend to Investor Education and Protection Fund.

### **Material changes and commitment, if any affecting financial position of the Company occurred between end of the financial year to which these financial statements relate and the date of the report**

There are no material changes and commitments affecting the Financial Position of the Company from 1st April, 2022 till the date of issue of this report.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

#### (A) Conservation of Energy

During the year under review, there were no activities, which required heavy consumption of energy. However adequate measures have been taken to make sure that there is no wastage of energy. Since the requisite information with regard to the conservation of energy, technology absorption (Disclosure of Particulars in the report of Board of Directors) Rules is irrelevant/not applicable to the Company during the year under review, the same are not reported.

#### (B) Technology Absorption

Since no significant business has been generated from manufacturing activities, the company will review technology absorption gradually upon achieving significant manufacturing activities.

#### (C) Foreign Exchange Earnings and Outgo

There was no Foreign Exchange income and outflow during the reporting financial year.

#### Deposits

During the financial year under review the Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

#### Significant and material orders passed by the regulators or courts or tribunal

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

#### Internal control system and their adequacy

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Audit Committee in consultation with the internal auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The internal auditors carry out audit, covering inter alia, monitoring and evaluating the efficiency & adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee. Based on the internal audit report and review by the Audit committee, process owners undertake necessary actions in their respective areas. The internal auditors have expressed that the internal control system in the Company is robust and effective. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

#### Directors & KMPs

Following changes have taken place during the financial year 2022-23:

##### Appointments during the year:

Mr. Ramchandra Ralkar has been appointed as Director of the Company w.e.f. 14<sup>th</sup> April, 2022.

Mr. Dhruv Mehta has been appointed as Chief Financial Officer (CFO) w.e.f. 14<sup>th</sup> April, 2022.

Mrs. Neha Chhatbar has been appointed as Company Secretary & Compliance Officer w.e.f. 01<sup>st</sup> June, 2022.

Mr. Vishal Salecha has been appointed as Chief Executive Officer (CEO) w.e.f. 8<sup>th</sup> March, 2023.

##### Resignation during the year:

Mrs. Krati Patel resigned as a Company Secretary & Compliance Officer w.e.f. 01<sup>st</sup> June, 2022.

Mr. Surendra Shah resigned as an Independent Director of the Company w.e.f. 12<sup>th</sup> September, 2022.

Mr. Rajesh Balu Mehta resigned as a Director of the Company w.e.f. 8<sup>th</sup> March, 2023.



## SHRADDHA PRIME PROJECTS LIMITED

### Corporate Governance

The Company does not fall under purview of Regulations of Corporate Governance pursuant to the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015. However, the same is applicable as per the Companies Act, 2013 and the Company is fully compliant with the applicable provision and the Company is committed to ensure compliance with all modification within prescribed norms under Companies Act, 2013. Company is committed to voluntarily maintain the highest standards of corporate practices as set out by SEBI as good Corporate Governance, forms integral part of this Annual Report.

### Committees of the Board

The Board of Directors had re-formed the following Committees w.e.f 14<sup>th</sup> April 2022:

1. The Audit Committee
2. The Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

| Name of the Members                 | Designation in Company             | Designation in Committee |
|-------------------------------------|------------------------------------|--------------------------|
| Audit Committee                     |                                    |                          |
| Ms. Shivangi Datta                  | Non-Executive Independent Director | Chairperson              |
| Mr. Rohit Agarwal                   | Non-Executive Independent Director | Member                   |
| Ms. Nimisha Soni                    | Non-Executive Independent Director | Member                   |
| Nomination & Remuneration Committee |                                    |                          |
| Ms. Shivangi Datta                  | Non-Executive Independent Director | Chairperson              |
| Mr. Rohit Agarwal                   | Non-Executive Independent Director | Member                   |
| Ms. Nimisha Soni                    | Non-Executive Independent Director | Member                   |
| Stakeholders Relationship Committee |                                    |                          |
| Mr. Ramchandra Ralkar               | Non-Executive Director             | Chairman                 |
| Mr. Rohit Agarwal                   | Non-Executive Independent Director | Member                   |
| Ms. Nimisha Soni                    | Non-Executive Independent Director | Member                   |

### Vigil Mechanism

The Company has a Vigil Mechanism policy to report genuine concerns or grievances. Audit Committee is responsible for overseeing the vigil mechanism and its implementation. Detailed policy of the same is available at the registered office of the Company and also on the website of the Company.

### Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company is in place and is posted on the website of the Company under "LODR Policies" Section.

### Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed Ms. Neeta Desai of ND & Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company to undertake the Secretarial Audit of the Company for the year 2022-2023.

The Report of the Secretarial Audit Report is annexed herewith as **Annexure-II**.

The comments mentioned in the report are self-explanatory and do not call for any further clarifications. The Board of Directors constantly endeavour to follow the applicable compliances in letter and in spirit.



## SHRADDHA PRIME PROJECTS LIMITED

---

### Statutory Auditors

In the last Annual General Meeting of the Company held on 28.09.2022, M/s. Vishwas & Associates, Mumbai (Firm Registration No. 143500W) Chartered Accountants, were appointed as a statutory auditors of the Company for a block of 5 years to hold the Office until conclusion of 35<sup>th</sup> Annual General Meeting. As required, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Report given by the Auditors on the financial statements year ended 31 March 2023 of the Company is part of the Annual Report. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

### Particulars of Employees

The Company wishes to place on record their appreciation to the contribution made by the employees to the operations of the company during the period.

During the year under review, there were no employees who were in receipt of the remuneration beyond the limits prescribed under Rule 5 (2) of Companies (Appointment and Remuneration) Rules, 2014 and therefore no disclosures needs to be made under the said section. Further, the detailed ratios of the remuneration of each Director to the median remuneration to the employees of the Company for the financial year are enclosed as "Annexure IV" to the Board's Report.

### Risk Management Policy

The Company has framed a sound Risk Management Policy to identify and evaluate business risks and opportunities and the same has become integral part of Company's day to day operations. The key business risks identified by the Company are as follows viz. Industry Risk, Management and Operations Risk, Market Risk, Government Policy Risk, Liquidity Risk, and Systems Risk etc. The Company has in place adequate mitigation plans for the aforesaid risks.

### Corporate Social Responsibility

Provisions with respect to Corporate Social Responsibility initiative as mandated by Companies Act, 2013 is not applicable to the Company.

### Particulars of transaction between the Company and Non-Executive Directors

During the year under review the company has not entered into any transaction with its Non-Executive Directors except for payment of sitting fees as mentioned in notes to accounts.

### Affirmation

The Company has complied with all the Applicable Secretarial Standards issued by Institute of Company Secretaries of India.

### Maintenance of cost records

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

### Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Compliance Officer is responsible for implementation of the Code.

To comply with the Regulation 3(5) of SEBI (PIT) Regulations, 2015, and to maintain structured digital database (SDD) containing the names of such persons or entities with whom Unpublished Price Sensitive Information (UPSI) is shared and intermediaries and fiduciaries who handle UPSI of the Company in the course of business operations, the Company has installed a SDD software on the server of the Company.

The code of prevention of Insider Trading and fair disclosures is there on the website of the Company. All Board Directors and the designated employees have confirmed compliance with the Code.

## SHRADDHA PRIME PROJECTS LIMITED

---

### **Disclosure under sexual harassment of women at workplace:**

During the reporting year, on account of expansion and growth of the Company, staff and contractual employees assigned, the Company has formulated a policy and has set up an internal complaints committee as per the provisions of prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the reporting period. No complaints or observations or red flags were brought to notice of this Committee till date.

### **Statement Pursuant to Uniform Listing Agreement**

The Company's Equity shares are listed at Bombay Stock Exchange Limited. The Annual listing fee for the year 2023-24 has been paid.

### **Cash flow statement**

The Cash flow statement for the year 2022-23 is part of Balance Sheet.

### **Acknowledgements**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

Place: Mumbai  
Date: 14<sup>th</sup> August, 2023

For **Shraddha Prime Projects Limited**  
(Formerly known as Towa Sokki Limited)

**Sudhir Mehta**  
**Managing Director**  
**(DIN 02215452)**

Annexures to the Report:

- Annexure 1 – Management Discussion and Analysis Report
- Annexure 2 – Secretarial Audit Report
- Annexure 3 – Certificate of Directors Non Dis-qualification
- Annexure 4 – Ratio of Remuneration

### Annexure I

#### Management Discussion and Analysis Report

##### (a) Industry structure and developments

Shraddha Prime Projects Limited (Formerly known as Towa Sokki Limited) is a public limited company domiciled in India and incorporated under the Companies Act, 1956. Equity shares of the company are listed on Bombay Stock Exchange. The Company is engaged in Real Estate Business. The Consolidated operations for the year under review shows a profit of Rs.50,57,770 /-. During the year under review, the sales have been improved as was expected. Your directors are hopeful of achieving a reasonable turnover and resultant net margin in the years to follow.

##### (b) Opportunities and Threat

The financial year 2022-23 witnessed a mixed economic environment globally, marked by ongoing recovery from the pandemic-induced disruptions. Despite certain challenges, the real estate sector showed resilience with increasing demand for residential and commercial properties, driven by low interest rates, urbanization, and government initiatives.

###### Opportunities:

- 1. Urbanization and Population Growth:** Continued urbanization and population growth provide opportunities for SPPL to develop residential and mixed-use properties to cater to the increasing demand for housing and infrastructure.
- 2. Technology Adoption:** Embracing innovative technologies such as smart building systems, virtual reality tours, and online property management platforms can enhance customer experience and operational efficiency, setting SPPL apart in a tech-savvy market.
- 3. Affordable Housing:** There is a growing need for affordable housing solutions. By focusing on designing and developing cost-effective residential projects, SPPL can tap into a significant market segment while addressing a societal need.
- 4. Infrastructure Development:** Collaboration with local governments for infrastructure development projects, such as roads, public transport, and utilities, can create synergies and enhance the value proposition of SPPL's projects.
- 5. Economic Recovery:** As economies rebound from the effects of the global pandemic, renewed consumer confidence and improved financial stability could lead to increased demand for real estate. SPPL can position itself to capture this pent-up demand.
- 6. Green and Sustainable Initiatives:** Incorporating eco-friendly features and sustainable design practices can attract environmentally conscious buyers and investors. SPPL can benefit from the growing trend towards sustainable real estate development.

###### Threats:

- 1. Economic Volatility:** The ongoing global economic uncertainty and potential fluctuations in interest rates could impact consumer confidence and purchasing power, affecting the demand for real estate properties. Any adverse economic conditions could lead to a slowdown in the real estate market.
- 2. Regulatory Changes:** Rapidly changing regulatory policies, such as taxation, zoning, or environmental regulations, may impact the cost structure and feasibility of real estate projects. Non-compliance with these regulations could lead to delays, penalties, or even project cancellations.
- 3. Competition:** The real estate industry is highly competitive, with numerous players entering the market. Intense competition could lead to pressure on pricing and profit margins. Differentiating SPPL's projects from competitors' offerings will be crucial to maintain market share.

4. **Supply Chain Disruptions:** Disruptions in the supply chain, such as shortages of construction materials or labour, can lead to delays in project completion and increased costs. These disruptions could impact project timelines and profitability.
5. **Environmental Concerns:** Increasing awareness of environmental issues may lead to heightened scrutiny of real estate projects' ecological impact. Failure to adopt sustainable practices and address environmental concerns could result in reputational damage and project delays.

### (c) Segment wise Performance

The Company is engaged in Real Estate Business and in single operating segment.

**Residential Real Estate Segment:** In the Residential Real Estate segment, SPPL has continued its strong performance by successfully launching and completing several high-quality residential projects during the fiscal year. The demand for affordable housing remained robust, leading to increased sales and healthy revenue growth. The Company's focus on timely project execution, innovative designs, and customer-centric approach has contributed to positive customer feedback and increased brand loyalty.

### (d) Outlook

Looking ahead, SPPL remains optimistic about its growth prospects. The Company aims to capitalize on the sustained demand for residential properties by launching innovative projects that cater to various customer segments. In the Commercial Real Estate segment, SPPL will continue to focus on enhancing property occupancy rates and rental yields. The Infrastructure Development segment is expected to benefit from ongoing government initiatives, and SPPL will explore new opportunities to expand its presence in this sector.

### (e) Risks and concerns

SPPL acknowledges the inherent risks associated with the real estate industry, including regulatory changes, market fluctuations, and project execution challenges. The Company maintains a proactive approach to risk management by continuously monitoring market trends, diversifying its portfolio, and adhering to stringent compliance standards. Additionally, SPPL's strong financial position and prudent financial management provide a buffer against potential uncertainties.

### (f) Internal control systems and their adequacy

SPPL recognizes the significance of a robust internal control system in maintaining transparency, accountability, and operational efficiency. Our internal control framework is designed to provide reasonable assurance regarding the achievement of organizational objectives. It encompasses the following key elements:

1. **Control Environment:** SPPL fosters a culture of integrity, ethical behavior, and accountability throughout the organization. The Board of Directors and senior management set the tone by establishing policies and codes of conduct that guide employees' actions.
2. **Risk Assessment:** We regularly identify, assess, and mitigate risks that could impact the achievement of our strategic and operational objectives. Risk assessments help us prioritize our internal control efforts and allocate resources effectively.
3. **Control Activities:** SPPL has implemented a range of control activities to ensure accurate financial reporting and asset protection. These activities include segregation of duties, authorization and approval procedures, and physical safeguards.
4. **Information and Communication:** Effective communication is crucial for maintaining internal control. SPPL promotes open communication channels among various departments and levels of management to facilitate the exchange of relevant information.
5. **Monitoring Activities:** Our internal control system undergoes continuous monitoring and periodic evaluation to assess its effectiveness. This includes management reviews, internal audits, and feedback mechanisms to identify control deficiencies and implement necessary improvements.

**Adequacy of Internal Control System:** SPPL is committed to maintaining an internal control system that adapts to the changing business environment and emerging risks. In the FY 2022-23, we have taken several initiatives to enhance the adequacy of our internal controls:

1. **Technology Integration:** We have invested in advanced software and systems to streamline financial processes and reduce manual intervention. Automation has improved accuracy and reduced the risk of human errors.
2. **Training and Development:** SPPL recognizes the importance of a well-informed workforce. We have conducted training programs to educate employees about their roles in the internal control process and how to identify and report control deficiencies.
3. **Enhanced Risk Management:** Our risk assessment processes have been refined to encompass a broader spectrum of risks, including those arising from technological advancements, regulatory changes, and market fluctuations.
4. **Strengthened Oversight:** The Board of Directors has increased its oversight role in internal control matters. Regular meetings are held to review the effectiveness of our internal control framework and address any gaps.
5. **Whistleblower Mechanism:** SPPL has established a confidential whistleblower mechanism to encourage employees to report any instances of unethical behavior, fraud, or control weaknesses without fear of retaliation.

### (g) Discussion on financial performance with respect to operational performance

During the fiscal year 2022-23, SPPL achieved significant milestones despite a challenging economic environment. The company's financial performance demonstrated resilience and growth across various key indicators.

1. **Revenue Generation:** SPPL's total revenue for the year increased marginally compared to the previous fiscal year, driven by a combination of factors such as successful project completions, increased demand for real estate properties, and effective sales and marketing strategies.
2. **Profitability:** The company's operating profit on consolidated basis margin remained healthy, reflecting effective cost management and operational efficiency. SPPL's net profit also witnessed a notable improvement, showcasing the company's ability to generate returns for its stakeholders.
3. **Debt Management:** SPPL continued its prudent debt management approach, but looking into the ongoing projects there was increase in overall debt levels. Company aims to reduce the debt position in years to come, which will strengthened the company's financial position and reduced its exposure to financial risks, enabling it to allocate resources strategically and pursue growth opportunities.

#### Operational Performance Analysis:

SPPL's operational performance during the fiscal year 2022-23 further enhanced its position as a reliable and innovative player in the real estate industry.

1. **Project Development:** The Company has successfully launched several projects in the year under review. These projects contributed significantly to revenue generation and customer satisfaction.
2. **Customer Engagement:** SPPL continued its customer-centric approach by focusing on personalized service, transparent communication, and addressing customer feedback. This approach resulted in a high level of customer satisfaction and enhanced brand loyalty.
3. **Market Penetration:** The Company strategically expanded its presence in key markets, capitalizing on emerging trends and opportunities. SPPL's market research and analysis enabled it to identify underserved segments, driving demand and sales growth.
4. **Sustainability Initiatives:** SPPL remains dedicated to sustainable practices and environmental responsibility. The implementation of energy-efficient technologies and green building standards not only aligns with our corporate values but also positions us as a responsible and forward-thinking organization.

### Outlook and Future Prospects:

Looking ahead, SPPL remains committed to its growth trajectory while staying responsive to market dynamics and evolving customer preferences. The company aims to achieve the following in the coming years:

1. **Diversified Portfolio:** SPPL plans to expand its portfolio by venturing into new segments and geographies, mitigating risks associated with market volatility and enhancing long-term stability.
2. **Technology Adoption:** The company will continue to leverage technology to enhance operational efficiency, improve customer experience, and streamline project management processes.
3. **Customer-Centric Approach:** SPPL will maintain its focus on delivering value to customers through innovative solutions, personalized experiences, and unwavering commitment to quality.
4. **Sustainability and Innovation:** The company will invest in sustainable practices and innovative construction techniques, aligning with global trends and regulatory requirements.

### (h) Material developments in Human Resources / Industrial Relations front including number of people employed

#### 1. Human Resources Initiatives:

In the fiscal year 2022-23, SPPL remained committed to fostering a culture of employee engagement, development, and empowerment. Our HR initiatives focused on enhancing the overall employee experience and promoting a collaborative work environment.

- a. **Training and Development:** SPPL continued to invest in the professional growth of its employees through comprehensive training programs. These programs were designed to upgrade skills, enhance knowledge, and cultivate leadership qualities.
- b. **Diversity and Inclusion:** We acknowledge the importance of a diverse and inclusive workforce. SPPL took steps to ensure equal opportunities for all employees, fostering an environment where diverse perspectives are valued and respected.
- c. **Employee Wellness:** The well-being of our employees remained a top priority. Initiatives such as wellness programs, mental health support, and flexible work arrangements were introduced to promote a healthy work-life balance.

#### 2. Industrial Relations and Employee Engagement:

SPPL recognizes the significance of maintaining positive industrial relations and promoting employee engagement. We are committed to providing a conducive work environment that facilitates open communication and collaboration.

- a. **Communication Channels:** Regular interactions were held with employees at all levels to address concerns, gather feedback, and provide updates on company developments. These interactions contributed to a transparent and harmonious work atmosphere.
- b. **Grievance Redressal Mechanism:** SPPL continued to operate an effective grievance redressal mechanism that enables employees to voice their concerns and seek resolution in a fair and timely manner.

#### 3. Employee Strength:

As of the end of FY 2022-23, SPPL's workforce comprised a total of two employees only but has other consultants who are dedicated for the projects. Our team consists of professionals from diverse backgrounds and skill sets, contributing to the company's growth and success.



**Annexure II**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2023

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

To,  
The Members,  
Shraddha Prime Projects Ltd.,  
(Formerly known as Towa Sokki Limited)  
A 309, Kanara Business Centre Premises CS Limited  
Link Road, Laxmi Nagar,  
Ghatkopar (East), Mumbai 400075.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Shraddha Prime Projects Limited (Formerly Known as Towa Sokki Limited) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our electronic and physical verification of the M/s. Shraddha Prime Projects Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives physically and electronically during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SAST) ;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit period)**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



## SHRADDHA PRIME PROJECTS LIMITED

---

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit period)**
- (i) Other laws as per the representation made by the Company are as follows;
- Real Estate (Regulation and Development) Act, 2016
  - Co-operative Societies Act, 1912
  - Goods and Service Tax Act, 2017
  - Indian Contracts Act, 1872
  - Indian Stamp Act, 1899
  - Income Tax Act, 1961 and Indirect Tax Laws
  - Maharashtra Ownership Of Flats (Regulation Of The Promotion Of Construction, Sale, Management And Transfer) Act, 1963
  - Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - Employees State Insurance Act, 1948
  - Environment Protection Act, 1986
  - Water (Prevention and control of pollution) Act, 1974
  - Air (Prevention and control of pollution) Act, 1981
  - Applicable Municipal / Panchayat Laws

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board (SS – 1) and general meetings (SS – 2) are complied.
- (ii) The provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (LODR);

During the period under review and as per the explanations/representation made by the management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent mentioned below:

*The Company is maintaining a functional website in terms of Listing Agreement / SEBI (LODR) Regulations, 2015. The Company has uploaded all the information related to Financials and almost all the other required information as required under Companies Act, 2013 and various provisions of SEBI (LODR) Regulation 2015 on its website.*

*Mr. Sudhir Balu Mehta hold 74.01 % of the shares of the Company. The reputation of Shraddha Group is excellent and since they have entered the listed company, the market anticipated good returns. Due to the above there is more demand of the shares in the market but the availability of shares is almost nil. Hence the script is under GSM stage-4.*

We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, laws and regulations to the Company.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act and the revised regulation of LODR.

