

S. JANARDHAN & ASSOCIATES

CHARTERED ACCOUNTANTS

VIJAY BHATIA, B.com., F.C.A.,
BALAKRISHNA S.BHAT, B.com., F.C.A.,
B. ANAND, B.Sc., F.C.A.,



Apt. No.103 & 106
Embassy Centre
No.11, Crescent Road
Bangalore - 560 001

Phone :22265438, 22260055
22202709 Fax: 22265572
E-mail : ca.sjassociates@gmail.com

Independent Auditor's Report

To the Members of Sobha Highrise Ventures Private Limited Limited

Report on the audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Sobha Highrise Ventures Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash Flow and for the year then ended and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements').

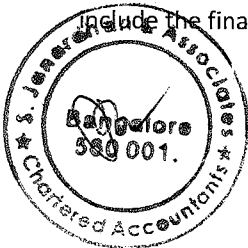
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ["the Act"], in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.



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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

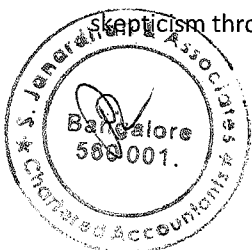
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

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

Auditors' Responsibility for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



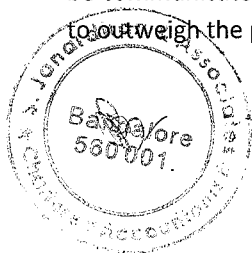
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash flows dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the board of directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure "B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Companies Act 2013.

- h) With respect to the other matters to be included in the auditors' report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred, to the investor Education and Protection Fund by the Company.



iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Notes to the financial statement

- a) There was no dividend which has been proposed in the previous year, declared and paid by the company during the year.
- b) The Board of Directors of the Company has not proposed any dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

For S Janardhan & Associates,
Chartered Accountants
Firms Registration No.005310S



B. Anand

B Anand
Partner

Membership No.029146
UDIN: 23029146BGWCWU3788

Place: Bengaluru
Date:20.05.2023

Annexure – “A” to the Independent Auditors’ Report

(Referred to in Paragraph 1 under “Report on Other legal and regulatory requirements” section of our report to the members of **Sobha Highrise Ventures Private Limited** of even date).

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i) In respect of its Property, Plant and Equipment and Intangible Assets:

- a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and there were no Right-of-Use assets recognised by the Company during the year.

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

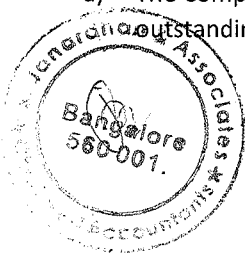
- b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us during the course of the audit no material discrepancies were noticed on such verification.
- c) The Company has no immovable properties which were recognised in the books of accounts and hence reporting under Clause 3(i)(c) is not applicable.
- d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at **March 31, 2023** for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) In respect of its inventories:

- a) As explained to us, physical verification of inventories has been conducted at reasonable intervals by the management during the year. In our opinion and according to the information and explanations given to us during the course of the audit, the coverage and procedure for such physical verification of inventories followed by the management are reasonable and appropriate and no material discrepancies were noticed in any class of inventories as compared to the books of account.
- b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

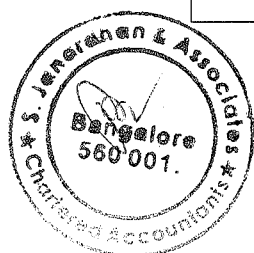
iii) The company has made investments in, Companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

- a) The Company has granted loans to its subsidiaries amounting to Rs. Nil during the year and balance outstanding as on the Balance Sheet date stood at Rs.252.48 million.

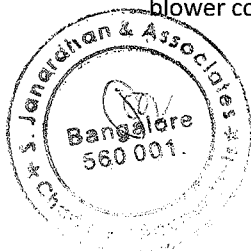


- b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- c) In my opinion, the loans granted by the Company are in the nature of loans repayable on demand and hence no schedule for repayment of loans has been specified and hence reporting under clause 3(iii) (c) are not applicable.
- d) In respect of the loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) In my opinion, in respect of the loans granted by the Company which are in the nature of repayable on demand, the aggregate amount of loans as on the balance sheet date is Rs.252.48 million (100% of the total loans granted). There were no loans which were granted to Promoters, related parties as defined in clause (76) of Section 2 of the Companies Act, 2013.
- iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v) The company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year to which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Act are applicable and as such clause 3(v) of the Order is not applicable.
- vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii) According to the information and explanations given to us during the course of the audit and on the basis of our examination of the records of the company in respect of the statutory dues:
- a. The company is regular in depositing undisputed statutory dues including Goods and service 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 with the appropriate authorities during the year. According to the information and explanations given to us during the course of the audit, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2023 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us during the course of the audit, the details of disputed statutory dues that have not been deposited on account of dispute is as under:

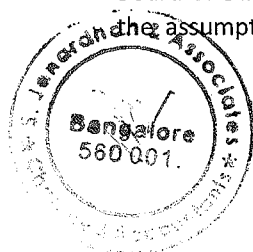
Name of the Statute	Nature of the dues	Amount [Rs. in Mn]	Amount paid [Rs in Mn]	Period to which the amount relates	Forum where dispute is pending
BBMP	Betterment Charges	5.69	Nil	2012-13	High Court of Karnataka



- viii) During the year there were no transactions not recorded in the books of account that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 and hence Clause 3(viii) of the Order for reporting whether the previously unrecorded income has been properly recorded in the books of account during the year is not applicable.
- ix) a) In our opinion and according to the information and explanations given to us during the course of the audit, the company has not defaulted in repayment of loans or in the payment of interest thereon to any lenders.
- b) According to the information and explanations given to us during the course of the audit and on the basis of our audit procedures, the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) According to the information and explanations given to us during the course of the audit and the audit procedures performed by us, and on an overall examination of the financial statements of the company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the company.
- e) On an overall examination of the financial statements of the Company, the Company has availed loans from its Holding Company and fellow subsidiary and also the Company has advanced loan to its subsidiary. However, the loans advanced were not on account of or to meet the obligations of its subsidiary.
- f) The company has not raised any loans during the year on the pledge of securities held in its subsidiary and hence provisions of Clause 3(ix)(f) is not applicable.
- x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us during the course of the audit no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge and belief and according to the information and explanations given to us during the course of the audit, no report under sub-section (12) of section 143 of the Companies 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 during the year and upto the date of this report.
- (c) As represented to us by the management and on the basis of our audit procedures there are no whistle blower complaints received by the company during the year.



- xii) The Company is not a Nidhi Company and hence reporting under sub clauses (a) to (c) of clause 3(xii) of the Order is not applicable.
- xiii) In my opinion according to the information and explanations provided to me and based on my examination of the records of the company, the Company is not required to appoint Audit Committee as per the Section 177 of the Act. The Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) The Company does not require to appoint an internal auditor as per Section 138 of the Companies Act read with Rule 13 of the Companies (Accounts) Rules, 2014 and hence reporting under Clause 3 (xiv) (a) to (b) are not applicable. Further I am of the opinion that the company has an internal audit system commensurate with the size of the Company and the nature of its business.
- xv) According to the information and explanations given to us during the course of the audit and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act 2013 are not applicable and accordingly clause 3(xv) of the Order is not applicable.
- xvi) a) According to the information and explanations given to us during the course of the audit and on the basis of our examination of the financial statements of the company in our opinion the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- b) In our opinion on the basis of our examination of the financial statements and representations made by the company it has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- c) According to the information and explanations given to us during the course of the audit and on the basis of our examination of the financial statements of the company and representations made by the company, in our opinion the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) According to the information and explanations given to us during the course of the audit and as represented to us by the company in our opinion, there is no core investment company within Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The company has incurred cash loss amounting to Rs. 51.94 million during the financial year covered by our audit and no cash loss incurred during the immediately preceding financial year.
- xviii) There has been no resignation of Statutory Auditors of the Company during the year and accordingly reporting under clause 3(xviii) is not applicable.
- xix) According to the information and explanations given to us during the course of the audit and on the basis of the financial ratios, ageing and expected dates of realisation 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) In respect of Corporate Social Responsibility:

- a) There are no unspent amounts towards Corporate Social Responsibility ("CSR") requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) There are no unspent amounts under sub-section (5) of Section 135 of the Companies Act, pursuant to any ongoing projects, which were to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;

For S Janardhan & Associates
Chartered Accountants
Firms Registration No.0053103



B. Anand
Partner
Membership No.029146
UDIN: 23029146BGWCWU3788

Place: Bengaluru
Date:20.05.2023

Annexure – “B” to the Independent Auditors’ Report

(Referred to in Paragraph 2(f) under “Report on Other legal and regulatory requirements” section of our report to the members of **Sobha Highrise Ventures Private Limited** of even date).

Report on the Internal Financial Controls over Financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

I have audited the internal financial controls with reference to financial statements of Sobha Highrise Ventures Private Limited (the “Company”) as of 31st March 2023 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

My responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. My audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company’s internal financial controls system over financial reporting with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide



reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to 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 Financial Statements

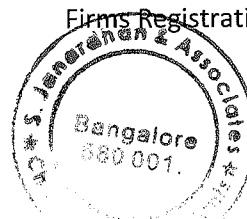
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

In my opinion, to the best of my information and according to the explanations given to me, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to financial statements 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 ICAI.

For S Janardhan & Associates,
Chartered Accountants

Firms Registration No.005310S



A handwritten signature in black ink, appearing to read "B Anand".

B Anand
Partner

Membership No.029146

UDIN: 23029146BGWCWU3788

Place: Bengaluru
Date:20.05.2023

Sobha Highrise Ventures Private Limited

CIN :U36100KA2012PTC064148

Balance sheet as at March 31, 2023

	Notes	As at 31-Mar-23 ₹ million	As at 31-Mar-22 ₹ million
Assets			
Non- current assets			
Property, plant and equipment	4a	12.07	13.73
Intangible assets	4b	2.51	4.54
Financial assets			
Investment	5	0.10	0.10
Loans	7	252.48	252.48
Other non-current financials assets	6	0.32	0.32
Liabilities for Current tax (net)		19.52	13.26
Deferred tax asset (net)		19.37	5.01
		<u>306.37</u>	<u>289.44</u>
Current assets			
Inventories	9	1,452.68	943.82
Financial assets			
Investment	5	-	0.10
Trade receivables	10	4.72	4.10
Cash and cash equivalents	11	17.11	8.60
Other current assets	8	104.78	98.56
		<u>1,579.29</u>	<u>1,055.18</u>
Total assets		<u>1,885.66</u>	<u>1,344.62</u>
Equity and liabilities			
Equity			
Equity share capital	12	129.00	129.00
Other equity	13	508.30	552.66
Total equity		<u>637.30</u>	<u>681.66</u>



Sobha Highrise Ventures Private Limited
CIN :U36100KA2012PTC064148
Balance sheet as at March 31, 2023

	Notes	As at 31-Mar-23 ₹ million	As at 31-Mar-22 ₹ million
Current liabilities			
Financial liabilities			
Borrowings	14	70.99	225.04
Trade payables			
-Total outstanding dues of micro enterprises and small enterprises; and		-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	15	249.88	83.40
Other current financial liabilities	16	42.21	61.00
Other current liabilities	17	880.17	288.41
Provisions	18	5.11	5.11
		<u>1,248.36</u>	<u>662.96</u>
Total liabilities		<u>1,248.36</u>	<u>662.96</u>
Total equity and liabilities		<u>1,885.66</u>	<u>1,344.62</u>

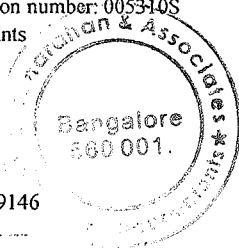
Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.Janardhan & Associates
ICAI Firm registration number: 0053105
Chartered Accountants

B. Anand
Partner
Membership No.: 29146



For and on behalf of the Board of Directors of
Sobha Highrise Ventures Private Limited

Yogesh Bansal
Director
DIN: 06764277

Jagadish Nangineni
Director
DIN: 01871780

Barsha Agarwal
Barsha Agarwal
Company Secretary
A48155

Place: Bengaluru, India
Date: 20/05/2023

Place: Bengaluru, India
Date: 20/05/2023

UDIN: 23029146BGWCU3788

Sobha Highrise Ventures Private Limited

CIN : U36100KA2012PTC064148

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

	Notes	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Revenue from operations	19	141.90	82.94
Other income	20	0.36	108.59
Finance income	21	25.86	25.25
Total income		168.12	216.78
Expenses			
Subcontractor and other charges		470.94	188.55
Purchase of trading goods		95.51	42.68
(Increase)/ decrease in inventories of stock in trade - flats and work-in-progress	22	(508.86)	(207.78)
Other expenses	23	147.50	118.51
Finance cost	24	14.97	32.36
Depreciation	4a/4b	6.79	5.34
Total expenses		226.85	179.66
Profit before tax		(58.73)	37.12
Tax expenses			
Current tax		0.00	9.64
Deferred tax charge/ (credit)		(14.37)	0.49
Income tax expense		(14.37)	10.13
Profit for the year		(44.36)	26.99
Other comprehensive income ('OCI')		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(44.36)	26.99
Earnings per equity share [nominal value of ₹ 10 (Previous year - ₹ 10)]	27		
Basic			
Class A equity shares		-	-
Class B equity shares		-	-
Class C equity shares		(2.17)	1.32
Class D equity shares		(8.87)	5.40
Diluted			
Class A equity shares		-	-
Class B equity shares		-	-
Class C equity shares		(2.17)	1.32
Class D equity shares		(2.17)	1.32

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.Janardhan & Associates

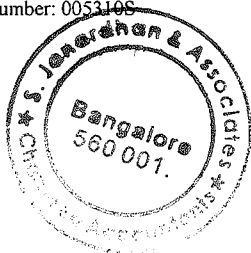
ICAI Firm registration number: 0053106

Chartered Accountants

B. Anand

Partner

Membership No.: 29146



For and on behalf of the Board of Directors of
Sobha Highrise Ventures Private Limited

Yogesh Bansal

Director

DIN: 06764277

Barsha Agarwal

Company Secretary

A48155

Jagadish Nangineni

Director

DIN: 01871780

Place: Bengaluru, India

Date: 20/05/2023

Place: Bengaluru, India

Date: 20/05/2023

UDIN:- 23089146BGWCWU3788

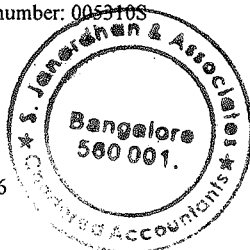
Sobha Highrise Ventures Private Limited
CIN : U36100KA2012PTC064148
Statement of Cash Flows for the year ended March 31, 2023