## SHRADDHA PRIME PROJECTS LIMITED

---

*During the year Mr. Surendra Shah resigned as an Independent Director of the Company and Mr. Rajesh Mehta also resigned as a Director of the Company. Mr. Vishal Salecha is appointed as a Chief Executive Officer (CEO) w.e.f. 8<sup>th</sup> March, 2023.*

*The Company had applied for change of registered office of the Company from the State of Gujarat to the State of Maharashtra. The alteration was approved by the office of Regional Director effective from 20<sup>th</sup> October 2022.*

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Provisions are made for sharing and handling unpublished price sensitive information for legitimate purposes.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instance of:

- (i) Public/Right/Preference issue of shares / debentures / sweat equity, etc.

*In furtherance decisions taken by the Board at their meeting dated 11<sup>th</sup> October, 2022 approving the issuance of equity shares by way of rights issue to the existing shareholders of the Company as on the record date and in accordance with the applicable SEBI Regulations and other applicable laws (the "Rights Issue"), the company at its meeting held on 13<sup>th</sup> March, 2023, considered and approved Draft Letter of Offer (DLOF), terms of issue and other allied as well as ancillary matters.*

- (ii) Redemption / buy-back of securities.

- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.

- (iv) Foreign technical collaborations.

Further, our report of even dated to be read along with the following clarifications:

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

**For ND & Associates  
(Peer Reviewed)**

**Place: Mumbai  
Date: 16<sup>th</sup> August, 2023  
UDIN: F003262E000810508**

**Neeta H. Desai  
Practising Company Secretary  
COP No. 4741**

**Annexure III****CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule Para C Clause (10)(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015)**

To  
The Members,  
Shraddha Prime Projects Limited  
A-309, Kanara Business Centre Premises CS Limited,  
Link Road, Laxmi Nagar, Ghatkopar (East), Mumbai - 400 075

We have examined the relevant registers, records, forms, returns and disclosure received from the Directors of Shraddha Prime Projects Limited having CIN L70100MH1993PLC394793 and having registered office at A-309, Kanara Business Centre Premises CS Limited, Link Road, Laxmi Nagar, Ghatkopar (East) Mumbai - 400 075 (hereinafter referred to as 'the Company') produced before us by the Company for the purpose of issuing this certificate in accordance with Regulation 34(3) read with Schedule V Para C sub Clause (10)(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

In our opinion and to the best of our knowledge and according to the verifications including Directors Identification number (DIN) status at the portal www.mca.gov.in as considered necessary and explanation furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India, Ministry of Corporate Affairs or such other statutory Authority.

| Sr. No. | Name of The Director      | DIN      | Date of appointment in the Company | Remark                                    |
|---------|---------------------------|----------|------------------------------------|---|
| 1.      | Sudhir Balu Mehta         | 02215452 | 07/05/2021                         |   |
| 2.      | Rajesh Balu Mehta         | 02982220 | 30/07/2021                         | Resigned on 08.03.2023                    |
| 3.      | Santosh Sadashiv Samant   | 06586861 | 28/08/2021                         | Director of Active Non- Compliant Company |
| 4.      | Rohit Agrawal             | 08480575 | 07/08/2021                         |   |
| 5.      | Shivangi Datta            | 09262501 | 07/08/2021                         |   |
| 6.      | Surendra Shah             | 09262753 | 07/08/2021                         | Resigned on 12.09.2022                    |
| 7.      | Vishal Salecha            | 06716387 | 30/07/2021                         | Resigned on 14.04.2022                    |
| 8.      | Nimisha Soni              | 09462999 | 13/01/2022                         |   |
| 9.      | Ramchandra Krishna Ralkar | 02817292 | 14/04/2022                         |   |

Ensuring the eligibility for the appointment or continuity of every Director on the Board of above referred Company is the responsibility of the management of the Company. Our responsibility is to express an opinion as stated above based on our verification. This certificate is neither an assurance as to the future viability of the company or effectiveness with which the management has conducted the affairs of the Company.

**For ND & Associates  
(Peer Reviewed)**

Place : Mumbai  
Date : 16<sup>th</sup> August, 2023  
UDIN : F003262E000810508

**Neeta H. Desai  
Practising Company Secretary  
COP No. 4741**

**Annexure IV**

Ratio of remuneration of each director to the median remuneration of employees of the company for the financial year 2022-23, percentage increase of remuneration of each director and percentage increase in remuneration paid to Directors:

| Name of the Director / KMP | Designation | Total Remuneration Paid in F.Y 2022-23 | Ratio of remuneration of director to the median remuneration | % increase in remuneration |
|----------------------------|-------------|--|--|----------------------------|
| Mrs. Krati Patel           | CS          | 4,05,000                               | NA   | NA                         |
| Mrs. Neha Chhatbar         | CS          | 2,50,000                               | NA   | NA                         |
| Mr. Ramdhani Yadav         | Staff       | 10,000                                 | NA   | NA                         |

- There are only 2 permanent employees on the rolls of the Company for the year under review.
- Mrs. Krati Patel, resigned as a CS on 1<sup>st</sup> June 2022 and in her place Mrs. Neha Chhatbar is appointed as CS & Compliance Officer.
- The Board hereby affirms that the remuneration is as per the remuneration policy of the Company.

Place : Mumbai  
Date : 14<sup>th</sup> August, 2023

For **Shraddha Prime Projects Limited**  
(Formerly known as Towa Sokki Limited)

**Sudhir Mehta**  
**Managing Director**

## SHRADDHA PRIME PROJECTS LIMITED

### Independent Auditor's Report

To  
The Members of  
Shraddha Prime Projects Limited  
A-309, Kanara Business Centre Premises CS Ltd.,  
Link Road, Laxmi Nagar  
Ghatkopar East,  
Mumbai – 400075

### Report on the audit of the Standalone Financial Statements

#### Opinion

1. We have audited the accompanying standalone Ind AS financial statements of Shraddha Prime Projects Limited ('the Company'), which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ('the Standalone Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('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 March 2023, and its loss and other comprehensive income, changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs 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 ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

#### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter  | How the matter was addressed in our audit   |
|---|---|
| <b>Inventory Valuations</b><br>The Company's properties under development and completed properties are stated at the lower of cost and Net Realizable Value (NRV).<br>As at March 31, 2023, the Company's properties under development amounts to INR 7,042.93 lakhs.<br>Determination of the NRV involves estimates based on prevailing market conditions, current prices, and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling costs. | <b>Our audit procedures included, among others, the following:</b> <ul style="list-style-type: none"><li>• Obtained an understanding of the Management's process and methodology of using key assumptions for determining the valuation of inventory as at the year-end including considerations given to impact of Covid-19:</li><li>• Evaluated the design and implementation and verified, on a test check basis, operating effectiveness of controls over preparation and update of NRV workings and related to the Company's review of key estimates, including estimated future selling prices and costs of completion for property development projects;</li></ul> |

## SHRADDHA PRIME PROJECTS LIMITED

|   |  |
|---|--|
| <p>The Company's properties under development and completed properties are stated at the lower of cost and Net Realizable Value (NRV). As at March 31, 2023, the Company's properties under development amounts to INR 7,042.93 lakhs.</p> <p>Determination of the NRV involves estimates based on prevailing market conditions, current prices, and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling costs.</p> <p>The cost of the inventory is calculated using actual land acquisition costs, construction costs, development related costs and interest capitalized for eligible project.</p> <p>We have considered the valuation of inventory as a key audit matter on account of the significance of the balance to the financial statements and involvement of significant judgement in estimating future selling prices, costs to complete project and possible effect on the above estimates because of COVID -19 pandemic</p> | <ul style="list-style-type: none"><li>• Assessed the appropriateness of the selling price estimated by the management and verified the same on a test check basis, by comparing the estimated selling price to recent market prices in the same projects or comparable properties;</li><li>• Compared the estimated construction cost to complete the project with the company's updated budgets and Assessed the adequacy and appropriateness of the disclosures made in the financial statements with respect to Inventory in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.</li></ul> |
|---|--|

### Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report/the management report and chairman's statement, but does not include the Standalone Financial Statements and our auditors' report thereon.
6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the Standalone Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors are also responsible for overseeing the Company's financial reporting process.



### **Auditor's responsibilities for the audit of the Standalone Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - 12.1. Identify and assess the risks of material misstatement of the Standalone 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.
  - 12.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
  - 12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
  - 12.4. Conclude on the appropriateness of the 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.
  - 12.5. 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.
13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

16. 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 Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:
  - 17.1. 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.



## SHRADDHA PRIME PROJECTS LIMITED

---

- 17.2. 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.
- 17.3. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.
- 17.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- 17.5. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- 17.6. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- 17.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
18. 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:
- 18.1. The Company does not have any pending litigations which would impact its financial position
- 18.2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 18.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 18.4. The Management has represented, to best of their knowledge and belief, that 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.
- 18.5. The Management has represented, to best of their knowledge and belief, that 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.
- 18.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation contain any material misstatement.
- 18.7. In our opinion and according to the information and explanations given to us, the company has not declared any dividend during the year.

For Vishwas & Associates  
Chartered Accountants  
Firm Registration Number: 143500W

Vishwas Kalal  
Proprietor  
ICAI Membership No: 174542  
UDIN: 23174542BGWDEQ2190

Place: Mumbai  
Date: 30<sup>th</sup> May 2023

## SHRADDHA PRIME PROJECTS LIMITED

### Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Shraddha Prime Projects Limited for the year ended 31 March 2023

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').

The Company is maintaining proper records showing full particulars of intangible assets.

- (b) The Company has not carried out physical verification programme of all the PPE at reasonable intervals considering the size and nature of the Company.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company except for the following which are not held in the name of the Company.

| Description of property | Gross carrying value | Held in name of | Whether promoter, director or their relative or employee | Period held | Reason for not being held in name of company |
|-------------------------|----------------------|-----------------|--|-------------|--|
| NIL                     |                      |                 |  |             |  |

- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) In our opinion and according to the information and explanations given to us, the physical verification of inventories has been conducted at reasonable intervals by the Management and, the coverage and procedure of such verification by the Management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with in the books of account.
- (b) The Company has not been sanctioned any working capital limits at any point of time during the year, from banks or financial institutions.
- iii. (a) In our opinion and according to the information and explanations given to us, the Company has not made investments 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 during the year.
- (b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.
- (c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular during the year.
- (d) No amount is overdue in respect of loans and advances in the nature of loans.
- (e) In our opinion and according to the information and explanations given to us, neither loans or advances in nature of loans have been renewed or extended nor any fresh loans have been granted to settle the overdue of existing loans.
- (f) The Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.

## SHRADDHA PRIME PROJECTS LIMITED

---

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act with respect to the loans given, investments made, guarantees given and security provided.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company as specified under section 148(1) of the Act, for the maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited by the Company to/with the appropriate authorities though there has been a slight delay in a few cases.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.
- (b) We confirm that there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.
- xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

## SHRADDHA PRIME PROJECTS LIMITED

---

- (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.
- 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 to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company. and hence provisions of section 192 of the Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a CIC as defined in the regulations made by Reserve Bank of India.
- xvii. The Company has incurred cash losses in the financial year and in the immediately preceding financial year. The amount of cash loss is Rs. 88,26,316/- for the financial year and Rs. 30,93,973/- for the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable / paragraph 3(xviii) of the Order is not applicable.
- 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 financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. Based on our examination, the provision of section 135 are not applicable on the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Vishwas & Associates  
Chartered Accountants  
Firm Registration Number: 143500W

Vishwas Kalal  
Proprietor

Place: Mumbai  
Date: 30<sup>th</sup> May 2023

ICAI Membership No: 174542  
UDIN: 23174542BGWDEQ2190

## SHRADDHA PRIME PROJECTS LIMITED

---

### **Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of Shraddha Prime Projects Limited for the year ended 31 March 2023**

(Referred to in paragraph '17.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').**

#### **Opinion**

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Shraddha Prime Projects Limited ("the Company") as at 31 March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal controls 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 ('the Guidance Note').

#### **Management's responsibility for Internal Financial Controls**

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's responsibility**

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

#### **Meaning of Internal Financial Controls with reference to the Standalone Financial Statements**

7. A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly

reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

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

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

For Vishwas & Associates  
Chartered Accountants  
Firm Registration Number: 143500W

Vishwas Kalal  
Proprietor  
ICAI Membership No: 174542  
UDIN: 23174542BGWDEQ2190

Place: Mumbai  
Date: 30<sup>th</sup> May 2023



## SHRADDHA PRIME PROJECTS LIMITED

| <b>BALANCE SHEET AS AT 31ST MARCH, 2023</b>                   |         |                                  |                                  |
|---|---------|----------------------------------|----------------------------------|
| Particulars   | Note No | (Amount in '000)                 |                                  |
|   |         | 31st March 2023<br>(Amount in ₹) | 31st March 2022<br>(Amount in ₹) |
| <b>Assets</b>   |         |                                  |                                  |
| <b>(1) Non-Current Assets</b>                                 |         |                                  |                                  |
| (a) Property, Plant and Equipment and Intangible assets       |         |                                  |                                  |
| (i) Property, Plant and Equipment                             | 2       | 501.79                           | -                                |
| (ii) Capital Work-in-Progress                                 |         | -                                | -                                |
| (b) Investments   | 3       | 197,665.14                       | -                                |
| (c) Deferred Tax Assets (Net)                                 | 4       | 2,294.84                         | -                                |
| (d) Financial Assets  |         | -                                | -                                |
| (i) Loans and Advances  |         | -                                | -                                |
| (ii) Other Financial Assets                                   |         | -                                | -                                |
| <b>(e) Other Non-Current Assets</b>                           | 5       | -                                | 72.24                            |
| <b>Total Non-Current Assets</b>                               |         | <b>200,461.77</b>                | <b>72.24</b>                     |
| <b>(2) Current Assets</b>                                     |         |                                  |                                  |
| (a) Inventories   |         |                                  |                                  |
| (b) Financial Assets  | 6       | 704,292.66                       | 95,874.60                        |
| (i) Investments   |         | -                                | -                                |
| (ii) Trade Receivables  |         | -                                | -                                |
| (iii) Cash and Cash Equivalents                               | 7       | 10,099.67                        | 232.64                           |
| (iv) Bank Balance other than (iii) above                      |         | -                                | -                                |
| (v) Loans and Advances  | 8       | 65,686.75                        | 116,966.69                       |
| (c) Other Current Assets                                      | 5       | 198.21                           | 171.01                           |
| <b>Total Current Assets</b>                                   |         | <b>780,277.28</b>                | <b>213,244.94</b>                |
| <b>Total Assets</b>   |         | <b>980,739.06</b>                | <b>213,317.18</b>                |
| <b>EQUITY AND LIABILITIES</b>                                 |         |                                  |                                  |
| <b>(1) Equity</b>   |         |                                  |                                  |
| (a) Equity Share capital                                      |         |                                  |                                  |
| (b) Other Equity  | 10      | (50,984.49)                      | (55,914.02)                      |
| <b>Total Equity</b>   |         | <b>13,490.01</b>                 | <b>8,560.48</b>                  |
| <b>(2) Liabilities</b>  |         |                                  |                                  |
| <b>(A) Non-Current Liabilities</b>                            |         |                                  |                                  |
| (a) Financial Liabilities                                     |         |                                  |                                  |
| (i) Financial Liabilities                                     |         | -                                | -                                |
| (i) Other than Financial Liabilities                          | 11      | 746,446.51                       | 202,413.00                       |
| (b) Provisions  | 15      | 7.13                             | 0.04                             |
| (c) Deferred Tax Liability (Net)                              |         | -                                | -                                |
| (d) Other Non-Current Liabilities                             |         | -                                | -                                |
| <b>Total Non-Current Liabilities</b>                          |         | <b>746,453.63</b>                | <b>202,413.04</b>                |
| <b>(B) Current liabilities</b>                                |         |                                  |                                  |
| (a) Financials Liabilities                                    |         |                                  |                                  |
| (i) Trade Payables  | 12      |                                  |                                  |
| - outstanding dues of micro enterprises and small enterprises |         | 1,134.00                         | -                                |
| - outstanding dues of creditors other than above              |         | 37,421.18                        | 2,126.87                         |
| (i) Other Current Financial Liabilities                       | 13      | 177,013.93                       | -                                |
| (b) Provisions  | 15      | 126.02                           | 81.08                            |
| (c) Other Current Liabilities                                 | 14      | 5,100.28                         | 135.71                           |
| <b>Total Current Liabilities</b>                              |         | <b>220,795.42</b>                | <b>2,343.66</b>                  |
| <b>Total Liabilities</b>                                      |         | <b>967,249.05</b>                | <b>204,756.70</b>                |
| <b>Total Equity and Liabilities</b>                           |         | <b>980,739.06</b>                | <b>213,317.18</b>                |

Significant accounting policies

Notes 1 to 41 are integral part of these Financial Statements

As per our report of even date

For Vishwas & Associates

Chartered Accountants

FRN:- 143500W

For & On Behalf of the Board

Vishwas Kalal  
(Proprietor)  
M.No.: 174542  
UDIN:- 23174542BGWDEQ2190

Sudhir Mehta  
(Managing Director)  
DIN : 02215452

Ramchandra Ralkar  
(Director)  
DIN : 02817292

Neha Chhatbar  
(Company Secretary)

Dhruv Mehta  
(CFO)

Place:- Mumbai  
Date:- 30/05/2023

Place:- Mumbai  
Date:- 30/05/2023



## SHRADDHA PRIME PROJECTS LIMITED

| <b>STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023</b>                            |           |                   |                   |
|--|-----------|-------------------|-------------------|
| (Amount in '000)   |           |                   |                   |
| Particulars  | Note No.  | 2022 - 23         | 2021 - 22         |
| <b>Incomes</b>   |           |                   |                   |
| (a) Revenue from operations  | 16        | -                 | 697.06            |
| (b) Other income   | 17        | 299.61            | 622.90            |
| <b>Total Income</b>  | <b>A</b>  | <b>299.61</b>     | <b>1,319.96</b>   |
| <b>Expenses</b>  |           |                   |                   |
| (a) Cost of Projects   | 18        | 608,418.06        | 94,756.71         |
| (b) Purchases of Stock-in-trade  |           | -                 | -                 |
| (c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade                  |           | (608,418.06)      | (95,262.28)       |
| (d) Employee Benefit Expense   | 19        | 402.97            | 1,067.35          |
| (e) Depreciation and Amortisation Cost   |           | 301.08            | -                 |
| (f) Finance Cost   | 20        | 510.46            | -                 |
| <b>(g) Other Expenses</b>  | <b>21</b> | <b>7,757.16</b>   | <b>3,852.16</b>   |
| <b>Total Expenses (a to f)</b>   | <b>B</b>  | <b>8,971.67</b>   | <b>4,413.93</b>   |
| <b>Profit Before Exceptional Item and Tax (A-B)</b>  | <b>C</b>  | <b>(8,672.06)</b> | <b>(3,093.97)</b> |
| Exceptional Items (Prior Period Expenses)  |           | 154.26            | -                 |
| <b>Profit Before Tax</b>   | <b>D</b>  | <b>(8,826.32)</b> | <b>(3,093.97)</b> |
| <b>Tax Expense:</b>  |           |                   |                   |
| (a) Current tax  |           | -                 | -                 |
| (b) Deferred tax   | 4         | (2,294.84)        | -                 |
| <b>Total Tax Expense (a+b)</b>   | <b>E</b>  | <b>(2,294.84)</b> | <b>-</b>          |
| Profit For the Year (C-D)  | <b>F</b>  | <b>(6,531.47)</b> | <b>(3,093.97)</b> |
| <b>Other Comprehensive Income (Net of Tax)</b>   |           |                   |                   |
| (a) Items that will not be reclassified to the Statement of Profit and Loss                        |           | -                 | -                 |
| - Remeasurements of Defined Benefit Plans  |           | 12.14             | -                 |
| (b) Income tax relating to items that will not be reclassified to the Statement of Profit and Loss |           | -                 | -                 |
| <b>Total Other Comprehensive Income (a-b)</b>  | <b>G</b>  | <b>12.14</b>      | <b>-</b>          |
| <b>Total Comprehensive Income for the year (E+F)</b>   | <b>H</b>  | <b>(6,519.33)</b> | <b>(3,093.97)</b> |
| Earning per equity share:  |           |                   |                   |
| Face value per equity shares Rs.10/- fully paid up.  |           |                   |                   |
| (1) Basic  |           | (1.43)            | (0.68)            |
| (2) Diluted  |           | (1.43)            | (0.68)            |