	Notes	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Operating activities			
Profit before tax		(58.73)	37.12
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Gain/ loss on disposal of investments		-	(107.98)
Finance income		(25.50)	(25.25)
Finance costs		14.84	31.46
Depreciation		6.79	5.34
<i>Working capital adjustments:</i>			
(Increase)/ decrease in trade receivables		(0.61)	2.46
(Increase)/ decrease in inventories		(508.86)	(207.79)
(Increase)/ decrease in other assets		(6.00)	(18.17)
Increase/ (decrease) in trade payables and other financial liabilities		159.80	20.62
Increase/ (decrease) in other non-financial liabilities		591.76	247.20
		173.49	(14.99)
Income tax paid (net of refund)		(6.26)	(17.39)
Net cash flows from/ (used in) operating activities (A)		167.23	(32.38)
Investing activities			
Purchase of current investments		-	(0.03)
Proceeds from sale of investments		0.10	109.79
Purchase of tangible and intangible asset		(3.08)	(4.37)
Loans given		0.00	(22.72)
Interest on loans given		25.27	2.53
Net cash flows from/ (used in) investing activities (B)		22.29	85.20
Financing activities			
Short-term borrowings(net)		(154.05)	(30.67)
Interest paid		(26.96)	(19.13)
Net cash flows from/ (used in) financing activities (C)		(181.01)	(49.80)
Net increase/ (decrease) in cash and cash equivalents		8.51	3.02
Cash and cash equivalents at the beginning of the year	11	8.60	5.58
Cash and cash equivalents at the end of the year	11	17.11	8.60
Summary of significant accounting policies	2		

As per our report of even date

For S.Janardhan & Associates
ICAI Firm registration number: 005310S
Chartered Accountants

B. Anand
Partner
Membership No.: 29146



For and on behalf of the Board of Directors of
Sobha Highrise Ventures Private Limited

Yogesh Bansal
Director
DIN: 06764277

Jagadish Nangineni
Director
DIN: 01871780

Barsha Agarwal
Company Secretary
A48155

Place: Bengaluru, India
Date: 20/05/2023

Place: Bengaluru, India
Date: 20/05/2023

UDIN : 93029146BGWCWU3788

Sobha Highrise Ventures Private Limited

CIN : U36100KA2012PTC064148

Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital
(1) Current reporting period

₹ million

Balance at the beginning of the current reporting period			Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period		
Class	Number of Shares	Amount				Class	Number of Shares	Amount
Class A equity shares	199,999	2.00	-	-	-	Class A equity shares	199,999	2.000
Class B equity shares	1	0.00	-	-	-	Class B equity shares	1	0.000
Class C equity shares	10,200,000	102.00	-	-	-	Class C equity shares	10,200,000	102.000
Class D equity shares	2,500,000	25.00	-	-	-	Class D equity shares	2,500,000	25.000

(2) Previous reporting period

Balance at the beginning of the previous reporting period			Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period		
Class	Number of Shares	Amount				Class	Number of Shares	Amount
Class A equity shares	199,999	2.00	-	-	-	Class A equity shares	199,999	2.00
Class B equity shares	1	0.00	-	-	-	Class B equity shares	1	0.00
Class C equity shares	10,200,000	102.00	-	-	-	Class C equity shares	10,200,000	102.00
Class D equity shares	2,500,000	25.00	-	-	-	Class D equity shares	2,500,000	25.00

B. Instruments entirely equity in Nature
a. Compulsorily Convertible Preference Shares
(1) Current reporting period

₹ million

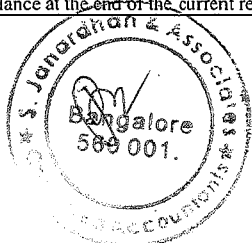
Balance at the beginning of the current reporting period		Changes in Compulsorily Convertible Preference Shares Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Compulsorily Convertible Preference Shares Capital during the period	Balance at the end of the current reporting period	
Number of Shares	Amount				Number of Shares	Amount
7,700,000	77.00	-	-	-	7,700,000	77.00

(2) Previous reporting period

Balance at the beginning of the previous reporting period		Changes in Compulsorily Convertible Preference Shares Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Compulsorily Convertible Preference Shares Capital during the period	Balance at the end of the previous reporting period	
Number of Shares	Amount				Number of Shares	Amount
7,700,000	77.00	-	-	-	7,700,000	77.00

C. Other Equity
(1) Current reporting period

	Reserves and Surplus			Total
	Equity component of compound financial instruments	Other Reserves (specify nature)	Retained Earnings	
Balance at the beginning of the current reporting period	77.00	-	475.66	552.66
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	-
Dividends	-	-	-	-
Transfer to retained earnings	-	-	(44.36)	(44.36)
Any other change (to be specified)	-	-	-	-
Balance at the end of the current reporting period	77.00	-	431.30	508.30



(2) Previous reporting period

	Reserves and Surplus			Total
	Equity component of compound financial instruments	Other Reserves (specify nature)	Retained Earnings	
Balance at the beginning of the previous reporting period	77.00	-	448.67	525.67
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	-
Total Comprehensive Income for the previous year	-	-	-	-
Dividends	-	-	-	-
Transfer to retained earnings	-	-	26.99	26.99
Any other change (to be specified)	-	-	-	-
Balance at the end of the previous reporting period	77.00	-	475.66	552.66

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.Janardhan & Associates
ICAI Firm registration number: 0053108
Chartered Accountants

B. Anand
Partner
Membership No.: 29146



Place: Bengaluru, India

Date: 30/05/2023

For and on behalf of the Board of Directors of
Sobha Highrise Ventures Private Limited

Yogesh Bansal
Director
DIN: 06764277

Jagadish Nangineni
Director
DIN: 01871780

Barsha Agarwal
Company Secretary
A48155

Place: Bengaluru, India

Date: 30/05/2023

UDIN: - 23029146 BG, WCWU3788

Sobha Highrise Ventures Private Limited

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

1 Corporate Information

Sobha Highrise Ventures Private Limited ('Company' or 'SHVPL') was incorporated on May 28, 2012 as a Private Limited Company under the provision of the Companies Act, 1956. The registered office is located at Bangalore.