Significant accounting policies

Notes 1 to 41 are integral part of these Financial Statements

As per our report of even date  
For Vishwas & Associates  
Chartered Accountants  
FRN:- 143500W

For & On Behalf of the Board

Vishwas Kalal  
(Proprietor)  
M.No.: 174542  
UDIN:- 23174542BGWDEQ2190

Sudhir Mehta  
(Managing Director)  
DIN : 02215452

Ramchandra Ralkar  
(Director)  
DIN : 02817292

Neha Chhatbar  
(Company Secretary)

Dhruv Mehta  
(CFO)

Place:- Mumbai  
Date:-30/05/2023

Place:- Mumbai  
Date:- 30/05/2023

# SHRADDHA PRIME PROJECTS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(Amount in '000)

| Particulars |   | For the Year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|-------------|---|--------------------------------------|--------------------------------------|
| <b>A.</b>   | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                              |                                      |                                      |
|             | Net profit before tax and extraordinary items                           | (8,826.32)                           | (3,093.97)                           |
|             | Adjustments for:  |                                      |                                      |
|             | Depreciation and amortisation expense                                   | 702.51                               | -                                    |
|             | (Profit) / Loss on sale of fixed assets                                 | -                                    | (5.95)                               |
|             | Actuarial Gain on gratuity valuation                                    | 12.14                                | -                                    |
|             | Interest Income   | (299.61)                             | (616.95)                             |
|             | <b>Operating profit / (loss) before working capital changes</b>         | <b>(8,411.28)</b>                    | <b>(3,716.87)</b>                    |
|             | <b>Changes in working capital:</b>                                      |                                      |                                      |
|             | Increase / (Decrease) in trade payable                                  | 36,428.31                            | 2,073.88                             |
|             | Increase / (Decrease) in other financial liabilities                    | 177,013.93                           | (157.80)                             |
|             | Increase / (Decrease) in other current liabilities                      | 5,016.60                             | 204.24                               |
|             | (Increase) / Decrease in other assets                                   | (5,013.25)                           | 10,440.96                            |
|             | (Increase) / Decrease in short term loan and advances                   | 56,338.23                            | (116,966.69)                         |
|             | (Increase) / Decrease in trade receivables                              | -                                    | 60.18                                |
|             | (Increase) / Decrease in inventories                                    | (608,418.06)                         | (95,262.28)                          |
|             |   | <b>(338,634.24)</b>                  | <b>(199,607.51)</b>                  |
|             | <b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>                  | <b>(347,045.52)</b>                  | <b>(203,324.39)</b>                  |
|             | Less: Taxes paid  | -                                    | -                                    |
|             | <b>NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>              | <b>(347,045.52)</b>                  | <b>(203,324.39)</b>                  |
| <b>B.</b>   | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                              |                                      |                                      |
|             | Sale of tangible / intangible assets                                    | -                                    | 43.72                                |
|             | Lease Assets  | (1,204.30)                           | -                                    |
|             | Investment in Subsidiary  | (186,216.27)                         | -                                    |
|             | Dividend/ bank interest received  | 299.61                               | 616.95                               |
|             | <b>NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>              | <b>(187,120.95)</b>                  | <b>660.67</b>                        |
| <b>C.</b>   | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                              |                                      |                                      |
|             | Proceeds from borrowings  | 544,033.51                           | 202,413.00                           |
|             | <b>NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>              | <b>544,033.51</b>                    | <b>202,413.00</b>                    |
|             | <b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b> | <b>9,867.03</b>                      | <b>(250.71)</b>                      |
|             | Cash and Cash equivalents at beginning period                           | 232.64                               | 483.35                               |
|             | <b>Cash and Cash equivalents at end of period</b>                       | <b>10,099.67</b>                     | <b>232.64</b>                        |
| <b>D.</b>   | <b>Cash and Cash equivalents comprise of</b>                            |                                      |                                      |
|             | Cash on hand  | -                                    | -                                    |
|             | <b>Balances with banks</b>  |                                      |                                      |
|             | In current accounts   | 10,099.67                            | 232.64                               |
|             | <b>Total</b>  | <b>10,099.67</b>                     | <b>232.64</b>                        |

This Cash Flow Statement has been prepared as per "Indirect Method" as prescribed by Accounting Standard -3 (revised) "Cash Flow Statements"

Notes 1 to 41 are integral part of these Financial Statements

As per our report of even date  
For Vishwas & Associates  
Chartered Accountants  
FRN:- 143500W

For & On Behalf of the Board

Vishwas Kalal  
(Proprietor)  
M.No.: 174542  
UDIN:- 23174542BGWDEQ2190

Sudhir Mehta  
(Managing Director)  
DIN : 02215452

Ramchandra Ralkar  
(Director)  
DIN : 02817292

Neha Chhatbar  
(Company Secretary)

Dhruv Mehta  
(CFO)

Place:- Mumbai  
Date:-30/05/2023

Place:- Mumbai  
Date:- 30/05/2023

# SHRADDHA PRIME PROJECTS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

| A. Equity Share Capital:  | (Amount in '000)   |                    |
|---|--------------------|--------------------|
|   | As at 31st March   |                    |
|   | 2023               | 2022               |
| Particulars   |                    |                    |
| i) Equity shares of INR 10 each issued. subscribed and fully paid |                    |                    |
| Balance at the beginning of the period/year                       | 45,548.00          | 45,548.00          |
| Changes in Equity Share Capital during the year                   | -                  | -                  |
| <b>Balance at the end of the year</b>                             | <b>45,548.00</b>   | <b>45,548.00</b>   |
| ii) Share Forfeited Account                                       |                    |                    |
| Balance at the beginning of the period/year                       | 18,926.50          | 18,926.50          |
| Changes in Equity Share Capital during the year                   | -                  | -                  |
| <b>Balance at the end of the year</b>                             | <b>18,926.50</b>   | <b>18,926.50</b>   |
| <b>Total Equity Share Capital</b>                                 | <b>64,474.50</b>   | <b>64,474.50</b>   |
|   |                    |                    |
| <b>B. Other Equity</b>  |                    |                    |
|   |                    |                    |
| Particulars   | As at 31st March   |                    |
|   | 2023               | 2022               |
| <b>i) Reserves and Surplus</b>                                    |                    |                    |
| <b>a) Retained Earnings</b>                                       |                    |                    |
| Balance at the beginning of the year                              | (56,666.36)        | (53,572.39)        |
| Profit/(Loss) for the year  | (6,531.47)         | (3,093.97)         |
| Share for Profit from Firms                                       | 11,448.87          | -                  |
| <b>Balance at the end of the year</b>                             | <b>(51,748.96)</b> | <b>(56,666.36)</b> |
| <b>b) Capital Reserve</b>   |                    |                    |
| Balance at the beginning of the year                              | 715.33             | 715.33             |
| <b>Balance at the end of the year</b>                             | <b>715.33</b>      | <b>715.33</b>      |
| c) General Reserve  |                    |                    |
| Balance at the beginning of the year                              | 37.00              | 37.00              |
| <b>Balance at the end of the year</b>                             | <b>37.00</b>       | <b>37.00</b>       |
| <b>Total Reserves and Surplus (a+b)</b>                           | <b>(50,996.63)</b> | <b>-3093.97251</b> |
|   |                    |                    |
| <b>ii) Other items of Other Comprehensive Income</b>              |                    |                    |
| Balance at the beginning of the year                              | -                  | -                  |
| Re-measurement Gains/(Losses) on Defined Benefit Plans            | 12.14              | -                  |
| <b>Balance at the end of the year</b>                             | <b>12.14</b>       | <b>-</b>           |
| <b>Balance at the end of the year of other equity (i+ii)</b>      | <b>(50,984.49)</b> | <b>(3,093.97)</b>  |

Significant accounting policies

Notes 1 to 41 are integral part of these Financial Statements

As per our report of even date  
For Vishwas & Associates  
Chartered Accountants  
FRN:- 143500W

For & On Behalf of the Board

Vishwas Kalal  
(Proprietor)  
M.No.: 174542  
UDIN:- 23174542BGWDEQ2190

Sudhir Mehta  
(Managing Director)  
DIN : 02215452

Ramchandra Ralkar  
(Director)  
DIN : 02817292

Neha Chhatbar  
(Company Secretary)

Dhruv Mehta  
(CFO)

Place:- Mumbai  
Date:-30/05/2023

Place:- Mumbai  
Date:- 30/05/2023

## SHRADDHA PRIME PROJECTS LIMITED

---

### **Note 1: SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Company's Background:-**

Shraddha Prime Projects Limited (Formerly known as Towa Sokki Limited) (the Company) is a public limited company domiciled and incorporated in India under the Companies Act, 1956 vide CIN - L70100MH1993PLC394793. The Company's registered office is located at **A-309, Kanara Business Centre Premises CS Limited Link Road, Laxmi Nagar, Ghatkopar (East), Mumbai – 400075**. The Company has changed its business of manufacturing and selling of survey instruments into Real Estate Development from **12<sup>th</sup> July, 2021**. The Financial Statements are approved by the Company's Board of Directors at its meeting held on **30<sup>th</sup> May, 2023**.

#### **B. Significant Accounting Policies**

##### **Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and amendment if any.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the year presented in these financial statements.

The financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs except when otherwise indicated.

##### **Current and 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:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The operating cycle of the Company's real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Accordingly, project related assets and liabilities are classified into current and non-current based on the operating cycle of the project. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

### **Property, Plant and Equipment**

#### i. Recognition and measurement

All property, plant and equipment except freehold land are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisitions of the items. Cost includes freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

Freehold Land is measured at fair value. Valuations are performed with sufficient frequency to ensure that the carrying value of revalued asset does not defer materially from its fair value.

Revaluation surplus is recorded in Other Comprehensive Income and credited to the Revaluation reserve in Other Equity.

#### ii. Subsequent costs

Subsequent expenditure, including cost of the items which can be reliably estimated, is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Company. All other repairs and maintenance are charged to the Ind-AS Statement of Profit and Loss during the reporting period in which they are incurred.

#### iii. Derecognition

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

#### iv. Capital work in progress

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

#### v. Depreciation

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013 except for Site/Sales Offices, Sample Flats and Aluminium Formwork wherein the estimated useful lives is determined by the management. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date of acquisition.

Depreciation on assets sold during the year is charged to the Statement of Profit and Loss up to the month preceding the month of sale.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

### **Inventories**

Stock of Building Materials and Traded Goods is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.

Finished Stock is valued at lower of Cost and Net Realizable Value.

Land and Property Development Work-in-Progress is valued at lower of estimated cost and net realisable value.

Cost for this purpose includes cost of land, shares with occupancy rights, Transferrable Development Rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the projects undertaken.

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

### **Provisions and Contingencies**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **Impairment of Non-Financial Assets (excluding Inventories, Investment Properties and Deferred Tax Assets)**

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

### **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

The Company classifies its financial assets in the following measurement categories.

- those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or 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 four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

##### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and



- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (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 or loss. The losses arising from impairment if any, are recognised in the statement of profit or loss.

### Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

### Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Company has not designated any debt instrument at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### Equity investments

All equity investments, except investments in subsidiaries and associates are measured at FVTPL. The Company may make an irrevocable election on initial recognition to present in Other Comprehensive Income any subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis.

All equity investments in subsidiaries, associates and joint ventures are measured at cost.

### Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset 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

either (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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of Financial Assets

The Company assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Company is not exposed to any credit risk as the legal of residential and commercial units is handed over to the buyer only after all the installments are recovered.

For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased. If a write-off is later recovered, the recovery is credited to finance costs.

### **Financial Liabilities**

Initial recognition and measurement Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of financial liability not recorded at fair value through Profit and Loss net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

### Subsequent measurement

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

#### Financial liabilities at fair value through profit or loss

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### 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.

### Financial guarantee contracts

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

### **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the 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.

### **Reclassification of Financial Assets and Financial Liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations.

Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Ind AS 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.

### **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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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:

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

### Cash and Cash Equivalents

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

### Revenue Recognition

The Company has applied five step model as set out in Ind AS 115 to recognise revenue in this Financial Statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

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

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

Revenue is recognised either at point of time and over a period of time based on the conditions in the contracts with customers.

The specific revenue recognition criteria are described below:

#### (I) Income from Property Development

The Company has determined that the existing terms of the contract with customers does not meet the criteria to recognise revenue over a period of time. Revenue is recognized at point in time with respect to contracts for sale of residential and commercial units as and when the control is passed on to the customers which is linked to the application and receipt of occupancy certificate.

The Company provides rebates to the customers. Rebates are adjusted against customer dues and the revenue to be recognized. To estimate the variable consideration for the expected future rebates the company uses the "most-likely amount" method or "expected value method".

#### (II) Contract Balances

##### Contract Assets

The Company is entitled to invoice customers for construction of residential and commercial properties based on achieving a series of construction-linked milestones. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the payment is due, a contract asset is recognized for the earned consideration that is conditional. Any receivable which represents the Company's right to the consideration that is unconditional is treated as a trade receivable.

### Contract Liabilities

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

### (III) Sale of Materials, Land and Development Rights

Revenue is recognized at point in time with respect to contracts for sale of Materials, Land and Development Rights as and when the control is passed on to the customers.

### (IV) Interest Income

For all debt instruments measured at amortised cost. Interest income is recorded using the effective interest rate (EIR).

### Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period.

### Deferred Tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized 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 utilized.

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 utilized. The Company recognizes deferred tax liabilities for all taxable temporary differences except those associated with the investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.

### Presentation of Current and Deferred Tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in OCI, in which case, the current and deferred tax income/ expense are recognized in OCI. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax

liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

### Borrowing Costs

Borrowing costs that are directly attributable to real estate project development activities are inventorised / capitalized as part of project cost.

Borrowing costs are inventorised / capitalised as part of project cost when the activities that are necessary to prepare the inventory / asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorisation / capitalisation when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

### Retirement and Other Employee Benefits

Retirement and other Employee benefits are accounted in accordance with Ind AS 19 – Employee Benefits.

#### a) Defined Contribution Plan

The Company contributes to a recognised provident fund for all its employees. Contributions are recognised as an expense when employees have rendered services entitling them to such benefits.

#### b) Gratuity (Defined Benefit Scheme)

The Company provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur.

#### c) Compensated absences (Defined Benefit Scheme)

Liability in respect of earned leave expected to become due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of benefit expected to be availed by the employees. Liability in respect of earned leave expected to become due or expected to be availed beyond one year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

### Business Combinations under Common Control

Business Combinations involving entities or business under common control are accounted for using the pooling of interest method.

Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and amount of share capital of the transferor is transferred to capital reserves.

### Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable equity shareholders to by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and consolidation of equity shares. For the purpose of calculating diluted earnings per share, the net profit or loss for the year and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares



Note 2 :- Property, plant & equipments as on 31st March, 2023  
Tangible Assets

| Details of Assets               | Gross Block Accumulated Depreciation |           |            | Accumulated Depreciation |                        |              |            | Net Block              |                        |                        |
|---------------------------------|--------------------------------------|-----------|------------|--------------------------|------------------------|--------------|------------|------------------------|------------------------|------------------------|
|                                 | As On 01st April, 2022               | Additions | Deductions | Total                    | As On 01st April, 2022 | For The Year | Deductions | As on 31st March, 2023 | As At 31st March, 2022 | As At 31st March, 2023 |
| <b>TANGIBLE ASSETS</b>          |                                      |           |            |                          |                        |              |            |                        |                        |                        |
| Leased Property*                | -                                    | 1,204.30  | -          | 1,204.30                 | -                      | 702.51       | -          | 702.51                 | -                      | 501.79                 |
|                                 | -                                    | 1,204.30  | -          | 1,204.30                 | -                      | 702.51       | -          | 702.51                 | -                      | 501.79                 |
| <b>Figures of previous year</b> | -                                    | -         | -          | -                        | -                      | -            | -          | -                      | -                      | -                      |

\*Refer Note 35 for more details on Lease

## SHRADDHA PRIME PROJECTS LIMITED

### Note 3 : Investments

(in '000)

| Sr. No. | Particulars          | 31st March, 2023   | 31st March, 2022 |
|---------|----------------------|--------------------|------------------|
| 1       | Fixed Deposits       | 7,264.81           | -                |
| 2       | Investment in Firms* | 1,90,400.33        | -                |
|         | <b>Total</b>         | <b>1,97,665.14</b> | <b>-</b>         |

\*Refer Note 39 for more details

### Note 4 : Deferred Tax Assets

(in '000)

| Sr. No. | Particulars                         | 31st March, 2023 | 31st March, 2022 |
|---------|-------------------------------------|------------------|------------------|
|         | <b>Opening Balance</b>              | -                | -                |
|         | <b>Transactions during the year</b> |                  |                  |
|         | Business Loss                       | 2,294.84         | -                |
|         | <b>Total</b>                        | <b>2,294.84</b>  | <b>-</b>         |

### Note 5 : Other Assets

(in '000)

| Sr. No. | Particulars  | Non-Current      |                  | Current          |                  |
|---------|--|------------------|------------------|------------------|------------------|
|         |  | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| 1       | Advance tax/ tax deducted at Source (Net of Provision) | -                | 72.24            | 46.17            | -                |
| 2       | Balance With revenue authorities                       | -                | -                | 152.05           | 171.01           |
|         | <b>Total</b>   | <b>-</b>         | <b>72.24</b>     | <b>198.21</b>    | <b>171.01</b>    |

### Note 6 : Inventories\*

(in '000)

| Sr. No. | Particulars                                       | 31st March, 2023   | 31st March, 2022 |
|---------|---|--------------------|------------------|
| 1       | Finished goods                                    | -                  | -                |
| 2       | Closing Work-in-Progress of Construction Business | 7,04,292.66        | 95,874.60        |
|         | *Valued at lower of cost and net realizable value |                    |                  |
|         | <b>Total</b>                                      | <b>7,04,292.66</b> | <b>95,874.60</b> |

### Note 7 : Cash and Bank Balances

(in '000)

| Sr. No. | Particulars              | 31st March, 2023 | 31st March, 2022 |
|---------|--------------------------|------------------|------------------|
| 1       | Cash and cash equivalent |                  |                  |
|         | Balance With Bank        |                  |                  |
|         | In Current Account       | 10,099.67        | 232.64           |
|         | Cash on hand             | -                | -                |
|         | <b>Total</b>             | <b>10,099.67</b> | <b>232.64</b>    |

### Note 8 : Short Terms Loans and Advances

(in '000)

| Sr. No. | Particulars                 | 31st March, 2023 | 31st March, 2022   |
|---------|-----------------------------|------------------|--------------------|
| 1       | Business Loan and Advances* | 64,061.75        | 1,16,466.69        |
| 2       | Deposits                    | 1,625.00         | 500.00             |
|         | <b>Total</b>                | <b>65,686.75</b> | <b>1,16,966.69</b> |

\*Business Loan and Advances are short term in nature and receivable on demand

## SHRADDHA PRIME PROJECTS LIMITED

### Note 9 :- Share capital

(in '000)

| Particulars   | 31st March, 2023   | 31st March, 2022   |
|---|--------------------|--------------------|
| <b>Authorised share capital</b>                             |                    |                    |
| 3,00,00,000 (PY 3,00,00,000) shares of Rs.10 each           | <b>3,00,000.00</b> | <b>3,00,000.00</b> |
| <b>Issued, subscribed &amp; paid-up share capital</b>       |                    |                    |
| 83,40,100 (PY 83,40,100) shares of Rs.10 each               | <b>83,401.00</b>   | <b>83,401.00</b>   |
| <b>Share holding pattern and details</b>                    |                    |                    |
| 45,54,800 (PY 45,54,800) shares of Rs.10 each fully paid up | 45,548.00          | 45,548.00          |
| Share Forfeited Account                                     | 18,926.50          | 18,926.50          |
| <b>Total Equity Share Capital</b>                           | <b>64,474.50</b>   | <b>64,474.50</b>   |

| Particulars                         | As At 31st March, 2023 |             | As At 31st March, 2022 |             |
|-------------------------------------|------------------------|-------------|------------------------|-------------|
|                                     | No. of Shares          | Amount      | No. of Shares          | Amount      |
| <u>Paid-up Equity Share Capital</u> |                        |             |                        |             |
| At the beginning of the year        | 45,54,800              | 4,55,48,000 | 45,54,800              | 4,55,48,000 |
| At the end of the year              | 45,54,800              | 4,55,48,000 | 45,54,800              | 4,55,48,000 |
| <u>Share Forfeited Account</u>      |                        |             |                        |             |
| At the beginning of the year        | 18,92,650              | 1,89,26,500 | 18,92,650              | 1,89,26,500 |
| At the end of the year              | 18,92,650              | 1,89,26,500 | 18,92,650              | 1,89,26,500 |

The Company has issued one class of ordinary shares at par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential accounts, in proportion to their shareholding.