The Company had executed an investment agreement with Sobha Limited, Winona SA Investment LLC and SA Winona Ventures Limited pursuant to which, investment has been made in the Company for execution of a residential project in Bangalore, which got completed during the year ended March 31, 2017. Further, during the year ended March 31, 2017, the Company became wholly owned subsidiary of Sobha Limited. The Company is evaluating other real estate business opportunities and accordingly the management has prepared these accounts on a going concern basis.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in INR and all values are rounded to the nearest millions, except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Revenue recognition

i. Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, credits, concessions and incentives, if any, as specified in the contract with the customer. The Company presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Recognition of revenue from real estate developments

Revenue from real estate development of residential unit is recognised at the point in time, when the control of the asset is transferred to the customer, which generally coincides with either of the two conditions as stated below -

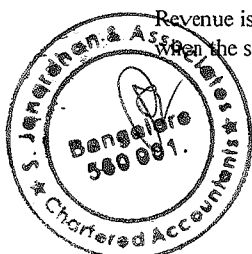
- a) on transfer of legal title of the residential or commercial unit to the customer; or
- b) on transfer of physical possession of the residential or commercial unit to the customer and collection of complete transaction price by the Company from customer.

ii. Recognition of revenue from trading division

Revenue from sale of traded goods is recognized at the point in time when the control of the asset is transferred to the customer, generally on delivery of goods.

iii. Dividend Income

Revenue is recognised when the Shareholders' or the unit holders' right to receive payment is established, which is generally when the shareholder approves the dividend.



iv. Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method. Interest on delayed payment by customers are accounted when reasonable certainty of collection is established.

b) Property, plant and equipment

Property, plant & equipment are stated at their cost of acquisition/construction, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

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

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

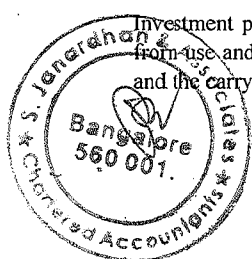
c) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit or loss in the period of derecognition.



d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets, comprising of software and intellectual property rights are amortized on a straight line basis over a period of 3 years, which is estimated to be the useful life of the asset and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

e) Depreciation on property, plant and equipment and Investment property

Depreciation is calculated on straight line basis using the following useful lives prescribed under Schedule II, except where specified.

Particulars	Useful lives estimated by the management (in years)
Property, plant and equipment	
Buildings - other than factory buildings	60
Buildings - Temporary structure	3
Plant and machinery	
i. General plant and machinery	15
ii. Plant and machinery - Civil construction	12
iii. Plant and Machinery - Electrical installations	10
Furniture and fixtures	10
Motor-vehicles	8
Computers	
i. Computer equipment	3
ii. Servers and network equipment	6
Office equipments	5
Investment property	
Buildings - other than factory buildings	60
Plant and machinery	
i. General plant and machinery	15
ii. Plant and machinery - Civil construction	12
iii. Plant and Machinery - Electrical installations	10
Computer equipment	3
Furniture and fixtures	10

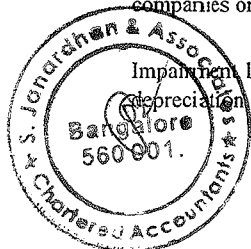
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.



g) Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

h) Current versus non-current classification

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

- 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

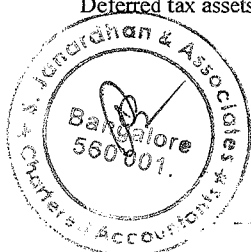
All other assets are classified as non-current.

A liability is current when:

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The real estate development projects undertaken by the Company generally run over a period ranging upto 5 years. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of upto 5 years. Borrowings in connection with such projects are classified as short-term (i.e current) since they are payable over the term of the respective projects.

Assets and liabilities, other than those-discussed above, are classified as current to the extent they are expected to be-realised / are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

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



i) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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

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

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

j) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the 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 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 (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. 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 profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

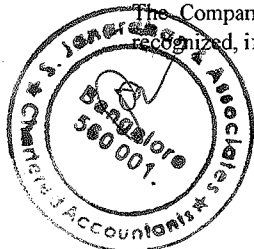
Debt instrument at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as 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 as at FVTPL.

Equity investments in subsidiaries

The Company has availed the option available in Ind AS 27 to carry its investment in subsidiaries at cost. Impairment recognized, if any, is reduced from the carrying value.



Sobha Highrise Ventures Private Limited

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised 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.

Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Loans and borrowings

This is the category most relevant to the Company. 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.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

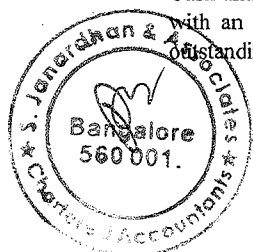
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such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

k) Borrowing costs

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

l) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in 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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



m) Provisions

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the 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 recognised as a finance cost.

n) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) 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.

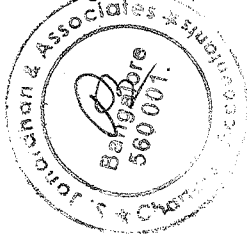
For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

p) Income taxes

Income tax expense comprises of current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current income tax

Current income tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.



Deferred income tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- ▶ temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- ▶ temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- ▶ taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

The Company has elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income Tax from the year ended 31 March 2020 and re-measured its Deferred Tax Asset basis the rate prescribed in the said section.

q) Foreign currency transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

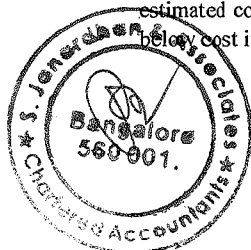
r) Inventories

Related to real estate activity

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

- i. Work-in-progress - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work-in-progress is valued at lower of cost and net realisable value.
- ii. Finished goods - Flats: Valued at lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. However, inventory held for use in production of finished goods is not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.



Related to Trading activity

Traded goods are valued at lower of cost and net realisable value. Cost includes direct costs and taxes.

Net realisable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

Land

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognised as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Group, and whereupon it is transferred to land stock under inventories.

s) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3 Significant accounting estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i) Classification of property

The Company determines whether a property is classified as investment property or inventory property:

Investment property comprises land and buildings (principally offices, commercial warehouse and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Inventory property comprises property that is held for sale in the ordinary course of business. Principally, this is residential property that the Company develops and intends to sell before or on completion of construction.

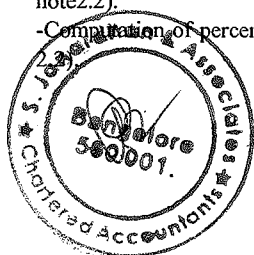
a) Estimates and assumptions

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

i) Revenue recognition

-Determination of performance obligations and timing of revenue recognition on revenue from real estate development (Refer note 2.2).

-Computation of percentage completion for projects in progress, project cost, revenue and saleable area estimates (Refer note



Sobha Highrise Ventures Private Limited

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

ii) Estimation of net realisable value for inventory property

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.



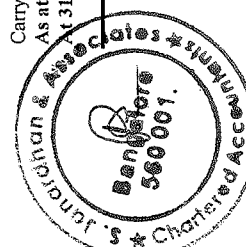
Sobha Highrise Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2023

4a Property, Plant and equipment

	Plant and Machinery	Office Equipments	Computers	Electrical Installations	Furniture and Fixtures	₹ million Total
Cost						
Balance as at 1st April 2021	0.96	4.82	1.65	0.12	6.56	14.11
additions during the year	-	0.23	3.25	-	0.27	3.75
At 31st March 2022	0.96	5.05	4.90	0.12	6.83	17.86
additions during the year	0.57	1.30	1.09	0.02	0.10	3.08
At 31 March 2023	1.53	6.35	5.99	0.14	6.93	20.94
Accumulated Depreciation						
Balance as at 1st April 2021	0.12	0.47	0.09	0.02	1.09	1.79
charge for the year	0.06	0.96	0.67	0.01	0.64	2.34
At 31st March 2022	0.18	1.43	0.76	0.03	1.73	4.13
charge for the year	0.14	1.79	1.46	0.03	1.32	4.74
At 31 March 2023	0.32	3.22	2.22	0.06	3.05	8.87
Carrying amount						
As at 31st March 2022	0.78	3.62	4.14	0.09	5.10	13.73
At 31 March 2023	1.21	3.13	3.77	0.08	3.88	12.07

4b Intangible assets

	Intangible assets under development	₹ million Total
Cost		
Balance as at 1st April 2021	10.51	10.51
additions during the year	0.63	0.63
At 31st March 2022	11.14	11.14
additions during the year	-	-
At 31 March 2023	11.14	11.14
Amortization and impairment		
Balance as at 1st April 2021	3.56	3.56
charge for the year	3.02	3.02
At 31st March 2022	6.58	6.58
charge for the year	2.05	2.05
At 31 March 2023	8.63	8.63
Carrying amount		
As at 31st March 2022	4.54	4.54
At 31 March 2023	2.51	2.51



Sobha Highrise Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2023

5 Investments

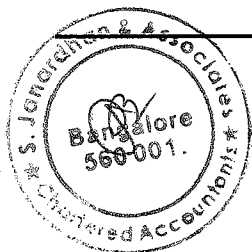
	Current		Non Current	
	31-Mar-23 ₹ million	31-Mar-22 ₹ million	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Carried at cost				
Unquoted equity shares				
<i>Investment in subsidiaries</i>				
10,000 (Previous year: 10,000) equity shares of ₹10 each fully paid-up in Sobha Contracting Private Limited	-	-	0.10	0.10
Carried at fair value through profit and loss				
Unquoted				
<i>Investment in Mutual funds</i>				
100.039 units (Previous year: 96.687) of Axis Liquid Fund - Daily Dividend of Rs.1000.9560 each	-	0.10	-	-
	-	0.10	0.10	0.10

6 Other financial assets

	Current		Non Current	
	31-Mar-23 ₹ million	31-Mar-22 ₹ million	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Security deposit				
<i>Unsecured, considered good</i>				
Security deposit - Others	-	-	0.32	0.32
	-	-	0.32	0.32
	-	-	0.32	0.32

7 Loans

	Current		Non Current	
	31-Mar-23 ₹ million	31-Mar-22 ₹ million	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Loans unsecured considered good				
Loans to related party (refer note 26)	-	-	252.48	252.48
	-	-	252.48	252.48



Sobha Highrise Ventures Private Limited

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

8 Other assets

	Current		Non Current	
	31-Mar-23 ₹ million	31-Mar-22 ₹ million	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Advances recoverable in cash or kind				
Unsecured considered good	26.43	34.38	-	-
Others				
Interest receivable on Inter corporate deposit	22.95	22.72	-	-
Prepaid Expenses	3.13	3.66	-	-
Balances with statutory/ government authorities	52.27	37.80	-	-
	104.78	98.56	-	-

9 Inventories (valued at lower of cost and net realizable value)

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Land Stock	150.22	143.23
Work in progress	1,208.28	735.35
Finished goods	94.18	65.24
	1,452.68	943.82
	1,452.68	943.82

10 Trade receivables

	Current		Non Current	
	31-Mar-23 ₹ million	31-Mar-22 ₹ million	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Trade receivables	1.36	1.36	-	-
Trade receivables from related party (refer note 26)	3.36	2.74	-	-
Total Trade receivables	4.72	4.10	-	-

- For trade receivables ageing schedule, refer to note 45

11 Cash and cash equivalent

	Current		Non Current	
	31-Mar-23 ₹ million	31-Mar-22 ₹ million	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Balances with banks:				
- On current accounts	16.61	8.35	-	-
Cash on hand	0.50	0.25	-	-
	17.11	8.60	-	-

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Balances with banks:		
- On current accounts	16.61	8.35
Cash on hand	0.50	0.25
	17.11	8.60

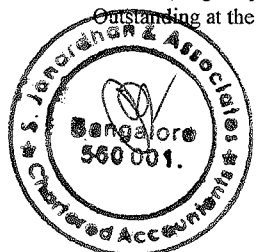


Notes to the financial statements for the year ended March 31, 2023

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Authorised Share Capital		
199,999 (Previous year: 199,999) Class A equity shares of ₹10 each	2.00	2.00
1 (Previous year: 1) Class B equity shares of ₹10 each	0.00	0.00
10,200,000 (Previous year: 10,200,000) Class C equity shares of ₹10 each	102.00	102.00
2,500,000 (Previous year: 2,500,000) Class D equity shares of ₹10 each	25.00	25.00
7,700,000 (Previous year: 7,700,000) Compulsorily Convertible Preference shares of ₹10 each	77.00	77.00
	206.00	206.00
Equity Share Capital		
Issued, subscribed and fully paid-up shares		
199,999 (Previous year: 199,999) Class A equity shares of ₹10 each	2.00	2.00
1 (Previous year: 1) Class B equity shares of ₹10 each	0.00	0.00
10,200,000 (Previous year: 10,200,000) Class C equity shares of ₹10 each	102.00	102.00
2,500,000 (Previous year: 2,500,000) Class D equity shares of ₹10 each	25.00	25.00
Total issued, subscribed and fully paid-up share capital	129.00	129.00
Equity component of Compulsorily Convertible Preference shares		
Issued, subscribed and fully paid-up shares		
7,700,000 (Previous year: 7,700,000) Compulsorily Convertible Preference shares of ₹10 each	77.00	77.00
Total issued, subscribed and fully paid-up share capital	77.00	77.00

	31-Mar-23		31-Mar-22	
	No of Shares	₹ million	No of Shares	₹ million
Equity shares				
<i>Class A equity shares</i>				
At the beginning of the year	199,999	2.00	199,999	2.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	199,999	2.00	199,999	2.00
<i>Class B equity shares</i>				
At the beginning of the year	1	0.00	1	0.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	1	0.00	1	0.00
<i>Class C equity shares</i>				
At the beginning of the year	10,200,000	102.00	10,200,000	102.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,200,000	102.00	10,200,000	102.00
<i>Class D equity shares</i>				
At the beginning of the year	2,500,000	25.00	2,500,000	25.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	2,500,000	25.00	2,500,000	25.00

At the beginning of the year	7,700,000	77.00	7,700,000	77.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	7,700,000	77.00	7,700,000	77.00



Sobha Highrise Ventures Private Limited

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

(b) Terms/ rights attached to equity shares

The Company has 4 classes of equity shares having a par value of ₹10 each per share comprising of Class A equity shares, Class B equity shares, Class C equity shares and Class D equity shares. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

Class A equity shares

Each holder of equity shares is entitled to one vote per share. Class A equity shares be eligible for dividend rights on a pari passu basis based on number of shares held by Class A shareholders in the manner specified. Class C and Class D equity shares shall rank ahead of Class A shares with respect to dividend and other distributions. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

Class B equity shares

Each holder of equity shares does not have any voting rights. Class B equity shares be eligible for dividend rights on a pari passu basis based on number of shares held by Class B shareholders in the manner specified. Class C and Class D equity shares shall rank ahead of Class B shares with respect to dividend and other distributions. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

Class C equity shares

Each holder of equity shares does not have any voting rights. Class C equity shares be eligible for dividend rights on a pari passu basis based on number of shares held by Class C shareholders in the manner specified. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts including payment of Series A Debenture and Series B Debenture holder.

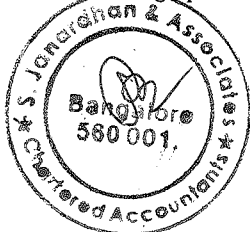
Class D equity shares

Each holder of equity shares does not have any voting rights. Class D equity shares be eligible for dividend rights on a pari passu basis based on number of shares held by Class D shareholders in the manner specified. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts including payment of Series A Debenture and Series B Debenture holder.