#### Shares held by promoters at the end of the year ending 31st March 2023

| Sr. No. | Promoter Name | No. of Shares | % of total shares | Change % |
|---------|---------------|---------------|-------------------|----------|
| 1       | Sudhir Mehta  | 33,71,000     | 74.01%            | 0.60%    |

#### Shares held by promoters at the end of the year ending 31st March 2022

| Sr. No. | Promoter Name | No. of Shares | % of total shares | Change % |
|---------|---------------|---------------|-------------------|----------|
| 1       | Sudhir Mehta  | 33,91,239     | 74.45%            | 100%     |

NOTE: The Company has made an application dated December 12, 2022 with the BSE Limited for reclassification of Erstwhile Promoters as mentioned below:

1. Sushilaben Rameshchandra Bansal
2. Rameshchandra Jutharam Bansal
3. Vikas Goyal

Thus, the same is excluded while disclosing the promoters shareholding.

## SHRADDHA PRIME PROJECTS LIMITED

### Note 10: Other Equity

(in '000)

| Particulars                                    | 31st March, 2023   | 31st March, 2022   |
|--|--------------------|--------------------|
| Capital Reserve                                |                    |                    |
| As Per Last Balance Sheet                      | 715.33             | 715.33             |
| Add: Addition during the Year                  | -                  | -                  |
|  | 715.33             | 715.33             |
| General Reserve                                |                    |                    |
| As Per Last Balance Sheet                      | 37.00              | 37.00              |
| Add: Addition during the Year                  | -                  | -                  |
|  | 37.00              | 37.00              |
| Other items of Other Comprehensive Income      |                    |                    |
| As Per Last Balance Sheet                      | -                  | -                  |
| Add: Other Comprehensive Income (Net of taxes) | 12.14              | -                  |
|  | 12.14              | -                  |
| Retained Earnings                              |                    |                    |
| As Per Last Balance Sheet                      | (56,666.36)        | (53,572.39)        |
| add: Profit/loss) during the year              | (6,531.47)         | (3,093.97)         |
| add: Share of profit from Firm                 | 11,448.87          | -                  |
|  | (51,748.96)        | (56,666.36)        |
| <b>Total</b>                                   | <b>(50,984.49)</b> | <b>(55,914.02)</b> |

### Note 11 : Long Term Borrowings

(in '000)

| Particulars                       | 31st March, 2023  | 31st March, 2022  |
|-----------------------------------|-------------------|-------------------|
| Director Loan <sup>^</sup>        | 538,955.09        | 202,413.00        |
| Inter-corporate Loan <sup>#</sup> | 207,491.42        | -                 |
| <b>TOTAL</b>                      | <b>746,446.51</b> | <b>202,413.00</b> |

<sup>^</sup> Director loan was taken during the financial year 2022-23 and is borrowed at zero rate of interest. The loan from director is repayable on demand and is used for daily operations of the company.

<sup>#</sup> Inter-corporate loan was taken during the financial year 2022-23 and carries interest @ 14.5% p.a. The Inter-corporate Loan is repayable on demand and is used for the daily operations of the business.

### Note 12 : Trade Payables

(in '000)

| Particulars  | 31st March, 2023 | 31st March, 2022 |
|--|------------------|------------------|
| Total outstanding dues of micro enterprises and small enterprises                      | 1,134.00         | -                |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 37,421.18        | 2,126.87         |
| <b>Total</b>   | <b>38,555.18</b> | <b>2,126.87</b>  |

Note: Steps have been taken to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2023, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act, is not expected to be material.

## SHRADDHA PRIME PROJECTS LIMITED

### Trade Payables Ageing schedule: As at 31st March,2023

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |           |
|-----------------------------|--|-----------|-----------|-------------------|-----------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total     |
| (i) MSME                    | 1,134.00   | -         | -         | -                 | 1,134.00  |
| (ii) Others                 | 36,942.60  | 478.58    | -         | -                 | 37,421.18 |
| (iii) Disputed dues- MSME   | -  | -         | -         | -                 | -         |
| (iv) Disputed dues - Others | -  | -         | -         | -                 | -         |

### Trade Payables Ageing schedule: As at 31st March 2022

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |          |
|-----------------------------|--|-----------|-----------|-------------------|----------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total    |
| (i) MSME                    | -  | -         | -         | -                 | -        |
| (ii) Others                 | 2,126.87   | -         | -         | -                 | 2,126.87 |
| (iii) Disputed dues- MSME   | -  | -         | -         | -                 | -        |
| (iv) Disputed dues - Others | -  | -         | -         | -                 | -        |

### Note 13 : Other Current Financial Liabilities

(in '000)

| Particulars                            | Non Current      |                  | Current            |                  |
|--|------------------|------------------|--------------------|------------------|
|  | 31st March, 2023 | 31st March, 2022 | 31st March, 2023   | 31st March, 2022 |
| Lease Liability                        | -                | -                | 636.24             | -                |
| Advance from Customers against Booking | -                | -                | 1,76,377.69        | -                |
| <b>Total</b>                           | -                | -                | <b>1,77,013.93</b> | -                |

### Note 14 : Other Current Liabilities

(in '000)

| Particulars    | Non Current      |                  | Current          |                  |
|----------------|------------------|------------------|------------------|------------------|
|                | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Statutory Dues | -                | -                | 5,100.28         | 135.71           |
| <b>Total</b>   | -                | -                | <b>5,100.28</b>  | <b>135.71</b>    |

### Note 15 : Short Term Provisions

(in '000)

| Particulars            | Non Current      |                  | Current          |                  |
|------------------------|------------------|------------------|------------------|------------------|
|                        | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Provision for Gratuity | 7.13             | 0.04             | 0.02             | 11.28            |
| Other Provision        | -                | -                | 126.00           | 69.80            |
| <b>Total</b>           | <b>7.13</b>      | <b>0.04</b>      | <b>126.02</b>    | <b>81.08</b>     |

## SHRADDHA PRIME PROJECTS LIMITED

### Note 16 : Revenue from operations

(in '000)

| Sr. No. | Particulars       | 2022-23  | 2020-22       |
|---------|-------------------|----------|---------------|
| 1       | Sales of products | -        | 697.06        |
|         | <b>Total</b>      | <b>-</b> | <b>697.06</b> |

### Note 17 : Other Income

(in '000)

| Sr. No. | Particulars                   | 2022-23       | 2021-22       |
|---------|-------------------------------|---------------|---------------|
| 1       | Interest Income               | 294.23        | 622.90        |
| 2       | Interest on income Tax Refund | 5.38          | -             |
|         | <b>Total</b>                  | <b>299.61</b> | <b>622.90</b> |

### Note 18 : Cost of material consumed

(in '000)

| Sr. No. | Particulars     | 2022-23           | 2021-22          |
|---------|-----------------|-------------------|------------------|
| 1       | Cost of Project | 608,418.06        | 94,756.71        |
|         | <b>Total</b>    | <b>608,418.06</b> | <b>94,756.71</b> |

### Note 19 : Employment Benefit Expenses

(in '000)

| Sr. No. | Particulars                | 2022-23       | 2021-22         |
|---------|----------------------------|---------------|-----------------|
| 1       | Salaries, Wages and bonus* | 395.00        | 1,067.35        |
|         | Gratuity                   | 7.97          | -               |
|         | <b>Total</b>               | <b>402.97</b> | <b>1,067.35</b> |

\*Considered as Related Party Transaction. Refer to note no. 24 for related party disclosure.

### Note 20 : Finance Cost

(in '000)

| Sr. No. | Particulars                 | 2022-23       | 2021-22  |
|---------|-----------------------------|---------------|----------|
| 1       | Commission on BG            | 351.35        | -        |
| 2       | Interest on Lease Liability | 159.12        | -        |
|         | <b>Total</b>                | <b>510.46</b> | <b>-</b> |

### Note 21 : Other expenses

(in '000)

| Sr. No. | Particulars                  | 2022-23         | 2021-22         |
|---------|------------------------------|-----------------|-----------------|
| 1       | Power and Fuel               | 210.78          | 13.66           |
| 2       | Repairs to Machinery         | -               | 2.95            |
| 3       | Advertisement Expense        | 1,903.82        | -               |
| 4       | Bank Charges                 | 3.28            | -               |
| 5       | Rates, Taxes & Fees          | -               | 4.90            |
| 6       | Legal & Professional Fess    | 2,752.46        | 3,095.17        |
| 7       | Other Selling Expenses       | -               | 520.88          |
| 8       | Printing & Stationery        | 636.22          | -               |
| 9       | Listing Fees                 | 624.00          | -               |
| 10      | Other Miscellaneous Expenses | 91.55           | 199.70          |
| 11      | Office Expenses              | 160.05          | 14.89           |
| 12      | Donation                     | 400.00          | -               |
| 13      | CSR Expense                  | 900.00          | -               |
| 14      | Tender Expense               | 75.00           | -               |
|         | <b>Total</b>                 | <b>7,757.16</b> | <b>3,852.16</b> |



## SHRADDHA PRIME PROJECTS LIMITED

### 21.1 Auditor's remuneration

| Sr. No. | Particulars  | 2022-23       | 2021-22      |
|---------|--------------|---------------|--------------|
|         | Audit Fees   | 100.00        | 27.80        |
|         | <b>Total</b> | <b>100.00</b> | <b>27.80</b> |

### Note 22 : Earning per share

(in '000)

| Sr. No. | Particulars  | 2022-23       | 2021-22       |
|---------|--|---------------|---------------|
| 1       | Net profit after tax   | (6,531.47)    | (3,093.97)    |
| 2       | Weighted average number of equity shares*                                    | 4,554,800     | 4,554,800     |
|         | <b>Basic and Diluted Earning per share (face value of Rs.10/-fully paid)</b> | <b>(1.43)</b> | <b>(0.68)</b> |

\*Excluding Share Forfeited amount of Rs 189.27 Lacs

### Note 23 : Financial Instruments

Fair Value Measurement Hierarchy

As at March 31, 2023

(in '000)

| Particulars                         | Carrying amount |       |                    |                    | Fair Value Measurement Hierarchy |         |                    |                    |
|-------------------------------------|-----------------|-------|--------------------|--------------------|----------------------------------|---------|--------------------|--------------------|
|                                     | FVTPL           | FVOCI | Amortised cost     | Total              | Level 1                          | Level 2 | Level 3            | Total              |
| Financial Assets                    |                 |       |                    |                    |                                  |         |                    |                    |
| Investments                         | -               | -     | -                  | -                  | -                                | -       | -                  | -                  |
| Trade Receivables                   | -               | -     | -                  | -                  | -                                | -       | -                  | -                  |
| Cash and Cash Equivalents           | -               | -     | 10,099.67          | 10,099.67          | -                                | -       | 10,099.67          | 10,099.67          |
| Bank Balance other than (iii) above | -               | -     | -                  | -                  | -                                | -       | -                  | -                  |
| Loans and Advances                  | -               | -     | 65,686.75          | 65,686.75          | -                                | -       | 65,686.75          | 65,686.75          |
| Other Financial Assets              | -               | -     | -                  | -                  | -                                | -       | -                  | -                  |
| <b>Total Financial Assets</b>       | -               | -     | <b>75,786.42</b>   | <b>75,786.42</b>   | -                                | -       | <b>75,786.42</b>   | <b>75,786.42</b>   |
| Financial Liabilities               |                 |       |                    |                    |                                  |         |                    |                    |
| Non-Current Borrowings              | -               | -     | 7,46,446.51        | 7,46,446.51        | -                                | -       | 7,46,446.51        | 7,46,446.51        |
| Current Borrowings                  | -               | -     | -                  | -                  | -                                | -       | -                  | -                  |
| Trade Payables                      | -               | -     | 38,555.18          | 38,555.18          | -                                | -       | 38,555.18          | 38,555.18          |
| Other Financial Liabilities         | -               | -     | 1,77,013.93        | 1,77,013.93        | -                                | -       | 1,77,013.93        | 1,77,013.93        |
| <b>Total Financial Liabilities</b>  | -               | -     | <b>9,62,015.62</b> | <b>9,62,015.62</b> | -                                | -       | <b>9,62,015.62</b> | <b>9,62,015.62</b> |

## SHRADDHA PRIME PROJECTS LIMITED

As at March 31, 2022

(in '000)

| Particulars                         | Carrying amount |       |                   |                   | Fair Value Measurement Hierarchy |         |                   |                   |
|-------------------------------------|-----------------|-------|-------------------|-------------------|----------------------------------|---------|-------------------|-------------------|
|                                     | FVTPL           | FVOCI | Amortised cost    | Total             | Level 1                          | Level 2 | Level 3           | Total             |
| <b>Financial Assets</b>             |                 |       |                   |                   |                                  |         |                   |                   |
| Investments                         | -               | -     | -                 | -                 | -                                | -       | -                 | -                 |
| Trade Receivables                   | -               | -     | -                 | -                 | -                                | -       | -                 | -                 |
| Cash and Cash Equivalents           | -               | -     | 232.64            | 232.64            | -                                | -       | 232.64            | 232.64            |
| Bank Balance other than (iii) above | -               | -     | -                 | -                 | -                                | -       | -                 | -                 |
| Loans and Advances                  | -               | -     | 116,966.69        | 116,966.69        | -                                | -       | 116,966.69        | 116,966.69        |
| Other Financial Assets              | -               | -     | -                 | -                 | -                                | -       | -                 | -                 |
| <b>Total Financial Assets</b>       | -               | -     | <b>117,199.33</b> | <b>117,199.33</b> | -                                | -       | <b>117,199.33</b> | <b>117,199.33</b> |
| <b>Financial Liabilities</b>        |                 |       |                   |                   |                                  |         |                   |                   |
| Non-Current Borrowings              | -               | -     | 202,413.00        | 202,413.00        | -                                | -       | 202,413.00        | 202,413.00        |
| Current Borrowings                  | -               | -     | -                 | -                 | -                                | -       | -                 | -                 |
| Trade Payables                      | -               | -     | 2,126.87          | 2,126.87          | -                                | -       | 2,126.87          | 2,126.87          |
| Other Financial Liabilities         | -               | -     | -                 | -                 | -                                | -       | -                 | -                 |
| <b>Total Financial Liabilities</b>  | -               | -     | <b>204,539.87</b> | <b>204,539.87</b> | -                                | -       | <b>204,539.87</b> | <b>204,539.87</b> |

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

**Level 3:** Inputs based on unobservable market data.

### Valuation Methodology :

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- Fair valuation of Financial Assets and Liabilities with short-term maturities is considered as approximate to respective carrying amount due to the Short Term maturities of these Instrument.
- The fair value is determined by using the valuation model/technique with observable inputs and assumptions.
- The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates and yield curves at the balance sheet date.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

## SHRADDHA PRIME PROJECTS LIMITED

### Note 24 : Disclosure of Related Parties

#### Names of related parties and description of relationship :

|   | Sr. No. | Name                               | Relation  |
|---|---------|------------------------------------|---|
| Key managerial personnel & their Relatives                | 1       | Sudhir Mehta                       | Managing Director                                     |
|   | 2       | Omprakash Bansal                   | Managing Director                                     |
|   | 3       | Somesh Bansal                      | CFO   |
|   | 4       | S J Bansal                         | Whole Time Director                                   |
|   | 5       | Krati Patel                        | Company Secretary                                     |
|   | 6       | Avni Chouhan                       | Company Secretary                                     |
|   | 7       | Neha Chhatbar                      | Company Secretary                                     |
|   | 8       | Mital Mehta                        | Spouse of Managing Director                           |
| Entities under common control                             | 1       | Padmagriha Heights                 | Subsidiary (w.e.f.30/06/2022)                         |
|   | 2       | Shree Krishna Rahul Developers     | Subsidiary (w.e.f. 26/04/2022)                        |
|   | 3       | Shree Mangesh Constructions        | Subsidiary (w.e.f. 21/07/2022)                        |
| Entities in which key managerial personnel are interested | 1       | Bansal Instruments                 | Director is having a significant control/influence    |
|   | 2       | Shraddha Landmark Private Limited  | Director is Director                                  |
|   | 3       | Shraddha Build-con Private Limited | Director is Director                                  |
|   | 4       | Shraddha Highrise                  | Director is Director / Brother of Director is Partner |

#### Transactions with related parties for the year ended March 31, 2023

| Sr. No. | Particulars               | 2022-23             | 2021-22            |
|---------|---------------------------|---------------------|--------------------|
| 1       | <b>Rent</b>               |                     |                    |
|         | Somesh Bansal             | -                   | 36.00              |
|         | Mital Mehta               | 480.00              | 360.00             |
|         |                           | <b>480.00</b>       | <b>396.00</b>      |
| 2       | <b>Salary</b>             |                     |                    |
|         | Omprakash Bansal          | -                   | 150.00             |
|         | S J Bansal                | -                   | 150.00             |
|         | Krati Patel               | 135.00              | 405.00             |
|         | Avni Chouhan              | -                   | 80.00              |
|         | Neha Chhatbar             | 250.00              | -                  |
|         |                           | <b>385.00</b>       | <b>785.00</b>      |
| 3       | <b>Loan Taken</b>         |                     |                    |
|         | Sudhir Mehta              | 8,57,828.74         | 2,14,113.00        |
|         | Omprakash Bansal          | -                   | 5.00               |
|         | Somesh Bansal             | -                   | 5.00               |
|         | Shraddha Landmark Pvt Ltd | 204,227.40          | -                  |
|         |                           | <b>10,62,056.14</b> | <b>2,14,123.00</b> |
| 4       | <b>Loan Repaid</b>        |                     |                    |
|         | Sudhir Mehta              | 5,21,286.65         | 11,700.00          |
|         | Omprakash Bansal          | -                   | 5.00               |
|         | Somesh Bansal             | -                   | <b>5.00</b>        |
|         | Shraddha Landmark Pvt Ltd | -                   | -                  |
|         |                           | <b>5,21,286.65</b>  | <b>11,710.00</b>   |

## SHRADDHA PRIME PROJECTS LIMITED

|   |                                    |                  |                  |
|---|------------------------------------|------------------|------------------|
| 5 | <b>Advance given</b>               |                  |                  |
|   | Shraddha Build-con Private Limited | 29,028.45        | -                |
|   | Shraddha Landmark Private Limited  | -                | 10,500.00        |
|   |                                    | <b>29,028.45</b> | <b>10,500.00</b> |
| 6 | <b>Investment in Subsidiary</b>    |                  |                  |
|   | Padmagriha Heights                 | 8,986.33         |                  |
|   | Shree Krishna Rahul Developers     | 53,933.24        | -                |
|   | Shree Mangesh Constructions        | 10,709.81        | -                |
|   |                                    | <b>73,629.39</b> | -                |
| 7 | <b>Purchase of Goods</b>           |                  |                  |
|   | Shraddha Highrise                  | 2,574.04         | -                |
|   |                                    | <b>2,574.04</b>  | -                |
| 8 | <b>Interest Expense</b>            |                  |                  |
|   | Shraddha Landmark Private Limited  | 3,676.68         | -                |
|   |                                    | <b>3,676.68</b>  | -                |
| 9 | <b>Sale of Goods</b>               |                  |                  |
|   | Bansal Instruments                 | -                | 658.76           |
|   |                                    | -                | <b>658.76</b>    |

### Closing Balance

| Sr. No. | Particulars   | 2022-23          | 2021-22    |
|---------|---|------------------|------------|
| 1       | Sudhir Mehta<br>Loans (Liability)                                 | 538,955.09       | 202,413.00 |
| 2       | Mital Mehta<br><b>Rent Payable</b>                                | 36.00            | 324.00     |
| 3       | Krati Patel<br>Remuneration Payable                               | -                | 44.80      |
| 4       | Neha Chattbar<br>Remuneration Payable                             | 24.80            | -          |
| 5       | Shraddha Landmark Private Limited<br>Loans (Liability)            | 207,491.42       | -          |
| 6       | <b>Shree Krishna Rahul Developers</b><br>Investment in Subsidiary | 55,637.77        | -          |
| 7       | Padmagriha Heights<br>Investment in Subsidiary                    | 53,396.81        | -          |
| 8       | Shree Mangesh Constructions<br><b>Investment in Subsidiary</b>    | 13,798.70        | -          |
| 9       | Shraddha Highrise<br>Trade payable                                | 1,597.69         | -          |
| 10      | Shraddha Build-con Private Limited<br>Advance given               | <b>29,028.45</b> | -          |

### Note 25

#### Financial Risk Management

The company's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the company's financial performance.

## SHRADDHA PRIME PROJECTS LIMITED

---

### Interest rate risk

Interest rate risk primarily arises from floating rate borrowings. The Company do not have any borrowings, hence the management of the company considers interest rate risk as immaterial.

### Credit risk

Credit Risk is the risk that a customer or counterparty to a Financial Instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit Risk arises from Company's outstanding receivables from Customers.

The Company's exposure to Credit Risk is influenced mainly by the individual characteristics of each Customer. Credit Risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the Customers, to whom the Company grants credit in accordance with the terms and conditions and in ordinary course of its business.

The Company monitors each Loan and advance given and makes any specific provision, as and when required.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of Trade Receivables and Loans and Advances.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company's finance department is responsible for fundmanagement. In addition, processes and policies related to such risks are overseen by senior management

| Particulars                   | 2022-23          | 2021-22       |
|-------------------------------|------------------|---------------|
| Cash and Cash Equivalents     | 10,099.67        | 232.64        |
| Bank Balance other than above | -                | -             |
| <b>Total</b>                  | <b>10,099.67</b> | <b>232.64</b> |

### Capital Risk Management

The Company's capital risk management policy objective is to ensure that at all times, it remains a going concern and safeguard the interest of its shareholders and other stakeholders

| Particulars         | 2022-23          | 2021-22         |
|---------------------|------------------|-----------------|
| Net Financials Debt | 7,46,446.51      | 202,413.00      |
| <b>Total Equity</b> | <b>13,490.01</b> | <b>8,560.48</b> |

### Foreign Currency Risk

There are no foreign currency transactions, and hence there is no foreign currency risk.

### Note 26

Since the tax expenses for the year ended 31.03.2023 is NIL (PY is NIL) and the deferred tax assets / liability, has been calculated as per the company's policy.

### Note 27 : Segment Reporting

Segment Information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's Management and Internal Reporting Structure.

The Company's Managing Director has been identified as the Chief Operating Decision Maker ('CODM'), since he is responsible for all major decisions with respect to the preparation and execution of Business Plan, preparation of Budget, Planning, alliance, Joint Venture, Merger and Acquisition, and expansion of any new facility.

Board of Directors review the operating results of its new Line of Segment i.e. "Construction of Residential Complex/Dwellings" business at Company level to assess its performance. Accordingly, there is only one reportable segment for the Company which is "Construction of Residential Complex/Dwellings" after the change of management.

## SHRADDHA PRIME PROJECTS LIMITED

### Note 28 : Corporate Social Responsibility Expenditure (CSR)

The provisions of section 135 of Companies Act,2013 relating to expenditure on Corporate Social Responsibility are not applicable to the company, as networth/Turonver/ net Profit criteria are not achieved.

### Note 29 : Contingent Liabilities & Capital Commitments

| Particulars   | March 31, 2023 | March 31, 2022 |
|---|----------------|----------------|
| Contingent Liabilities & Capital Commitments not provided | 1,650,000      | -              |
| Estimated amount of Committed Contracts (Net of Advances) | -              | -              |

### Note 30 : Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### Note 31 :

The Company does not have any layers of companies and therefore this clause is not applicable.

### Note 32 :

There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

### Note 33 :

There are no transactions with the companies struck off under 248 of Companies Act, 2013 or Sec 560 of Companies Act, 1956.

### Note 34 :

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) except as reported in financial statement, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) except as disclosed in financial statement with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

### Note 35 : Leases

The Following is carrying value of right of use assets (Building)

| Particular                          | As at         |           |
|-------------------------------------|---------------|-----------|
|                                     | 31-Mar-23     | 31-Mar-22 |
| Opening Balance                     | -             | -         |
| Additions during the previous year  | 1,204.30      | -         |
| Deletion during the previous year   | -             | -         |
| Depreciation of Right of use assets | 702.51        | -         |
| <b>Closing Balance</b>              | <b>501.79</b> | -         |



## SHRADDHA PRIME PROJECTS LIMITED

The Following is the carrying value of lease liability :-

| Particular                                   | As at         |           |
|--|---------------|-----------|
|  | 31-Mar-23     | 31-Mar-22 |
| Additions during the previous year           | 1,204.30      | -         |
| Finance cost accrued during the year         | 271.94        | -         |
| Payment of lease liabilities during the year | 840.00        | -         |
| Closing Balane                               | 636.24        | -         |
| Current portion of Lease Liability           | 636.24        | -         |
| Non-current portion of Lease Liability       | -             | -         |
| <b>Total</b>                                 | <b>636.24</b> | <b>-</b>  |

The Following are the amounts recognised in statement of profit and loss

| Particular  | As at         |           |
|---|---------------|-----------|
|   | 31-Mar-23     | 31-Mar-22 |
| Depreciation                                      | 702.51        | -         |
| Interest expenses on lease liabilities            | 271.94        | -         |
| <b>Total amount recognised in profit and loss</b> | <b>974.45</b> | <b>-</b>  |

### Note 36 :

Since the company has not granted advances in the nature of loan to Holdings, subsidiary and joint venture, disclosure under clause 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

### Note 37: Gratuity

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

#### (a): Table Showing Changes in Present Value of Obligations:

| Period   | From: 01-04-2022<br>To: 31-03-2023 | As on: 31-03-2022 |
|--|------------------------------------|-------------------|
| Present value of the obligation at the beginning of the period | 11,318                             | 0                 |
| Interest cost  | 821                                | 0                 |
| Current service cost   | 7,149                              | 11,318            |
| Past Service Cost  | 0                                  | 0                 |
| Benefits paid (if any)   | 0                                  | 0                 |
| Actuarial (gain)/loss  | (12,139)                           | 0                 |
| Present value of the obligation at the end of the period       | 7,149                              | 11,318            |

#### (b): Bifurcation of total Actuarial (gain) / loss on liabilities

| Period   | From: 01-04-2022<br>To: 31-03-2023 |
|--|------------------------------------|
| Actuarial gain / losses from changes in Demographics assumptions (mortality) | Not Applicable                     |
| Actuarial (gain)/ losses from changes in financial assumptions               | 0                                  |
| Experience Adjustment (gain)/ loss for Plan liabilities                      | (12,139)                           |
| Total amount recognized in other comprehensive Income                        | (12,139)                           |

#### (c): Key results (The amount to be recognized in the Balance Sheet):

| Period   | As on: 31-03-2023 | As on: 31-03-2022 |
|--|-------------------|-------------------|
| Present value of the obligation at the end of the period               | 7,149             | 11,318            |
| Fair value of plan assets at end of period                             | 0                 | 0                 |
| Net liability/(asset) recognized in Balance Sheet and related analysis | 7,149             | 11,318            |
| Funded Status - Surplus/ (Deficit)                                     | (7,149)           | (11,318)          |

## SHRADDHA PRIME PROJECTS LIMITED

### (d): Expense recognized in the statement of Profit and Loss:

| Period                           | From: 01-04-2022<br>To: 31-03-2023 | As on: 31-03-2022 |
|----------------------------------|------------------------------------|-------------------|
| Interest cost                    | 821                                | 0                 |
| Current service cost             | 7,149                              | 11,318            |
| Past Service Cost                | 0                                  | 0                 |
| Expected return on plan asset    | (0)                                | (0)               |
| Expenses to be recognized in P&L | 7,970                              | 11,318            |

### (e): Other comprehensive (income) / expenses (Remeasurement)

| Period   | From: 01-04-2022<br>To: 31-03-2023 | As on: 31-03-2022 |
|--|------------------------------------|-------------------|
| Cumulative unrecognized actuarial (gain)/loss opening. B/F | 0                                  | 0                 |
| Actuarial (gain)/loss - obligation                         | (12,139)                           | 0                 |
| Actuarial (gain)/loss - plan assets                        | 0                                  | 0                 |
| Total Actuarial (gain)/loss                                | (12,139)                           | 0                 |
| Cumulative total actuarial (gain)/loss. C/F                | (12,139)                           | 0                 |

### (f): Net Interest Cost

| Period                                      | From: 01-04-2022<br>To: 31-03-2023 | As on: 31-03-2022 |
|---|------------------------------------|-------------------|
| Interest cost on defined benefit obligation | 821                                | 0                 |
| Interest income on plan assets              | 0                                  | 0                 |
| Net interest cost (Income)                  | 821                                | 0                 |

### (g): Experience adjustment:

| Period   | From: 01-04-2022<br>To: 31-03-2023 | As on: 31-03-2022 |
|--|------------------------------------|-------------------|
| Experience Adjustment (Gain) / loss for Plan liabilities | (12,139)                           | 0                 |
| Experience Adjustment Gain / (loss) for Plan assets      | 0                                  | 0                 |

### (h): Summary of membership data at the date of valuation and statistics based thereon:

| Period  | As on: 31-03-2023 | As on: 31-03-2022 |
|---|-------------------|-------------------|
| Number of employees   | 1                 | 1                 |
| Total monthly salary  | 25,000            | 45,000            |
| Average Past Service(Years)   | 0.8               | 0.7               |
| Average Future Service (yrs)  | 22.5              | 27.1              |
| Average Age(Years)  | 35.5              | 30.9              |
| Weighted average duration (based on discounted cash flows) in years | 22                | 27                |
| Average monthly salary  | 25,000            | 45,000            |

### (i): Actuarial assumptions provided by the company and employed for the calculations are tabulated:

|                             |                  |                  |
|-----------------------------|------------------|------------------|
| Discount rate               | 7.50 % per annum | 7.25 % per annum |
| Salary Growth Rate          | 5.00 % per annum | 5.00 % per annum |
| Mortality                   | IALM 2012-14     | IALM 2012-14     |
| Withdrawal rate (Per Annum) | 5.00% p.a.       | 5.00% p.a.       |

## SHRADDHA PRIME PROJECTS LIMITED

### (j): Benefits valued:

|   |  |  |
|---|--|--|
| Normal Retirement Age                             | 58 Years   | 58 Years   |
| Salary  | Last drawn qualifying salary                     | Last drawn qualifying salary                     |
| Vesting Period                                    | 5 Years of service                               | 5 Years of service                               |
| Benefits on Normal Retirement                     | 15/26 * Salary * Past Service (yr).              | 15/26 * Salary * Past Service (yr).              |
| Benefit on early exit due to death and disability | As above except that no vesting conditions apply | As above except that no vesting conditions apply |
| Limit   | 2000000.00                                       | 2000000.00                                       |

### (k): Current Liability (\*Expected payout in next year as per schedule III of the Companies Act, 2013) :

| Period                            | As on: 31-03-2023 | As on: 31-03-2022 |
|-----------------------------------|-------------------|-------------------|
| Current Liability (Short Term)*   | 24                | 38                |
| Non Current Liability (Long Term) | 7,125             | 11,280            |
| Total Liability                   | 7,149             | 11,318            |

### Note 38 : Ratio Analysis

|   | Ratio Analysis                          | Numerator  | Denominator   | 31-Mar-23 | 31-Mar-22 |
|---|---|--|---|-----------|-----------|
| 1 | <b>Current Ratio</b>                    | <b>Current Assets</b>  | <b>Current Liabilities</b>  | 3.53      | 90.99     |
| 2 | <b>Debt Equity Ratio</b>                | <b>Total Liabilities</b><br>Total Outside Liabilities  | <b>Sharholder's Equity</b><br>Total Shareholders Equity   | 55.33     | 23.65     |
| 3 | <b>Debt Service Coverage Ratio</b>      | <b>Net Operating Income</b><br><br>Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Finance Cost +other adjustments like loss on sale of fixed assets,etc. | <b>Debt Service</b><br><br>Current Debt Obligation (Interst + Installments)                           | (0.01)    | (0.02)    |
| 4 | <b>Return on Equity Ratio</b>           | <b>Profit for the period</b><br><br>Net Profit after taxes - preference dividend (if any)  | <b>Avg. Shareholders Equity</b><br>(Beginning shareholders' equity + Ending shareholders' equity) ÷ 2 | (0.00)    | (0.00)    |
| 5 | <b>Inventory Turnover Ratio</b>         | <b>Cost of Goods sold</b><br>(Opening Stock + Purchases) – Closing Stock   | <b>Average Inventory</b><br>(Opening Stock + Closing Stock)/2   | -         | -         |
| 6 | <b>Trade Receivables Turnover Ratio</b> | <b>Net Credit Sales</b><br><br>Credit Sales  | <b>Average Trade Receivables</b><br>(Beginning Trade Receivables + Ending Trade Receivables) / 2      | -         | -         |

## SHRADDHA PRIME PROJECTS LIMITED

|    |                                      |   |   |        |        |
|----|--------------------------------------|---|---|--------|--------|
| 7  | <b>Trade Payables Turnover Ratio</b> | <b>Total Purchases</b><br>Annual Net Credit Purchases | <b>Average Trade Payables</b><br>(Beginning Trade Payables + Ending Trade Payables) / 2 | 10.65  | 4.31   |
| 8  | <b>Net Capital Turnover Ratio</b>    | <b>Net Sales</b><br>Total Sales - Sales Return        | <b>Average Working Capital</b><br>Current Assets - Current Liabilities                  | -      | 0.00   |
| 9  | <b>Net Profit Ratio</b>              | <b>Net Profit</b><br>Profit After Tax                 | <b>Net Sales</b><br>Sales   | -      | (4.44) |
| 10 | <b>Return on Capital employed</b>    | <b>EBIT</b><br>Profit before Interest and Taxes       | <b>Capital Employed</b><br>Total Assets - Current Liabilities                           | (0.64) | (0.36) |
| 11 | <b>Return on Investment</b>          | <b>Return/Profit/Earnings</b>                         | <b>Investment</b>   | (0.59) | (0.15) |

### Note : 39

It is to be noted that the company have entered into partnership agreement in accordance with Indian Partnership Act, 1932 in Shree Krishna Rahul Developers, Padhmagriha Heights and Shree Mangesh Constructions w.e.f. April 26, 2022, June 30, 2022 and July 21, 2022 respectively.

### Note : 40

It is to be noted that the company has made an application to raise funds through rights issue of equity shares. The Draft Letter of offer was filed and BSE approval was received for the same dated 12th May, 2023.

### Note : 41

Previous year/ period have been re-grouped, reclassified to conform to current year figures.

Notes 1 to 41 are integral part of these Financial Statements

As per our report of even date

**For Vishwas & Associates**  
**Chartered Accountants**  
**FRN:- 143500W**

**For & On Behalf of the Board**

**Vishwas Kalal**  
**(Proprietor)**  
**M.No.: 174542**  
**UDIN:- 23174542BGWDEQ2190**

**Sudhir Mehta**  
**(Managing Director)**  
**DIN : 02215452**

**Ramchandra Ralkar**  
**(Director)**  
**DIN : 02817292**

**Neha Chhatbar**  
**(Company Secretary)**

**Dhruv Mehta**  
**(CFO)**

**Place:- Mumbai**  
**Date:- 30/05/2023**

**Place:- Mumbai**  
**Date:- 30/05/2023**

## SHRADDHA PRIME PROJECTS LIMITED

---

### Independent Auditor's Report

To  
The Members of  
Shraddha Prime Projects Limited  
A-309, Kanara Business Centre Premises CS Ltd.  
Link Road, Laxmi Nagar,  
Ghatkopar East,  
Mumbai – 400075

### Report on the audit of the Consolidated Financial Statements

#### Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of Shraddha Prime Projects Limited ('the Holding Company' or 'the Parent' or 'the Company') and its subsidiaries (the parent and its subsidiaries together referred to as 'the Group'), which comprise the consolidated balance sheet as at 31 March 2023 and the consolidated statement of profit (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ('the Consolidated Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us on separate financial statements or/ and financial information of such subsidiaries, as were audited by us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2023, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### Basis for Opinion

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

#### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter     | How the matter was addressed in our audit  |
|----------------------|--|
| Inventory Valuations | <p><b>Our audit procedures included, among others, the following:</b></p> <ul style="list-style-type: none"><li>• Obtained an understanding of the Management's process and methodology of using key assumptions for determining the valuation of inventory as at the year-end including considerations given to impact of Covid-19:</li></ul> |

|   |  |
|---|--|
| <p>The Company's properties under development and completed properties are stated at the lower of cost and Net Realizable Value (NRV). As at March 31, 2023, the Company's properties under development amounts to INR 9,890.81 lakhs.</p> <p>Determination of the NRV involves estimates based on prevailing market conditions, current prices, and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling costs.</p> <p>The cost of the inventory is calculated using actual land acquisition costs, construction costs, development related costs and interest capitalized for eligible project.</p> <p>We have considered the valuation of inventory as a key audit matter on account of the significance of the balance to the financial statements and involvement of significant judgement in estimating future selling prices, costs to complete project and possible effect on the above estimates because of COVID -19 pandemic</p> | <ul style="list-style-type: none"> <li>• Evaluated the design and implementation and verified, on a test check basis, operating effectiveness of controls over preparation and update of NRV workings and related to the Company's review of key estimates, including estimated future selling prices and costs of completion for property development projects;</li> <li>• Assessed the appropriateness of the selling price estimated by the management and verified the same on a test check basis, by comparing the estimated selling price to recent market prices in the same projects or comparable properties;</li> <li>• Compared the estimated construction cost to complete the project with the company's updated budgets and Assessed the adequacy and appropriateness of the disclosures made in the financial statements with respect to Inventory in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.</li> </ul> |
|---|--|

**Other Information**

5. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report/the management report and chairman's statement, but does not include the Consolidated Financial Statements and our auditors' report thereon.
6. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

8. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

## SHRADDHA PRIME PROJECTS LIMITED

---

9. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's responsibilities for the audit of the Consolidated Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - 12.1. Identify and assess the risks of material misstatement of the Consolidated 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.
  - 12.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.
  - 12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
  - 12.4. 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 ability of the Group 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 Consolidated 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 Group to cease to continue as a going concern.
  - 12.5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - 12.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
13. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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.



## SHRADDHA PRIME PROJECTS LIMITED

---

14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

16. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and financial statements certified by the Management.

### Report on Other Legal and Regulatory Requirements

17. As required by section 143(3) of the Act, based on our audit and on separate financial statements of such subsidiaries, as were audited by us, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - 17.1. 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 of the aforesaid Consolidated Financial Statements.
  - 17.2. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the auditors.
  - 17.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - 17.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - 17.5. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - 17.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company, its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.
  - 17.7. In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, incorporated in India which were audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, incorporated in India is not in excess of the limit laid down under Section 197 of the Act.
18. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports on separate financial statements of such subsidiaries, as noted in the 'Other Matters' paragraph:

- 18.1. There were no pending litigations which would impact the consolidated financial position of the Group.
- 18.2. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- 18.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.
- 18.4. The respective managements of the Holding Company, its subsidiaries, incorporated in India whose financial statements have been audited under the Act have represented to us, to best of their knowledge and belief, that 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 Holding Company or any of such subsidiaries 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 Holding Company or any of such subsidiaries, ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 18.5. The respective managements of the Holding Company, its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us of such subsidiaries, to best of their knowledge and belief, that no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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.
- 18.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by auditors of the subsidiaries incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representation contain any material misstatement.
- 18.7. In our opinion and according to the information and explanations given to us, the dividend declared and / or paid during the year by the Holding Company and its subsidiaries incorporated in India is in compliance with Section 123 of the Act.
19. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by respective auditors of the companies included in consolidated financial statements, we report that there are no qualifications or adverse remarks in these CARO reports.