(c) Terms/ rights attached to preference shares

The preference share of the Company comprise of Compulsorily Convertible Preference shares of ₹10 each. Each Compulsorily Convertible Preference share shall carry non-cumulative dividend coupon of 0.001%. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of director is subject to the approval of the shareholder in ensuing Annual General meeting.

Compulsorily Convertible Preference share shall be converted to Class D equity shares on expiry of 19 years from the effective date i.e., August 13, 2012 or on liquidation or winding up of the Company. Each Compulsorily Convertible Preference share would be converted to 1 (one) Class D equity share having a par value of ₹ 10 each.



Sobha Highrise Ventures Private Limited

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

(d) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity and preference shares issued by the Company, shares held by its Holding Company, ultimate Holding Company and their subsidiaries/ associates are as below:

Name of shareholder	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Sobha Limited, the Holding Company		
199,999 (Previous year: 199,999) Class A equity shares of ₹10 each	2.00	2.00
1 (Previous year: 1) Class B equity shares of ₹10 each	0.00	0.00
10,200,000 (Previous year: 10,200,000) Class C equity shares of ₹10 each	102.00	102.00
2,500,000 (Previous year: 2,500,000) Class D equity shares of ₹10 each	25.00	25.00
7,700,000 (Previous year: 7,700,000) Compulsorily Convertible Preference Shares of ₹10 each	77.00	77.00
	206.00	206.00

(e) Details of shareholders holding more than 5% shares in the Company

	31-Mar-23		31-Mar-22	
	No of Shares	Holding percentage	No of Shares	Holding percentage
<i>Class A equity shares</i>				
Sobha Limited	199,999	100%	199,999	100%
<i>Class B equity shares</i>				
Sobha Limited	1	100%	1	100%
<i>Class C equity shares</i>				
Sobha Limited	10,200,000	100%	10,200,000	100%
<i>Class D equity shares</i>				
Sobha Limited	2,500,000	100%	2,500,000	100%
<i>Compulsorily Convertible Preference Shares</i>				
Sobha Limited	7,700,000	100%	7,700,000	100%

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

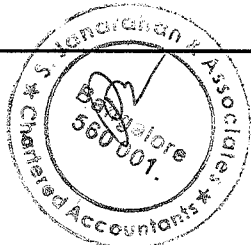
(f) Shares reserved for issue under options

For details of shares reserved for issue on conversion of Compulsorily Convertible Preference shares, please refer note 12(c) regarding terms of conversion of preference shares.

For details of shares reserved for issue on conversion of Compulsorily Convertible Debentures, please refer note 12 regarding terms of conversion of debentures.

(d) Details of Shareholding of Promoters

Shares held by promoters at the end of the year					
Sl No	Promoter Name	Class of Shares	No of Shares	% of total Shares	% Change during the year
1	Sobha Limited	Class A equity shares	199,999	100%	Nil
2	Sobha Limited	Class B equity shares	1	100%	Nil
3	Sobha Limited	Class C equity shares	10,200,000	100%	Nil
4	Sobha Limited	Class D equity shares	2,500,000	100%	Nil
5	Sobha Limited	Preference shares- Compulsorily convertible	7,700,000	100%	Nil
Total			20,600,000		

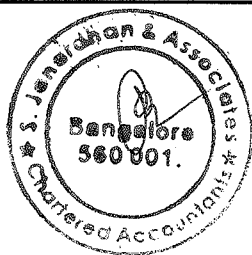


Sobha Highrise Ventures Private Limited

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

13 Other equity

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Equity portion of Compulsorily convertible preference share		
Balance at the beginning of the year	77.00	77.00
Closing balance	77.00	77.00
Retained earnings		
Surplus in the statement of profit and loss		
Balance at the beginning of the year	475.66	448.67
Profit for the year	(44.36)	26.99
Other comprehensive income	-	-
Net surplus in the statement of profit and loss	431.30	475.66
Total other equity	508.30	552.66

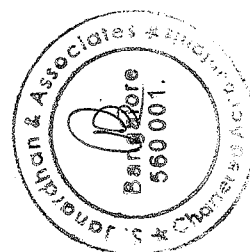


Sobha Highrise Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2023

14 Borrowings

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Current Borrowings		
Unsecured loans		
Term loan from holding company	50.71	144.48
Term loan from related party	20.28	80.56
Total current Borrowings	70.99	225.04

Particulars	Amount outstanding (₹ million)	Effective Interest rate	Repayment terms
	31-Mar-23	31-Mar-22	
Term loans from holding company	50.71	144.48	10.00% Repayable on demand
Term loan from related party	20.28	80.56	10.00% Repayable on demand



Sobha Highrise Ventures Private Limited

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

15 Trade payables

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 29)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	19.84	37.20
Total outstanding dues of creditors OTHER than micro enterprises and small enterprises- related party(refer note 26)	230.04	46.20
	249.88	83.40

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60-day terms
- For explanations on the Company's credit risk management processes, refer to note 48
- For trade payables ageing schedule, refer to note 44

16 Other financial liabilities

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Current		
Interest accrued but not due on borrowings	11.80	23.91
Others		
- Bank overdraft from scheduled banks	-	18.82
Non-trade payable	0.40	0.46
Security deposit towards Joint Development	15.68	-
Security deposit towards maintenance services	14.33	17.81
Total current other financial liabilities	42.21	61.00
Total other financial liabilities	42.21	61.00

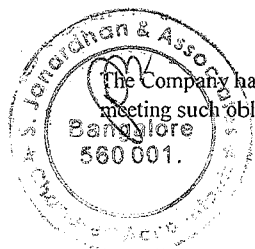
17 Other liabilities

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Advance from customers	819.60	284.62
Withholding taxes payable	7.92	3.75
Joint Development Revenue Share receipts - Holding company	43.21	-
Other Liabilities	9.44	0.04
	880.17	288.41

18 Provisions

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Other provisions		
Estimated project costs to be incurred for the completed project	5.11	5.11
	5.11	5.11

The Company had provided for expected cost for completed project, based on technical evaluation and management's best estimate of meeting such obligation.



Sobha Highrise Ventures Private Limited

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

19 Revenue from operations

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Revenue from operations		
Sale of products/ finished goods		
Income from property development	3.69	1.52
Income from retail sales	134.12	77.11
Income from maintenance & Other services	4.09	4.31
Total	141.90	82.94

20 Other income

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Other non-operating income	0.36	0.61
Income from sale of Investment	0.00	107.98
	0.36	108.59

21 Finance income

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Interest income on		
Income tax refund	0.36	-
Inter corporate deposits	25.50	25.25
Dividend income on		
Current investments	0.00	0.00
	25.86	25.25

22 (Increase)/ decrease in inventories

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Inventories at the end of the year		
Land Stock	150.22	143.23
Work in progress	1208.28	735.35
Finished goods	94.18	65.24
	1,452.68	943.82
Inventories at the beginning of the year		
Land Stock	143.23	128.31
Work in progress	735.35	545.70
Finished goods	65.24	62.03
	943.82	736.04
Less : Finished goods transferred to Inventory	943.82	736.04
(Increase)/ decrease	(508.86)	(207.78)