For Vishwas & Associates  
Chartered Accountants  
Firm Registration Number: 143500W

Vishwas Kalal  
Proprietor  
ICAI Membership No: 174542  
UDIN: 23174542BGWDER3212

Place: Mumbai  
Date: 30<sup>th</sup> May 2023

### **Annexure 'A to the Independent Auditors' report on the Consolidated Financial Statements of Shraddha Prime Projects Limited for the year ended 31 March 2023**

(Referred to in paragraph '17.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

#### **Opinion**

1. In conjunction with our audit of the Consolidated Financial Statements of Shraddha Prime Projects Limited as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Shraddha Prime Projects Limited ('the Holding Company') and its subsidiary companies, which are companies incorporated in India, as of that date.
2. In our opinion, the Holding Company, and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

#### **Management's responsibility for Internal Financial Controls**

3. The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's responsibility**

4. Our responsibility is to express an opinion on the Holding Company, its subsidiaries, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

### Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

7. A company's internal financial controls with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Consolidated Financial Statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to the consolidated Financial Statements

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

### Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to 3 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For Vishwas & Associates  
Chartered Accountants  
Firm Registration Number: 143500W

Vishwas Kalal  
Proprietor  
ICAI Membership No: 174542  
UDIN: 23174542BGWDER3212

Place: Mumbai  
Date: 30<sup>th</sup> May 2023

# SHRADDHA PRIME PROJECTS LIMITED

## Consolidated Balance Sheet as at 31st March, 2023

(Amount in Rs. '000)

| Particulars   | Note No | 31st March 2023     |
|---|---------|---------------------|
| <b>Assets</b>   |         |                     |
| <b>(1) Non-Current Assets</b>                                 |         |                     |
| (a) Property, Plant and Equipment and Intangible assets       |         |                     |
| (i) Property, Plant and Equipment                             | 2       | 9,256.19            |
| (ii) Capital Work-in-Progress                                 |         | -                   |
| (b) Investments   | 3       | 7,264.81            |
| (c) Deferred Tax Assets (Net)                                 | 4       | 2,294.84            |
| (d) Financial Assets  |         | -                   |
| (i) Loans and Advances  |         | -                   |
| (ii) Other Financial Assets                                   |         | -                   |
| (e) Other Non-Current Assets                                  | 5       | -                   |
| <b>Total Non-Current Assets</b>                               |         | <b>18,815.84</b>    |
| <b>(2) Current Assets</b>                                     |         |                     |
| (a) Inventories   | 6       | 9,89,080.67         |
| (b) Financial Assets  |         | -                   |
| (i) Investments   |         | -                   |
| (ii) Trade Receivables  |         | -                   |
| (iii) Cash and Cash Equivalents                               | 7       | 27,105.48           |
| (iv) Bank Balance other than (iii) above                      |         | -                   |
| (v) Loans and Advances  | 8       | 2,95,323.79         |
| (c) Other Current Assets                                      | 5       | 4,143.12            |
| <b>Total Current Assets</b>                                   |         | <b>13,15,653.06</b> |
| <b>Total Assets</b>   |         | <b>13,34,468.90</b> |
| <b>EQUITY AND LIABILITIES</b>                                 |         |                     |
| <b>(1) Equity</b>   |         |                     |
| (a) Equity Share capital                                      | 9       | 64,474.50           |
| (b) Other Equity  | 10      | (50,984.49)         |
| (c) Minority Interest   |         | 240.37              |
| <b>Total Equity</b>   |         | <b>13,730.38</b>    |
| <b>(2) Liabilities</b>  |         |                     |
| <b>(A) Non-Current Liabilities</b>                            |         |                     |
| (a) Financial Liabilities                                     |         |                     |
| (i) Financial Liabilities                                     |         | -                   |
| (ii) Other than Financial Liabilities                         | 11      | 7,46,446.51         |
| (b) Provisions  | 15      | 7.13                |
| (c) Deferred Tax Liability (Net)                              |         | -                   |
| (d) Other Non-Current Liabilities                             |         | -                   |
| <b>Total Non-Current Liabilities</b>                          |         | <b>7,46,453.63</b>  |
| <b>(B) Current liabilities</b>                                |         |                     |
| (a) Financials Liabilities                                    |         |                     |
| (i) Trade Payables  | 12      |                     |
| - outstanding dues of micro enterprises and small enterprises |         | 1,134.00            |
| - outstanding dues of creditors other than above              |         | 82,843.79           |
| (ii) Other Current Financial Liabilities                      | 13      | 4,74,841.93         |
| (b) Provisions  | 15      | 5,710.89            |
| (c) Other Current Liabilities                                 | 14      | 9,754.27            |
| <b>Total Current Liabilities</b>                              |         | <b>5,74,284.89</b>  |
| <b>Total Liabilities</b>                                      |         | <b>13,20,738.52</b> |
| <b>Total Equity and Liabilities</b>                           |         | <b>13,34,468.90</b> |

Significant accounting policies

Notes 1 to 40 are integral part of these Financial Statements

As per our report of even date

**For Vishwas & Associates**

**Chartered Accountants**

FRN:- 143500W

**Vishwas Kalal**

**(Proprietor)**

**M.No.: 174542**

**UDIN:- 23174542BGWDER3212**

**For & On Behalf of the Board**

**Sudhir Mehta**

**(Managing Director)**

**DIN : 02215452**

**Ramchandra Ralkar**

**(Director)**

**DIN : 02817292**

**Neha Chhatbar**  
**(Company Secretary)**

**Dhruv Mehta**  
**(CFO)**

**Place:- Mumbai**

**Date:-30/05/2023**

**Place:- Mumbai**

**Date:- 30/05/2023**

# SHRADDHA PRIME PROJECTS LIMITED

## Consolidated Statement of Profit and Loss for the year ended 31st March, 2023

(Amount in Rs. '000)

| Particulars  | Note No | 31st March 2023  |
|--|---------|------------------|
| <b>Incomes</b>   |         |                  |
| (a) Revenue from operations  | 16      | 85,922.43        |
| (b) Other income   | 17      | 302.67           |
| <b>Total Income</b>  | A       | <b>86,225.10</b> |
| <b>Expenses</b>  |         |                  |
| (a) Cost of Projects   | 18      | 723,148.95       |
| (b) Purchases of Stock-in-trade  |         | -                |
| (c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade                  |         | (656,812.24)     |
| (d) Employee Benefit Expense   | 19      | 2,793.19         |
| (e) Depreciation and Amortisation Cost   |         | 324.35           |
| (f) Finance Cost   | 20      | 510.46           |
| (g) Other Expenses   | 21      | 8,056.05         |
| <b>Total Expenses (a to f)</b>   | B       | <b>78,020.75</b> |
| <b>Profit Before Exceptional Item and Tax (A-B)</b>  | C       | <b>8,204.35</b>  |
| Exceptional Items (Prior Period Expenses)  |         | 154.26           |
| <b>Profit Before Tax</b>   | D       | <b>8,050.10</b>  |
| <b>Tax Expense:</b>  |         |                  |
| (a) Current tax  |         | 5,287.17         |
| (b) Deferred tax   | 4       | (2,294.84)       |
| <b>Total Tax Expense (a+b)</b>   | E       | <b>2,992.33</b>  |
| <b>Profit For the Year (C-D)</b>   | F       | <b>5,057.77</b>  |
| <b>Other Comprehensive Income (Net of Tax)</b>   |         |                  |
| (a) Items that will not be reclassified to the Statement of Profit and Loss                        |         |                  |
| - Remeasurements of Defined Benefit Plans  |         | 12.14            |
| (b) Income tax relating to items that will not be reclassified to the Statement of Profit and Loss |         | -                |
| <b>Total Other Comprehensive Income (a-b)</b>  | G       | <b>12.14</b>     |
| <b>Total Comprehensive Income for the year (E+F)</b>   | H       | <b>5,069.91</b>  |
| <b>Profit/(Loss) for the period attributable to:</b>   |         |                  |
| (i) Owners of the Company  |         | 4,917.40         |
| (ii) Non-controlling Interest  |         | 140.37           |
|  |         | <b>5,057.77</b>  |
| <b>Other Comprehensive Income for the period for the period attributable to:</b>                   |         |                  |
| (i) Owners of the Company  |         | 12.14            |
| (ii) Non-controlling Interest  |         | -                |
|  |         | <b>12.14</b>     |
| <b>Total Other Comprehensive Income for the period for the period attributable to:</b>             |         |                  |
| (i) Owners of the Company  |         | 4,929.54         |
| (ii) Non-controlling Interest  |         | 140.37           |
|  |         | <b>5,069.91</b>  |
| Earning per equity share:  | 22      |                  |
| Face value per equity shares Rs.10/- fully paid up.  |         |                  |
| (1) Basic  |         | 1.11             |
| (2) Diluted  |         | <b>1.11</b>      |

Significant accounting policies

Notes 1 to 40 are integral part of these Financial Statements

As per our report of even date

**For Vishwas & Associates**  
Chartered Accountants  
FRN:- 143500W

Vishwas Kalal  
(Proprietor)  
M.No.: 174542  
UDIN:- 23174542BGWDER3212

**For & On Behalf of the Board**

Sudhir Mehta  
(Managing Director)  
DIN : 02215452

Ramchandra Ralkar  
(Director)  
DIN : 02817292

Neha Chhatbar  
(Company Secretary)

Dhruv Mehta  
(CFO)

Place:- Mumbai  
Date:-30/05/2023

Place:- Mumbai  
Date:- 30/05/2023

# SHRADDHA PRIME PROJECTS LIMITED

## Consolidated Cash Flow Statement For The Year Ended March 31, 2023

(Amount in Rs. '000)

| Particulars |   | 31st March 2023     |
|-------------|---|---------------------|
| <b>A.</b>   | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                              |                     |
|             | Net profit before tax and extraordinary items                           | 8,050.10            |
|             | Adjustments for:  |                     |
|             | Depreciation and amortisation expense                                   | 725.78              |
|             | (Profit) / Loss on sale of fixed assets                                 | -                   |
|             | Acturial Gain on gratuity valuation                                     | 12.14               |
|             | Interest Income   | (299.61)            |
|             | <b>Operating profit / (loss) before working capital changes</b>         | <b>8,488.40</b>     |
|             | <b>Changes in working capital:</b>                                      |                     |
|             | Increase / (Decrease) in trade payable                                  | 90,343.42           |
|             | Increase / (Decrease) in other financial liabilities                    | 307,374.40          |
|             | Increase / (Decrease) in other current liabilities                      | 182,939.82          |
|             | (Increase) / Decrease in other assets                                   | (24,040.13)         |
|             | (Increase) / Decrease in short term loan and advances                   | (275,426.77)        |
|             | (Increase) / Decrease in trade receivables                              | -                   |
|             | (Increase) / Decrease in inventories                                    | (989,080.67)        |
|             |   | <b>(707,889.93)</b> |
|             | <b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>                  | <b>(699,401.53)</b> |
|             | Less: Taxes paid  | <b>(2,992.33)</b>   |
|             | <b>NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>              | <b>(702,393.86)</b> |
| <b>B.</b>   | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                              |                     |
|             | Investment in fixed deposits  | (7,264.81)          |
|             | Purchase of Fixed Assets  | (9,981.97)          |
|             | Dividend/ bank interest received  | 299.61              |
|             | <b>NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>              | <b>(16,947.16)</b>  |
| <b>C.</b>   | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                              |                     |
|             | Proceeds from borrowings  | 746,446.51          |
|             | <b>NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>              | <b>746,446.51</b>   |
|             | <b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b> | <b>27,105.48</b>    |
|             | <b>Cash and Cash equivalents at beginning period</b>                    | -                   |
|             | <b>Cash and Cash equivalents at end of period</b>                       | <b>27,105.48</b>    |
| <b>D.</b>   | <b>Cash and Cash equivalents comprise of</b>                            |                     |
|             | Cash on hand  | 620.90              |
|             | <b>Balances with banks</b>  |                     |
|             | In current accounts   | 26,484.58           |
|             | <b>Total</b>  | <b>27,105.48</b>    |

This Cash Flow Statement has been prepared as per "Indirect Method" as prescribed by Accounting Standard -3 (revised) "Cash Flow Statements" Notes 1 to 40 are integral part of these Financial Statements

As per our report of even date  
For Vishwas & Associates  
Chartered Accountants  
FRN:- 143500W

For & On Behalf of the Board

Vishwas Kalal  
(Proprietor)  
M.No.: 174542  
UDIN:- 23174542BGWDER3212

Sudhir Mehta  
(Managing Director)  
DIN : 02215452

Ramchandra Ralkar  
(Director)  
DIN : 02817292

Neha Chhatbar  
(Company Secretary)

Dhruv Mehta  
(CFO)

Place:- Mumbai  
Date:-30/05/2023

Place:- Mumbai  
Date:- 30/05/2023



## SHRADDHA PRIME PROJECTS LIMITED

### Consolidated Statement Of Changes In Equity For The Year Ended March 31, 2023

| A. Equity Share Capital:  |  | (in Rs. '000)          |
|---|--|------------------------|
| Particulars   |  | As at 31st March, 2023 |
| i) Equity shares of INR 10 each issued. subscribed and fully paid |  |                        |
| Balance at the beginning of the period/year                       |  | 45,548.00              |
| Changes in Equity Share Capital during the year                   |  | -                      |
| <b>Balance at the end of the year</b>                             |  | <b>45,548.00</b>       |
| ii) Share Forfeited Account                                       |  |                        |
| Balance at the beginning of the period/year                       |  | 18,926.50              |
| Changes in Equity Share Capital during the year                   |  | -                      |
| <b>Balance at the end of the year</b>                             |  | <b>18,926.50</b>       |
| <b>Total Equity Share Capital</b>                                 |  | <b>64,474.50</b>       |
| <b>B. Other Equity</b>  |  |                        |
| Particulars   |  | As at 31st March, 2023 |
| <b>i) Reserves and Surplus</b>                                    |  |                        |
| <b>a) Retained Earnings</b>                                       |  |                        |
| Balance at the beginning of the year                              |  | (56,666.36)            |
| Profit/(Loss) for the year  |  | 4,917.40               |
| Other Comprehensive Income (Net of Taxes)                         |  | 12.14                  |
| <b>Balance at the end of the year</b>                             |  | <b>(51,736.82)</b>     |
| <b>b) Capital Reserve</b>   |  |                        |
| Balance at the beginning of the year                              |  | 715.33                 |
| <b>Balance at the end of the year</b>                             |  | <b>715.33</b>          |
| <b>c) General Reserve</b>   |  |                        |
| Balance at the beginning of the year                              |  | 37.00                  |
| <b>Balance at the end of the year</b>                             |  | <b>37.00</b>           |
| <b>Total Reserves and Surplus (a+b)</b>                           |  | <b>(50,984.49)</b>     |
| <b>Balance at the end of the year of other equity (i+ii)</b>      |  | <b>(50,984.49)</b>     |

Significant accounting policies

Notes 1 to 40 are integral part of these Financial Statements

As per our report of even date

**For Vishwas & Associates**  
**Chartered Accountants**  
**FRN:- 143500W**

**For & On Behalf of the Board**

**Vishwas Kalal**  
**(Proprietor)**  
**M.No.: 174542**  
**UDIN:- 23174542BGWDER3212**

**Sudhir Mehta**  
**(Managing Director)**  
**DIN : 02215452**

**Ramchandra Ralkar**  
**(Director)**  
**DIN : 02817292**

**Neha Chhatbar**  
**(Company Secretary)**

**Dhruv Mehta**  
**(CFO)**

**Place:- Mumbai**  
**Date:-30/05/2023**

**Place:- Mumbai**  
**Date:- 30/05/2023**

## SHRADDHA PRIME PROJECTS LIMITED

---

### **Note 1: SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Company's Background:-**

Shraddha Prime Projects Limited (Formerly known as Towa Sokki Limited) (the Company) is a public limited company domiciled and incorporated in India under the Companies Act, 1956 vide CIN -L70100MH1993PLC394793. The Company's registered office is located at **A-309, Kanara Business Centre Premises CS Limited Link Road, Laxmi Nagar, Ghatkopar (East), Mumbai – 400075**. The Company has changed its business of manufacturing and selling of survey instruments into Real Estate Development from **12<sup>th</sup> July, 2021**. The Consolidated Financial Statements are approved by the Company's Board of Directors at its meeting held on **30<sup>th</sup> May, 2023**.

#### **B. Significant Accounting Policies**

##### Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and amendment if any.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the year presented in these financial statements.

The financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs except when otherwise indicated.

##### Current and 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:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The operating cycle of the Company's real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Accordingly, project related assets and liabilities are classified into current and non-current based on the operating cycle of the project. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

## SHRADDHA PRIME PROJECTS LIMITED

---

### Property, Plant and Equipment

#### i. Recognition and measurement

All property, plant and equipment except freehold land are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisitions of the items. Cost includes freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

Freehold Land is measured at fair value. Valuations are performed with sufficient frequency to ensure that the carrying value of revalued asset does not defer materially from its fair value.

Revaluation surplus is recorded in Other Comprehensive Income and credited to the Revaluation reserve in Other Equity.

#### ii. Subsequent costs

Subsequent expenditure, including cost of the items which can be reliably estimated, is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Company. All other repairs and maintenance are charged to the Ind-AS Statement of Profit and Loss during the reporting period in which they are incurred.

#### iii. Derecognition

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

#### iv. Capital work in progress

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

#### v. Depreciation

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013 except for Site/Sales Offices, Sample Flats and Aluminium Formwork wherein the estimated useful lives is determined by the management. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date of acquisition.

Depreciation on assets sold during the year is charged to the Statement of Profit and Loss up to the month preceding the month of sale.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

### Inventories

Stock of Building Materials and Traded Goods is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.

Finished Stock is valued at lower of Cost and Net Realizable Value.

Land and Property Development Work-in-Progress is valued at lower of estimated cost and net realisable value.

Cost for this purpose includes cost of land, shares with occupancy rights, Transferrable Development Rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the projects undertaken.

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

### **Provisions and Contingencies**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **Impairment of Non-Financial Assets (excluding Inventories, Investment Properties and Deferred Tax Assets)**

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

### **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

The Company classifies its financial assets in the following measurement categories.

- those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or 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 four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

##### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (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 or loss. The losses arising from impairment if any, are recognised in the statement of profit or loss.

### Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

### Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Company has not designated any debt instrument at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### Equity investments

All equity investments, except investments in subsidiaries and associates are measured at FVTPL. The Company may make an irrevocable election on initial recognition to present in Other Comprehensive Income any subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis.

All equity investments in subsidiaries, associates and joint ventures are measured at cost.

### Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset 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

either (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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of Financial Assets

The Company assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Company is not exposed to any credit risk as the legal of residential and commercial units is handed over to the buyer only after all the installments are recovered.

For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased. If a write-off is later recovered, the recovery is credited to finance costs.

### **Financial Liabilities**

Initial recognition and measurement Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of financial liability not recorded at fair value through Profit and Loss net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

### Subsequent measurement

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

#### Financial liabilities at fair value through profit or loss

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to Statement of Profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### 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.

#### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due



in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

### **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the 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.

### **Reclassification of Financial Assets and Financial Liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations.

Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Ind AS 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.

### **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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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:



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

### Cash and Cash Equivalents

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

### Revenue Recognition

The Company has applied five step model as set out in Ind AS 115 to recognise revenue in this Financial Statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

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

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

Revenue is recognised either at point of time and over a period of time based on the conditions in the contracts with customers.

The specific revenue recognition criteria are described below:

#### (I) Income from Property Development

The Company has determined that the existing terms of the contract with customers does not meet the criteria to recognise revenue over a period of time. Revenue is recognized at point in time with respect to contracts for sale of residential and commercial units as and when the control is passed on to the customers which is linked to the application and receipt of occupancy certificate.

The Company provides rebates to the customers. Rebates are adjusted against customer dues and the revenue to be recognized. To estimate the variable consideration for the expected future rebates the company uses the "most-likely amount" method or "expected value method".

#### (II) Contract Balances

##### Contract Assets

The Company is entitled to invoice customers for construction of residential and commercial properties based on achieving a series of construction-linked milestones. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the payment is due, a contract asset is recognized for the earned consideration that is conditional. Any receivable which represents the Company's right to the consideration that is unconditional is treated as a trade receivable.

##### Contract Liabilities

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

(III) Sale of Materials, Land and Development Rights

Revenue is recognized at point in time with respect to contracts for sale of Materials, Land and Development Rights as and when the control is passed on to the customers.

(IV) Interest Income

For all debt instruments measured at amortised cost. Interest income is recorded using the effective interest rate (EIR).

Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period.

Deferred Tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized 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 utilized.

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 utilized. The Company recognizes deferred tax liabilities for all taxable temporary differences except those associated with the investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.

Presentation of Current and Deferred Tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in OCI, in which case, the current and deferred tax income/expense are recognized in OCI. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax

liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

### Borrowing Costs

Borrowing costs that are directly attributable to real estate project development activities are inventorised / capitalized as part of project cost.

Borrowing costs are inventorised / capitalised as part of project cost when the activities that are necessary to prepare the inventory / asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorisation / capitalisation when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

### Retirement and Other Employee Benefits

Retirement and other Employee benefits are accounted in accordance with Ind AS 19 – Employee Benefits.

#### a) Defined Contribution Plan

The Company contributes to a recognised provident fund for all its employees. Contributions are recognised as an expense when employees have rendered services entitling them to such benefits.

#### b) Gratuity (Defined Benefit Scheme)

The Company provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur.

#### c) Compensated absences (Defined Benefit Scheme)

Liability in respect of earned leave expected to become due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of benefit expected to be availed by the employees. Liability in respect of earned leave expected to become due or expected to be availed beyond one year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

### Business Combinations under Common Control

Business Combinations involving entities or business under common control are accounted for using the pooling of interest method.

Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and amount of share capital of the transferor is transferred to capital reserves.

### Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable equity shareholders to by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and consolidation of equity shares. For the purpose of calculating diluted earnings per share, the net profit or loss for the year and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares

## Note 2 :- Consolidated Property, plant &amp; equipments as on 31st March, 2023

| Details of Assets        | Gross Block            |                 |            | Accumulated Depreciation |                        |               | Net Block  |                        |                        |                        |
|--------------------------|------------------------|-----------------|------------|--------------------------|------------------------|---------------|------------|------------------------|------------------------|------------------------|
|                          | As On 01st April, 2022 | Additions       | Deductions | Total                    | As On 01st April, 2022 | For The Year  | Deductions | As on 31st March, 2023 | As At 31st March, 2023 | As At 31st March, 2022 |
|                          |                        |                 |            |                          |                        |               |            |                        |                        |                        |
| <b>TANGIBLE ASSETS</b>   |                        |                 |            |                          |                        |               |            |                        |                        |                        |
| Leased Property*         | -                      | 1,204.30        | -          | 1,204.30                 | -                      | 702.51        | -          | 702.51                 | 501.79                 | -                      |
| Land at Balkum           | -                      | 7,766.60        | -          | 7,766.60                 | -                      | -             | -          | -                      | 7,766.60               | -                      |
| Office Equipments        | -                      | 297.66          | -          | 297.66                   | -                      | 23.27         | -          | 23.27                  | 274.39                 | -                      |
| <b>INTANGIBLE ASSETS</b> |                        |                 |            |                          |                        |               |            |                        |                        |                        |
| Goodwill on Retirement   | -                      | 713.41          | -          | 713.41                   | -                      | -             | -          | -                      | 713.41                 | -                      |
|                          | -                      | <b>9,981.97</b> | -          | <b>9,981.97</b>          | -                      | <b>725.78</b> | -          | <b>725.78</b>          | <b>9,256.19</b>        | -                      |

\*Refer Note 33 for more details on Lease

## SHRADDHA PRIME PROJECTS LIMITED

### Note 3 : Investments

(in '000)

| Sr. No. | Particulars    | 31st March, 2023 |
|---------|----------------|------------------|
| 1       | Fixed Deposits | 7,264.81         |
|         | <b>Total</b>   | <b>7,264.81</b>  |

### Note 4 : Deferred Tax Assets

(in '000)

| Sr. No. | Particulars                         | 31st March, 2023 |
|---------|-------------------------------------|------------------|
|         | Opening BalanceW                    | -                |
|         | <b>Transactions during the year</b> |                  |
|         | Business Loss                       | 2,294.84         |
|         | <b>Total</b>                        | <b>2,294.84</b>  |

### Note 5 : Other Assets

(in '000)

| Sr. No. | Particulars  | Non-Current      | Current          |
|---------|--|------------------|------------------|
|         |  | 31st March, 2023 | 31st March, 2023 |
| 1       | Advance tax/ tax deducted at Source (Net of Provision) | -                | 3,991.07         |
| 2       | Balance With revenue athrowities                       | -                | 152.05           |
|         | <b>Total</b>   | <b>-</b>         | <b>4,143.12</b>  |

### Note 6 : Inventories\*

(in '000)

| Sr. No. | Particulars                                       | 31st March, 2023   |
|---------|---|--------------------|
| 1       | Finished goods                                    | -                  |
| 2       | Closing Work-in-Progress of Construction          | 9,89,080.67        |
|         | Business  |                    |
|         | *Valued at lower of cost and net realizable value |                    |
|         | <b>Total</b>                                      | <b>9,89,080.67</b> |

### Note 7 : Cash and Bank Balances

(in '000)

| Sr. No. | Particulars                     | 31st March, 2023 |
|---------|---------------------------------|------------------|
| 1       | <b>Cash and cash equivalent</b> |                  |
|         | Balance With Bank               |                  |
|         | In Current Account              | 26,484.58        |
|         | Cash on hand                    | 620.90           |
|         | <b>Total</b>                    | <b>27,105.48</b> |

### Note 8 : Short Terms Loans and Advances

(in '000)

| Sr. No. | Particulars                 | 31st March, 2023   |
|---------|-----------------------------|--------------------|
| 1       | Business Loan and Advances* | 2,86,069.74        |
| 2       | Deposits                    | 9,254.05           |
|         | <b>Total</b>                | <b>2,95,323.79</b> |

\*Business Loan and Advances are short term in nature and receivable on demand.

## SHRADDHA PRIME PROJECTS LIMITED

### Note 9 : Share Capital

(in '000)

| Particulars   | 31st March, 2023   |
|---|--------------------|
| <b>Authorised share capital</b>                             |                    |
| 3,00,00,000 (PY 3,00,00,000) shares of Rs.10 each           | <b>3,00,000.00</b> |
| <b>Issued, subscribed &amp; paid-up share capital</b>       |                    |
| 83,40,100 (PY 83,40,100) shares of Rs.10 each               | <b>83,401.00</b>   |
| <b>Share holding pattern and details</b>                    |                    |
| 45,54,800 (PY 45,54,800) shares of Rs.10 each fully paid up | 45,548.00          |
| Share Forfeited Account                                     | 18,926.50          |
| <b>Total Equity Share Capital</b>                           | <b>64,474.50</b>   |

The Company has issued one class of ordinary shares at par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential accounts, in proportion to their shareholding.

| Shares held by promoters at the end of the year ending 31st March 2023 |               |               |                   |          |
|--|---------------|---------------|-------------------|----------|
| Sr. No.  | Promoter Name | No. of Shares | % of total shares | Change % |
| 1  | Sudhir Mehta  | 33,71,000     | 74.01%            | 0.60%    |
| Shares held by promoters at the end of the year ending 31st March 2022 |               |               |                   |          |
| Sr. No.  | Promoter Name | No. of Shares | % of total shares | Change % |
| 1  | Sudhir Mehta  | 33,91,239     | 74.45%            | 100%     |

NOTE: The Company has made an application dated December 12, 2022 with the BSE Limited for reclassification of Erstwhile Promoters as mentioned below:

1. Sushilaben Rameshchandra Bansal
2. Rameshchandra Jutharam Bansal
3. Vikas Goyal

Thus, the same is excluded while disclosing the promoters shareholding.”

### Note 10: Other Equity

(in '000)

| Particulars                                    | 31st March, 2023   |
|--|--------------------|
| Capital Reserve                                |                    |
| As Per Last Balance Sheet                      | 715.33             |
| Add: Addition during the Year                  | -                  |
|  | 715.33             |
| General Reserve                                |                    |
| As Per Last Balance Sheet                      | 37.00              |
| Add: Addition during the Year                  | -                  |
|  | 37.00              |
| Retained Earnings                              |                    |
| As Per Last Balance Sheet                      | (56,666.36)        |
| add: Profit/loss) during the year              | 4,917.40           |
| add: Other Comprehensive Income (Net of Taxes) | 12.14              |
|  | (51,736.82)        |
| <b>Total</b>                                   | <b>(50,984.49)</b> |

## SHRADDHA PRIME PROJECTS LIMITED

### Note 11 : Long Term Borrowings

(in '000)

| Particulars                | 31st March, 2023   |
|----------------------------|--------------------|
| Director Loan <sup>^</sup> | 5,38,955.09        |
| Inter-corporate Loan*      | 2,07,491.42        |
| <b>TOTAL</b>               | <b>7,46,446.51</b> |

<sup>^</sup> Director loan was taken during the financial year 2022-23 and is borrowed at zero rate of interest. The loan from director is repayable on demand and is used for daily operations of the company.

\* Inter-corporate loan was taken during the financial year 2022-23 and carries interest @ 14.5% p.a. The Inter-corporate Loan is repayable on demand and is used for the daily operations of the business.

### Note 12 : Trade Payables

(in '000)

| Particulars  | 31st March, 2023 |
|--|------------------|
| Total outstanding dues of micro enterprises and small enterprises                      | 1,134.00         |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 82,843.79        |
| <b>Total</b>   | <b>83,977.79</b> |

Note: Steps have been taken to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2023, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act, is not expected to be material.

### Trade Payables Ageing schedule: As at 31st March,2023

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   | Total     |
|-----------------------------|--|-----------|-----------|-------------------|-----------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years |           |
| (i) MSME                    | 1,134.00   | -         | -         | -                 | 1,134.00  |
| (ii) Others                 | 81,545.66  | 1,298.13  | -         | -                 | 82,843.79 |
| (iii) Disputed dues- MSME   | -  | -         | -         | -                 | -         |
| (iv) Disputed dues - Others | -  | -         | -         | -                 | -         |

### Note 13 : Other Current Financial Liabilities

| Particulars                            | Non Current      | Current            |
|--|------------------|--------------------|
|  | 31st March, 2023 | 31st March, 2023   |
| Lease Liability*                       | -                | 636.24             |
| Advance from Customers against Booking | -                | 3,43,845.22        |
| Unsecured Loan                         | -                | 69,782.63          |
| Bank Overdraft                         | -                | 60,577.84          |
| <b>Total</b>                           | -                | <b>4,74,841.93</b> |

\*Refer Note 33 for more detail on leases



## SHRADDHA PRIME PROJECTS LIMITED

### Note 14 : Other Current Liabilities

| Particulars    | Non Current      | Current          |
|----------------|------------------|------------------|
|                | 31st March, 2023 | 31st March, 2023 |
| Statutory Dues | -                | 9,729.47         |
| Other Payables | -                | 24.80            |
| <b>Total</b>   | -                | <b>9,754.27</b>  |

### Note 15 : Short Term Provisions

(in '000)

| Particulars            | Non Current      | Current          |
|------------------------|------------------|------------------|
|                        | 31st March, 2023 | 31st March, 2023 |
| Provision for Gratuity | 7.13             | 0.02             |
| Other Provision        | -                | 423.70           |
| Provision for Tax      | -                | 5,287.17         |
| <b>Total</b>           | <b>7.13</b>      | <b>5,710.89</b>  |

### Note 16 : Revenue from operations

(in '000)

| Sr. No. | Particulars               | 2022-23          |
|---------|---------------------------|------------------|
| 1       | Income from Sale of Flats | 85,922.43        |
|         | <b>Total</b>              | <b>85,922.43</b> |

### Note 17 : Other Income

(in '000)

| Sr. No. | Particulars                   | 2022-23       |
|---------|-------------------------------|---------------|
| 1       | Interest Income               | 297.29        |
| 2       | Interest on income Tax Refund | 5.38          |
|         | <b>Total</b>                  | <b>302.67</b> |

### Note 18 : Cost of material consumed

(in '000)

| Sr. No. | Particulars     | 2022-23            |
|---------|-----------------|--------------------|
| 1       | Cost of Project | 7,23,148.95        |
|         | <b>Total</b>    | <b>7,23,148.95</b> |

### Note 19 : Employment Benefit Expenses

(in '000)

| Sr. No. | Particulars                | 2022-23         |
|---------|----------------------------|-----------------|
| 1       | Salaries, Wages and bonus* | 2,785.22        |
| 2       | Gratuity                   | 7.97            |
|         | <b>Total</b>               | <b>2,793.19</b> |

\*Considered as Related Party Transaction. Refer to note no. 24 for related party disclosure.

### Note 20 : Finance Cost

(in '000)

| Sr. No. | Particulars                 | 2022-23       |
|---------|-----------------------------|---------------|
| 1       | Commission on BG            | 351.35        |
| 2       | Interest on Lease Liability | 159.12        |
|         | <b>Total</b>                | <b>510.46</b> |

## SHRADDHA PRIME PROJECTS LIMITED

### Note 21 : Other expenses

(in '000)

| Sr. No. | Particulars                  | 2022-23         |
|---------|------------------------------|-----------------|
| 1       | Power and Fuel               | 210.78          |
| 2       | Advertisement Expense        | 1,903.82        |
| 3       | Bank Charges                 | 3.28            |
| 4       | Legal & Professional Fess    | 2,952.46        |
| 5       | Printing & Stationery        | 636.22          |
| 6       | Listing Fees                 | 624.00          |
| 7       | Other Miscellaneous Expenses | 185.44          |
| 8       | Office Expenses              | 160.05          |
| 9       | Donation                     | 405.00          |
| 10      | CSR Expense                  | 900.00          |
| 11      | Tender Expense               | 75.00           |
|         | <b>Total</b>                 | <b>8,056.05</b> |

### 21.1 Auditor's remuneration

| Sr. No. | Particulars  | 2022-23       |
|---------|--------------|---------------|
| 1       | Audit Fees   | 100.00        |
|         | <b>Total</b> | <b>100.00</b> |

### Note 22 : Earning per share

(in '000)

| Sr. No. | Particulars  | 2022-23     |
|---------|--|-------------|
| 1       | Net profit after tax   | 5,069.91    |
| 2       | Weighted average number of equity shares*                                    | 45,54,800   |
|         | <b>Basic and Diluted Earning per share (face value of Rs.10/-fully paid)</b> | <b>1.11</b> |

\*Excluding Share Forfeited amount of Rs 189.27 Lacs

### Note 23 : Financial Instruments

#### Fair Value Measurement Hierarchy

As at March 31, 2023

(in '000)

| Particulars                         | Carrying amount |       |                    |                    | Fair Value Measurement Hierarchy |         |                    |                    |
|-------------------------------------|-----------------|-------|--------------------|--------------------|----------------------------------|---------|--------------------|--------------------|
|                                     | FVTPL           | FVOCI | Amortised cost     | Total              | Level 1                          | Level 2 | Level 3            | Total              |
| <b>Financial Assets</b>             |                 |       |                    |                    |                                  |         |                    |                    |
| Investments                         | -               | -     | -                  | -                  | -                                | -       | -                  | -                  |
| Trade Receivables                   | -               | -     | -                  | -                  | -                                | -       | -                  | -                  |
| Cash and Cash Equivalents           | -               | -     | 27,105.48          | 27,105.48          | -                                | -       | 27,105.48          | 27,105.48          |
| Bank Balance other than (iii) above | -               | -     | -                  | -                  | -                                | -       | -                  | -                  |
| Loans and Advances                  | -               | -     | 2,95,323.79        | 2,95,323.79        | -                                | -       | 2,95,323.79        | 2,95,323.79        |
| Other Financial Assets              | -               | -     | -                  | -                  | -                                | -       | -                  | -                  |
| <b>Total Financial Assets</b>       | -               | -     | <b>3,22,429.27</b> | <b>3,22,429.27</b> | -                                | -       | <b>3,22,429.27</b> | <b>3,22,429.27</b> |

## SHRADDHA PRIME PROJECTS LIMITED

|                                    |   |   |                     |                     |   |   |                     |                     |  |
|------------------------------------|---|---|---------------------|---------------------|---|---|---------------------|---------------------|--|
| <b>Financial Liabilities</b>       |   |   |                     |                     |   |   |                     |                     |  |
| Non-Current Borrowings             | - | - | 7,46,446.51         | 7,46,446.51         | - | - | 7,46,446.51         | 7,46,446.51         |  |
| Current Borrowings                 | - | - | -                   | -                   | - | - | -                   | -                   |  |
| Trade Payables                     | - | - | 83,977.79           | 83,977.79           | - | - | 83,977.79           | 83,977.79           |  |
| Other Financial Liabilities        | - | - | 4,74,841.93         | 4,74,841.93         | - | - | 4,74,841.93         | 4,74,841.93         |  |
| <b>Total Financial Liabilities</b> | - | - | <b>13,05,266.23</b> | <b>13,05,266.23</b> | - | - | <b>13,05,266.23</b> | <b>13,05,266.23</b> |  |

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

Level 3: Inputs based on unobservable market data.

Valuation Methodology :

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- Fair valuation of Financial Assets and Liabilities with short-term maturities is considered as approximate to respective carrying amount due to the Short Term maturities of these Instrument.
- The fair value is determined by using the valuation model/technique with observable inputs and assumptions.
- The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates and yield curves at the balance sheet date.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

### Note 24 : Disclosure of Related Parties

Names of related parties and description of relationship :

|  | Sr. No. | Name                           | Relation                       |
|--|---------|--------------------------------|--------------------------------|
| Key managerial personnel & their Relatives | 1       | Sudhir Mehta                   | Managing Director              |
|  | 2       | Omprakash Bansal               | Managing Director              |
|  | 3       | Somesh Bansal                  | CFO                            |
|  | 4       | S J Bansal                     | Whole Time Director            |
|  | 5       | Krati Patel                    | Company Secretary              |
|  | 6       | Avni Chouhan                   | Company Secretary              |
|  | 7       | Neha Chhatbar                  | Company Secretary              |
|  | 8       | Mital Mehta                    | Spouse of Managing Director    |
| Entities under common control              | 1       | Padmagriha Heights             | Subsidiary (w.e.f. 30/06/2022) |
|  | 2       | Shree Krishna Rahul Developers | Subsidiary (w.e.f. 26/04/2022) |
|  | 3       | Shree Mangesh Constructions    | Subsidiary (w.e.f. 21/07/2022) |

## SHRADDHA PRIME PROJECTS LIMITED

|   |   |                                    |   |
|---|---|------------------------------------|---|
| Entities in which key managerial personnel are interested | 1 | Bansal Instruments                 | Director is having a significant control/influence    |
|   | 2 | Shraddha Equinox LLP               | Director is having a significant control/influence    |
|   | 3 | Shraddha Highrise                  | Director is Director / Brother of Director is Partner |
|   | 4 | Shraddha Build-con Private Limited | Director is Director                                  |
|   | 5 | Shraddha Landmark Private Limited  | Director is Director                                  |

### Transactions with related parties for the year ended March 31, 2023

(in '000)

| Sr. No. | Particulars  | 2022-23                                |
|---------|--|--|
| 1       | <b>Rent</b><br>Mital Mehta   | 480.00                                 |
|         |  | <b>480.00</b>                          |
| 2       | <b>Salary</b><br>Krati Patel<br>Neha Chhatbar  | 135.00<br>250.00                       |
|         |  | <b>385.00</b>                          |
| 3       | <b>Loan Taken</b><br>Sudhir Mehta<br>Shraddha Landmark Pvt Ltd<br>Shraddha Equinox LLP                                 | 9,11,627.44<br>2,35,951.52<br>3,711.03 |
|         |  | <b>11,51,289.99</b>                    |
| 4       | <b>Loan Repaid</b><br>Sudhir Mehta<br>Shraddha Landmark Pvt Ltd  | 6,62,806.52<br>2,175.00                |
|         |  | <b>6,64,981.52</b>                     |
| 5       | <b>Advance given</b><br>Shraddha Build-con Private Limited<br>Shraddha Globe LLP                                       | 29,028.45<br>22,876.51                 |
|         |  | <b>51,904.96</b>                       |
| 6       | <b>Investment in Subsidiary</b><br>Padmagriha Heights<br>Shree Krishna Rahul Developers<br>Shree Mangesh Constructions | 8,986.33<br>53,933.24<br>10,709.81     |
|         |  | <b>73,629.39</b>                       |
| 7       | <b>Purchase of Goods</b><br>Shraddha Highrise  | 3,286.99                               |
|         |  | <b>3,286.99</b>                        |
| 8       | <b>Interest Expense</b><br>Shraddha Landmark Private Limited   | 3,676.68                               |
|         |  | <b>3,676.68</b>                        |

## SHRADDHA PRIME PROJECTS LIMITED

| Closing Balance |  |             |
|-----------------|--|-------------|
| Sr. No.         | Particulars  | 2022-23     |
| 1               | Sudhir Mehta<br>Loans (Liability)                          | 5,38,955.09 |
|                 | Advance given  | 86,301.59   |
| 2               | Mital Mehta<br>Rent Payable                                | 36.00       |
| 3               | Krati Patel<br>Remuneration Payable                        | -           |
| 4               | Neha Chattbar<br>Remuneration Payable                      | 24.80       |
| 5               | Shraddha Landmark Private Limited<br>Loans (Liability)     | 2,08,991.42 |
| 6               | Shree Krishna Rahul Developers<br>Investment in Subsidiary | 55,637.77   |
| 7               | Padhmagriha Heights<br>Investment in Subsidiary            | 53,396.81   |
| 8               | Shree Mangesh Constructions<br>Investment in Subsidiary    | 13,798.70   |
| 9               | Shraddha Highrise<br>Trade payable                         | 5,332.13    |
| 10              | Shraddha Build-con Private Limited<br>Advance given        | 29,028.45   |
| 11              | Shraddha Equinox LLP<br>Loan Taken                         | 3,713.60    |
| 12              | Shraddha Globe LLP<br>Advance given                        | 22,876.51   |

### Note 25

#### Financial Risk Management

The company's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the company's financial performance.