Sobha Highrise Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2023

23 Other expenses

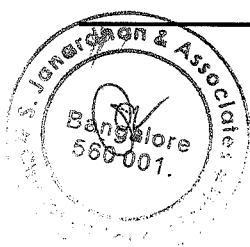
	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Rates and taxes	0.96	0.05
Insurance	0.53	0.93
Advertising and sales promotion	1.57	1.24
Donation	0.12	0.40
Legal and professional fees	44.00	28.46
Payment to auditor (Refer details below)	0.25	0.25
Project Maintenance expenses	2.55	3.74
Brokerage and Commission	1.00	0.00
Miscellaneous expenses	4.20	9.38
Plan approvals and Noc charges	0.00	2.36
Printing and stationery	0.11	0.26
Registration and renewal	7.89	0.06
Freight and packing charges	1.14	2.72
Repairs and maintenance charges	16.52	4.95
Rent	63.76	62.12
Electricity charges	2.90	1.60
	147.50	118.52

Payment to auditor

	31-Mar-23 ₹ million	31-Mar-20 ₹ million
As auditor:		
Audit fee	0.10	0.10
Limited review fee	0.15	0.15
	0.25	0.25

24 Finance costs

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Interest		
- Others	14.85	31.46
Bank charges	0.12	0.90
Total finance costs	14.97	32.36



25 Foreign exchange outflow and Inflow

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Purchase of goods and advance	12.67	3.69
Total	12.67	3.69

26 Related party transactions

26.1 List of related parties

Party where control exists:

Sobha Limited - Holding Company

Subsidiaries:

Sobha Contracting Private Limited

Annalakshmi Land Developers Private Limited-(Upto 31-12-2021)

Key management personnel ('KMP')

Mr. Jagadish Nangineni - Appointment - wef - 30.03.2022

Mr. Ravi PNC Menon - Cessation -wef -15.03.2023

Mr. Ravi Nagaraj Doddabale

Mr. J.C. Sharma - Cessation - wef - 30.03.2022

Mr. Yogesh Bansal - Appointment - wef 15.03.2023

Other Related parties with whom transactions have taken place during the year:

Sri Kurumba Educational and Charitable Trust

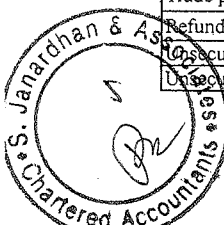
Sobha Developers Pune Limited

Technobuild Developers Private Limited

26.2 Transactions with related parties

₹ million				
Nature of transaction	Description of relationship	Name of the Related party	31-Mar-23	31-Mar-22
Purchase of goods and services	Holding Company	Sobha Limited	530.46	250.94
Sale of goods			17.64	2.77
Share of Revenue from Joint Development agreement			43.21	-
Refundable Deposit received (net)			15.68	-
Donation	Other Related Party	Sri Kurumba Educational and Charitable Trust	0.12	0.40
Unsecured loan given	Subsidiary	Sobha Contracting Private Limited	-	21.34
Unsecured loan received	Holding Company	Sobha Limited	-	90.76
Unsecured loan repaid	Holding Company		93.77	89.50
Unsecured loan received	Other Related Party	Sobha Developers Pune Limited	-	3.82
Unsecured loan repaid	Other Related Party		70.50	35.75
Interest expense on unsecured loan	Holding Company	Sobha Limited	8.22	15.21
	Other Related Party	Sobha Developers Pune Limited	4.89	11.35
Interest income on unsecured loan	Subsidiary	Sobha Contracting Private Limited	25.50	25.25
Investment in capital of Subsidiary			0.10	0.10
Guarantees and Collateral Security Given	Holding Company	Sobha Limited	750.00	-

₹ million				
Nature of transaction	Description of the relationship	Name of the related party	31-Mar-23	31-Mar-22
Balance Receivable :				
Trade receivable	Holding Company	Sobha Limited	3.36	2.74
Lease Deposit receivable	Other Related Party	Sobha Interiors Private Limited	0.30	0.30
Unsecured loan and Interest	Subsidiary	Sobha Contracting Private Limited	275.42	275.20
Balance Payable :				
Trade payable	Holding Company	Sobha Limited	230.04	46.21
Refundable Deposit payable			15.68	-
Unsecured loan and Interest			58.11	158.18
Unsecured loan and Interest	Other Related Party	Sobha Developers Pune Limited	24.67	90.77



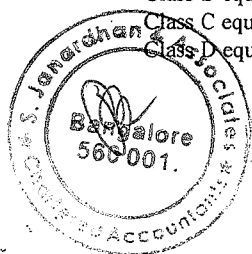
Sobha Highrise Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2023
27 Earnings per share ['EPS']

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

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

Particulars	31-Mar-23	31-Mar-22
Profit after tax attributable to shareholders (Amount in ₹ million)	(44.36)	26.99
Weighted average number of equity shares of ₹10 each outstanding during the period used in calculating basic EPS		
Basic		
Class A equity shares	199,999	199,999
Class B equity shares	1	1
Class C equity shares	10,200,000	10,200,000
Class D equity shares	2,500,000	2,500,000
Profit / (loss) after taxation considered for the calculation earnings per share (₹)		
Basic		
Class A equity shares	-	-
Class B equity shares	-	-
Class C equity shares	(22.18)	13.50
Class D equity shares	(22.18)	13.50
Earnings Per Share (₹)		
Basic		
Class A equity shares	-	-
Class B equity shares	-	-
Class C equity shares	(2.17)	1.32
Class D equity shares	(8.87)	5.40
Weighted average number of equity shares of ₹10 each outstanding during the period used in calculating Diluted EPS		
Diluted		
Class A equity shares	199,999	199,999
Class B equity shares	1	1
Class C equity shares	10,200,000	10,200,000
Class D equity shares	10,200,000	10,200,000
Profit / (loss) after taxation considered for the calculation earnings per share (₹)		
Diluted		
Class A equity shares	-	-
Class B equity shares	-	-
Class C equity shares	(22.18)	13.50
Class D equity shares	(22.18)	13.50
Earnings Per Share (₹)		
Diluted		
Class A equity shares	-	-
Class B equity shares	-	-
Class C equity shares	(2.17)	1.32
Class D equity shares	(2.17)	1.32



Sobha Highrise Ventures Private Limited

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

28 Commitments and contingencies

Contingent liabilities (to the extent not provided for)

Particulars	₹ million	
	31-Mar-23	31-Mar-22
Claims against the Company not acknowledged as debts *	5.69	5.69
	5.69	5.69

* The claims against the Company comprise:

₹ 5.69 million (Previous year: ₹ 5.69 million) levied on the Company by BBMP towards betterment charges. The Company has contested against the charges with Honourable High court of Karnataka and obtained a stay order for the same. Based on internal assessment, the management is confident that the matter would be decided in its favour, accordingly no provisions has made in this regard.