#### Interest rate risk

Interest rate risk primarily arises from floating rate borrowings. The Company do not have any borrowings, hence the management of the company considers interest rate risk as immaterial.

#### Credit risk

Credit Risk is the risk that a customer or counterparty to a Financial Instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit Risk arises from Company's outstanding receivables from Customers.

## SHRADDHA PRIME PROJECTS LIMITED

The Company's exposure to Credit Risk is influenced mainly by the individual characteristics of each Customer. Credit Risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the Customers, to whom the Company grants credit in accordance with the terms and conditions and in ordinary course of its business.

The Company monitors each Loan and advance given and makes any specific provision, as and when required.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of Trade Receivables and Loans and Advances.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company's finance department is responsible for fundmanagement. In addition, processes and policies related to such risks are overseen by senior management

| Particulars                   | March 31, 2023   |
|-------------------------------|------------------|
| Cash and Cash Equivalents     | 27,105.48        |
| Bank Balance other than above | -                |
| <b>Total</b>                  | <b>27,105.48</b> |

### Capital Risk Management

The Company's capital risk management policy objective is to ensure that at all times, it remains a going concern and safeguard the interest of its shareholders and other stakeholders

| Particulars         | March 31, 2023 |
|---------------------|----------------|
| Net Financials Debt | 8,76,806.98    |
| Total Equity        | 13,730.38      |

### Foreign Currency Risk

There are no foreign currency transactions, and hence there is no foreign currency risk.

### Note 26 : Segment Reporting

Segment Information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's Management and Internal Reporting Structure.

The Company's Managing Director has been identified as the Chief Operating Decision Maker ('CODM'), since he is responsible for all major decisions with respect to the preparation and execution of Business Plan, preparation of Budget, Planning, alliance, Joint Venture, Merger and Acquisition, and expansion of any new facility.

Board of Directors review the operating results of its new Line of Segment i.e. "Construction of Residential Complex/Dwellings" business at Company level to assess its performance. Accordingly, there is only one reportable segment for the Company which is "Construction of Residential Complex/Dwellings" after the change of management.

### Note 27 : Corporate Social Responsibility Expenditure (CSR)

The provisions of section 135 of Companies Act, 2013 relating to expenditure on Corporate Social Responsibility are not applicable to the company, as networth/Turnover/ net Profit criteria are not achieved.

### Note 28 : Contingent Liabilities & Capital Commitments

(in '000)

| Particulars   | March 31, 2023 |
|---|----------------|
| Contingent Liabilities & Capital Commitments not provided | 16,50,000      |
| Estimated amount of Committed Contracts (Net of Advances) | -              |

## SHRADDHA PRIME PROJECTS LIMITED

### Note 29 : Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### Note 30 :

There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

### Note 31 :

There are no transactions with the companies struck off under 248 of Companies Act, 2013 or Sec 560 of Companies Act, 1956.

### Note 32 :

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) except as reported in financial statement, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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 to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) except as disclosed in financial statement with the understanding (whether recorded in writing or otherwise) that the Company shall:

- 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.

### Note 33 : Leases

#### The Following is carrying value of right of use assets (Building)

| Particular                          | As at         |           |
|-------------------------------------|---------------|-----------|
|                                     | 31-Mar-23     | 31-Mar-22 |
| Opening Balance                     | -             | -         |
| Additions during the previous year  | 1,204.30      | -         |
| Deletion during the previous year   | -             | -         |
| Depreciation of Right of use assets | 702.51        | -         |
| <b>Closing Balance</b>              | <b>501.79</b> | -         |

#### The Following is the carrying value of lease liability :-

| Particular                                   | As at         |           |
|--|---------------|-----------|
|  | 31-Mar-23     | 31-Mar-22 |
| Opening Balance                              | -             | -         |
| Additions during the previous year           | 1,204.30      | -         |
| Finance cost accrued during the year         | 271.94        | -         |
| Payment of lease liabilities during the year | 840.00        | -         |
| <b>Closing Balance</b>                       | <b>636.24</b> | -         |
| Current portion of Lease Liability           | 636.24        | -         |
| Non-current portion of Lease Liability       | -             | -         |
| <b>Total</b>                                 | <b>636.24</b> | -         |



## SHRADDHA PRIME PROJECTS LIMITED

The Following are the amounts recognised in statement of profit and loss

| Particular  | As at         |           |
|---|---------------|-----------|
|   | 31-Mar-23     | 31-Mar-22 |
| Depreciation                                      | 702.51        | -         |
| Interest expenses on lease liabilities            | 271.94        | -         |
| <b>Total amount recognised in profit and loss</b> | <b>974.45</b> | <b>-</b>  |

### Note 34 : Company Information

The Subsidiaries, Associates, Joint Venture and Limited Liability Partnership considered in the Consolidated Financial Statement are Subsidiaries:

| Sr. No. | Name of the Entity             | Principal Activities | Country of Incorporation | Percentage of Holdings as on 31-03-2023 |
|---------|--------------------------------|----------------------|--------------------------|---|
| 1       | Shree Krishna Rahul Developers | Real Estate          | India                    | 99.00%                                  |
| 2       | Padhmagriha Heights            | Real Estate          | India                    | 99.00%                                  |
| 3       | Shree Mangesh Constructions    | Real Estate          | India                    | 95.00%                                  |

**Note 35 : Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates/ Joint Venture for the year ended 31-March-23:**

| Sr. No. | Plan                                   | Net Assets (Total Assets - Total Liabilities) |                           | Share in Profit and loss             |                                | Other Comprehensive Income (OCI) |                    | Total Comprehensive Income (TCI) |                    |
|---------|--|---|---------------------------|--------------------------------------|--------------------------------|----------------------------------|--------------------|----------------------------------|--------------------|
|         |  | As % of Consolidated Net Assets               | Net Assets (Rs. in '000s) | As % of Consolidated Profit and loss | Profit and Loss (Rs. in '000s) | As % of Consolidated OCI         | OCI (Rs. in '000s) | As % of Consolidated TCI         | TCI (Rs. in '000s) |
|         | <b>Parent</b>                          |   |                           |                                      |                                |                                  |                    |                                  |                    |
| 1       | Shraddha Prime Projects Limited        | 98.25%  | 13,490.01                 | -129.14%                             | (6,531.47)                     | 100.00%                          | 12.140             | -128.59%                         | (6,519.33)         |
|         | <b>Subsidiaries</b>                    |   |                           |                                      |                                |                                  |                    |                                  |                    |
| 1       | Shree Krishna Rahul Developers         | 897.31%                                       | 1,23,204.12               | -1.38%                               | (69.65)                        | -                                | -                  | -1.37%                           | (69.65)            |
| 2       | Padhmagriha Heights                    | 390.41%                                       | 53,604.78                 | 218.42%                              | 11,047.00                      | -                                | -                  | 217.89%                          | 11,047.00          |
| 3       | Shree Mangesh Constructions            | 100.74%                                       | 13,831.79                 | 12.10%                               | 611.89                         | -                                | -                  | 12.07%                           | 611.89             |
|         | <b>Sub-Total</b>                       |   | <b>2,04,130.71</b>        |                                      | <b>5,057.77</b>                |                                  | <b>12.14</b>       |                                  | <b>5,069.91</b>    |
|         | Adjustment on account of consolidation | -1386.71%                                     | (1,90,400.33)             | -                                    | -                              | -                                | -                  | -                                | -                  |
|         | <b>Sub-Total</b>                       |   | <b>13,730.38</b>          |                                      | <b>5,057.77</b>                |                                  | <b>12.14</b>       |                                  | <b>5,069.91</b>    |

## SHRADDHA PRIME PROJECTS LIMITED

### Note 36: Gratuity

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

#### (a): Table Showing Changes in Present Value of Obligations:

| Period   | From: 01-04-2022<br>To: 31-03-2023 | As on: 31-03-2022 |
|--|------------------------------------|-------------------|
| Present value of the obligation at the beginning of the period | 11,318                             | 0                 |
| Interest cost  | 821                                | 0                 |
| Current service cost   | 7,149                              | 11,318            |
| Past Service Cost  | 0                                  | 0                 |
| Benefits paid (if any)   | 0                                  | 0                 |
| Actuarial (gain)/loss  | (12,139)                           | 0                 |
| Present value of the obligation at the end of the period       | 7,149                              | 11,318            |

#### (b): Bifurcation of total Actuarial (gain) / loss on liabilities

| Period   | From: 01-04-2022<br>To: 31-03-2023 |
|--|------------------------------------|
| Actuarial gain / losses from changes in Demographics assumptions (mortality) | Not Applicable                     |
| Actuarial (gain)/ losses from changes in financial assumptions               | 0                                  |
| Experience Adjustment (gain)/ loss for Plan liabilities                      | (12,139)                           |
| Total amount recognized in other comprehensive Income                        | (12,139)                           |

#### (c): Key results (The amount to be recognized in the Balance Sheet):

| Period   | As on: 31-03-2023 | As on: 31-03-2022 |
|--|-------------------|-------------------|
| Present value of the obligation at the end of the period               | 7,149             | 11,318            |
| Fair value of plan assets at end of period                             | 0                 | 0                 |
| Net liability/(asset) recognized in Balance Sheet and related analysis | 7,149             | 11,318            |
| Funded Status - Surplus/ (Deficit)                                     | (7,149)           | (11,318)          |

#### (d): Expense recognized in the statement of Profit and Loss:

| Period                           | From: 01-04-2022<br>To: 31-03-2023 | As on: 31-03-2022 |
|----------------------------------|------------------------------------|-------------------|
| Interest cost                    | 821                                | 0                 |
| Current service cost             | 7,149                              | 11,318            |
| Past Service Cost                | 0                                  | 0                 |
| Expected return on plan asset    | (0)                                | (0)               |
| Expenses to be recognized in P&L | 7,970                              | 11,318            |

#### (e): Other comprehensive (income) / expenses (Remeasurement)

| Period   | From: 01-04-2022<br>To: 31-03-2023 | As on: 31-03-2022 |
|--|------------------------------------|-------------------|
| Cumulative unrecognized actuarial (gain)/loss opening. B/F | 0                                  | 0                 |
| Actuarial (gain)/loss - obligation                         | (12,139)                           | 0                 |
| Actuarial (gain)/loss - plan assets                        | 0                                  | 0                 |
| Total Actuarial (gain)/loss                                | (12,139)                           | 0                 |
| Cumulative total actuarial (gain)/loss. C/F                | (12,139)                           | 0                 |

## SHRADDHA PRIME PROJECTS LIMITED

### (f): Net Interest Cost

| Period                                      | From: 01-04-2022<br>To: 31-03-2023 | As on: 31-03-2022 |
|---|------------------------------------|-------------------|
| Interest cost on defined benefit obligation | 821                                | 0                 |
| Interest income on plan assets              | 0                                  | 0                 |
| Net interest cost (Income)                  | 821                                | 0                 |

### (g): Experience adjustment:

| Period  | From: 01-04-2022<br>To: 31-03-2023 | As on: 31-03-2022 |
|---|------------------------------------|-------------------|
| Experience Adjustment (Gain ) / loss for Plan liabilities | (12,139)                           | 0                 |
| Experience Adjustment Gain / (loss ) for Plan assets      | 0                                  | 0                 |

### (h): Summary of membership data at the date of valuation and statistics based thereon:

| Period  | As on: 31-03-2023 | As on: 31-03-2022 |
|---|-------------------|-------------------|
| Number of employees   | 1                 | 1                 |
| Total monthly salary  | 25,000            | 45,000            |
| Average Past Service(Years)   | 0.8               | 0.7               |
| Average Future Service (yrs)  | 22.5              | 27.1              |
| Average Age(Years)  | 35.5              | 30.9              |
| Weighted average duration (based on discounted cash flows) in years | 22                | 27                |
| Average monthly salary  | 25,000            | 45,000            |

### (i): Actuarial assumptions provided by the company and employed for the calculations are tabulated:

|                             |                  |                  |
|-----------------------------|------------------|------------------|
| Discount rate               | 7.50 % per annum | 7.25 % per annum |
| Salary Growth Rate          | 5.00 % per annum | 5.00 % per annum |
| Mortality                   | IALM 2012-14     | IALM 2012-14     |
| Withdrawal rate (Per Annum) | 5.00% p.a.       | 5.00% p.a.       |

### (j): Benefits valued:

|   |  |  |
|---|--|--|
| Normal Retirement Age                             | 58 Years   | 58 Years   |
| Salary  | Last drawn qualifying salary                     | Last drawn qualifying salary                     |
| Vesting Period                                    | 5 Years of service                               | 5 Years of service                               |
| Benefits on Normal Retirement                     | 15/26 * Salary * Past Service (yr).              | 15/26 * Salary * Past Service (yr).              |
| Benefit on early exit due to death and disability | As above except that no vesting conditions apply | As above except that no vesting conditions apply |
| Limit   | 2000000.00                                       | 2000000.00                                       |

### (k): Current Liability (\*Expected payout in next year as per schedule III of the Companies Act, 2013) :

| Period                            | As on: 31-03-2023 | As on: 31-03-2022 |
|-----------------------------------|-------------------|-------------------|
| Current Liability (Short Term)*   | 24                | 38                |
| Non Current Liability (Long Term) | 7,125             | 11,280            |
| Total Liability                   | 7,149             | 11,318            |

## SHRADDHA PRIME PROJECTS LIMITED

### Note 37 : Ratio Analysis

|    | Ratio Analysis                          | Numerator   | 2022-23      | Denominator  | 2022-23   | 31-Mar-23 |
|----|---|---|--------------|--|-----------|-----------|
| 1  | <b>Current Ratio</b>                    | <b>Current Assets</b>   | 13,15,653.06 | <b>Current Liabilities</b>   | 5,74,285  | 2.29      |
| 2  | <b>Debt Equity Ratio</b>                | <b>Total Liabilities</b>  |              | <b>Shareholder's Equity</b>  |           |           |
|    |   | Total Outside Liabilities   | 8,76,806.98  | Total Shareholders Equity  | 13,730    | 63.86     |
| 3  | <b>Debt Service Coverage Ratio</b>      | <b>Net Operating Income</b>   |              | <b>Debt Service</b>  |           |           |
|    |   | Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Finance Cost + other adjustments like loss on sale of fixed assets, etc. | 5,904.71     | Current Debt Obligation (Interest + Installments)                  | 8,76,807  | 0.01      |
| 4  | <b>Return on Equity Ratio</b>           | <b>Profit for the period</b>  |              | <b>Avg. Shareholders Equity</b>                                    |           |           |
|    |   | Net Profit after taxes - preference dividend (if any)   | 5,069.91     | (Beginning shareholders' equity + Ending shareholders' equity) ÷ 2 | 45,54,800 | 0.00      |
| 5  | <b>Inventory Turnover Ratio</b>         | <b>Cost of Goods sold</b>   |              | <b>Average Inventory</b>   |           |           |
|    |   | (Opening Stock + Purchases) – Closing Stock   | -            | (Opening Stock + Closing Stock)/2                                  | -         | -         |
| 6  | <b>Trade Receivables Turnover Ratio</b> | <b>Net Credit Sales</b>   |              | <b>Average Trade Receivables</b>                                   |           |           |
|    |   | Credit Sales  | -            | (Beginning Trade Receivables + Ending Trade Receivables) / 2       | -         | -         |
| 7  | <b>Trade Payables Turnover Ratio</b>    | <b>Total Purchases</b>  |              | <b>Average Trade Payables</b>                                      |           |           |
|    |   | Annual Net Credit Purchases   | 2,16,693.45  | (Beginning Trade Payables + Ending Trade Payables) / 2             | 83,978    | 2.58      |
| 8  | <b>Net Capital Turnover Ratio</b>       | <b>Net Sales</b>  |              | <b>Average Working Capital</b>                                     |           |           |
|    |   | Total Sales - Sales Return  | 85,922.43    | Current Assets - Current Liabilities                               | 7,41,368  | 0.12      |
| 9  | <b>Net Profit Ratio</b>                 | <b>Net Profit</b>   |              | <b>Net Sales</b>   |           |           |
|    |   | Profit After Tax  | 5,069.91     | Sales  | 85,922    | -         |
| 10 | <b>Return on Capital employed</b>       | <b>EBIT</b>   |              | <b>Capital Employed</b>  |           |           |
|    |   | Profit before Interest and Taxes  | 8,209.21     | Total Assets - Current Liabilities                                 | 7,60,184  | 0.01      |
| 11 | <b>Return on Investment</b>             | <b>Return/Profit/Earnings</b>   | 5,069.91     | <b>Investment</b>  | 13,730    | 0.37      |

## SHRADDHA PRIME PROJECTS LIMITED

---

### Note 38

It is to be noted that the company have entered into partnership agreement in accordance with Indian Partnership Act, 1932 in Shree Krishna Rahul Developers, Padhmagriha Heights and Shree Mangesh Constructions w.e.f. April 26, 2022, June 30, 2022 and July 21, 2022 respectively.

### Note 39

It is to be noted that the company has made an application to raise funds through rights issue of equity shares. The Draft Letter of offer was filed and BSE approval was received for the same dated 12th May, 2023.

### Note 40

Previous year/ period have been re-grouped, reclassified to conform to current year figures.

As per our report of even date

**For Vishwas & Associates**  
**Chartered Accountants**  
**FRN:- 143500W**

**For & On Behalf of the Board**

**Vishwas Kalal**  
**(Proprietor)**  
**M.No.: 174542**  
**UDIN:- 23174542BGWDER3212**

**Sudhir Mehta**  
**(Managing Director)**  
**DIN : 02215452**

**Ramchandra Ralkar**  
**(Director)**  
**DIN : 02817292**

**Neha Chhatbar**  
**(Company Secretary)**

**Dhruv Mehta**  
**(CFO)**

**Place:- Mumbai**  
**Date:- 30/05/2023**

**Place:- Mumbai**  
**Date:- 30/05/2023**