29 Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2023

30 Details relating to Title deeds of Immovable Property not held in name of the Company Nil

31 Details relating to ageing of Capital Work-in-Progress Nil

32 Details relating to ageing of Intangible assets under development Nil

33 Details relating to borrowings secured against current assets of the company Nil

34 Details relating to Benami Property held by the Company Nil

35 Details relating to utilization of borrowed funds and share premium Nil

36 Details relating to declaration of the company as wilful defaulter by any bank or financial institution or other lender Nil

37 Details relating to the nature of transaction carried out with the struck-off company Nil

38 Details relating to the transactions under taken in Crypto or Virtual currency Nil

39 Details relating to the undisclosed income reported Nil

40 Details regarding registraion or satisfaction of charges with Registrar of Companies, beyond the statutory period Nil

41 Details regarding compliance with number of layers of companies Nil

42 Details regarding compliance with approved scheme of arrangements Nil

43 Details relating to loans or advances in the nature of loans to Promoters, Directors, KMP and related parties

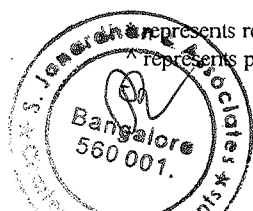
a. Repayable on Demand;

Type of Borrower	Amount of loan or advance in the nature of loan outstanding ₹ million	% to the total Loans and Advances in the nature of loans
Related Party	252.48	100%

Type of Borrower	Current Period		Previous Period	
	Amount O/s* ₹ million	% of total ^	Amount O/s* ₹ million	% of total ^
Related Party	252.48	100%	252.48	100%

* represents repayable on demand

^ represents percentage to the total Loans and Advances in the nature of loan



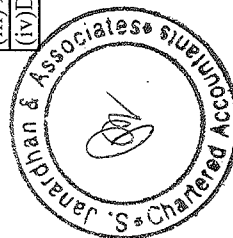
Sobha Highrise Ventures Private Limited

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

44 Trade Payables ageing schedule

Particulars	Outstanding for following periods (as on 31st March 23)					₹ million
		Over due				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	165.23	74.44	3.87	6.34	249.88
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	Outstanding for following periods (as on 31st March 22)					₹ million
	Not due	Over due				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	73.09	4.47	4.39	1.46	83.40
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

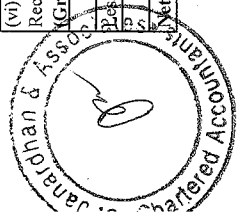


₹ million

Particulars	Outstanding for following periods from date of transaction (As on 31st March'23)					
	Not due for payment	Beyond due date				Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good (Gross)	-	3.30			0.18	1.24
(ii) Undisputed Trade Receivables – which have significant increase in credit risk (Gross)	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired (Gross)	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good (Gross)	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk (Gross)	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired (Gross)	-	-	-	-	-	-
Less: Provision	-	-	-	-	-	-
Net Receivables	-	3.30	-	-	0.18	1.24
						4.72

₹ million

Particulars	Outstanding for following periods from date of transaction (As on 31st March'22)					
	Not due for payment	Beyond due date				Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good (Gross)	-	1.12	1.56	0.18	-	1.24
(ii) Undisputed Trade Receivables – which have significant increase in credit risk (Gross)	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired (Gross)	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good (Gross)	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk (Gross)	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired (Gross)	-	-	-	-	-	-
Less: Provision	-	-	-	-	-	-
Net Receivables	-	1.12	1.56	0.18	-	1.24
						4.10



46 Corporate Social Responsibility

Sl no	Gross amount required to be spent by the company during the year	Amount spent during the year on	₹ million			
			The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	The total of 'previous years' shortfall amounts;	The reason for above shortfalls by way of a note	The nature of CSR activities undertaken by the Company
i)	0.12	Construction/acquisition of any asset				
		Nil	Nil	Nil	Nil	Nil
ii)		On purposes other than (i) above				
			Nil	Nil	Nil	Donation to a charitable trust, being a related party

For details of transaction with the related party, refer note no 26

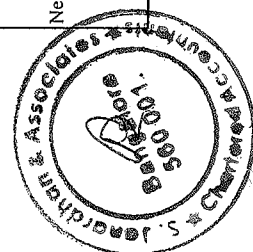


Sobha Highrise Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2023

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Ratios

Particulars	Numerator consists off	Denominator consists off	Current year ratio	Previous year ratio	% of variance	Reasons for variance
Liquidity Ratio:						
Current ratio	Current Assets	Current Liabilities	1.27	1.59	-20.52%	Nil
Solvency Ratio:						
Debt Equity ratio	Total Debt	Shareholder's Equity	0.11	0.33	-66.26%	Company has repaid part of the unsecured loan
Debt Service Coverage ratio	Earnings for debt service = Interest & Net profit after taxes + Non-cash operating expenses	Debt service = Interest + Principal Lease Payments + Principal Repayments	-0.15	-0.42	-65.42%	Decrease in unsecured loan and increase in loss during the year
Profitability Ratio:						
Return on Equity	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	-0.07	0.04	-275.82%	Increase in loss during the year
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	-0.31	0.33	-196.08%	Increase in loss during the year
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	-0.06	0.08	-178.93%	Increase in loss during the year
Utilisation Ratio:						
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	0.06	0.09	-30.78%	Increase in sales turnover
Inventory Turnover ratio	Cost of goods sold	Average Inventory	0.06	0.99	-94.40%	Increase in cost proportionate to the sales and increase in inventory value
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.40	5.54	-38.70%	Increase in credit purchases during the financial year
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	0.43	0.21	102.77%	Increase in sales volume and receipt of advances during the financial year



48 Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include loans and borrowings.

The sensitivity analyses in the following section relate to the position as at March 31, 2023 and March 31, 2022.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023 and March 31, 2022.

a. Interest rate risk

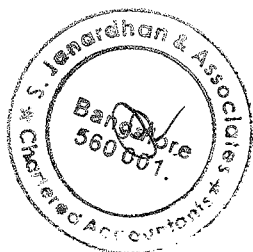
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

		₹ million
	Increase/ decrease in interest rate	Effect on profit before tax
31-Mar-23		
INR	+1%	0.71
INR	-1%	(0.71)
31-Mar-22		
INR	+1%	2.66
INR	-1%	(2.66)



Sobha Highrise Ventures Private Limited**Notes to the financial statements for the year ended March 31, 2023****B Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The entity is exposed to credit risk from its operating activities (primarily trade receivables) and investing activities (short term bank deposits).

Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from sale of traded goods: The company has the policy of selling the traded goods in cash for sales made to third parties and on credit only to its Group companies and employees. The company's credit period generally ranges from 30-60 days. Therefore eliminating the company's credit risk in this respect.

Financial instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2023 and 31 March 2022 is the carrying amounts.

At the balance sheet date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the balance sheet.

C Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments (including interest payments):

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	₹ million Total
Year ended March 31, 2023						
Borrowings	70.99	-	-	-	-	70.99
Other financial liabilities	42.21	-	-	-	-	42.21
Trade and other payables	249.88	-	-	-	-	249.88
	363.08	-	-	-	-	363.08
Year ended March 31, 2022						
Borrowings	225.04	-	-	-	-	225.04
Other financial liabilities	61.00	-	-	-	-	61.00
Trade and other payables	83.40	-	-	-	-	83.40
	369.44	-	-	-	-	369.44



Sobha Highrise Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2023

49 Segment information

Basis of segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Management to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which are the Company's strategic business units. These business units offer different products and services, and are managed separately because they require different marketing strategies. For each of the business units, the management reviews internal management reports on at least a quarterly basis.

The management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Group has identified following as its reportable segment for the purpose of Ind AS 108:

- a) Real estate segment;
- b) Trading segment.

Real Estate segment (RE) comprises development, sale, management and operation of all or any part of townships, housing projects, also includes leasing of self owned commercial premises.

The operation of the Trading segment (CM) related to interiors, home furnishing and furniture products.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on an overall basis and are not allocated to operating segments.

The following tables present revenue and profit information for the Company's operating segments for the year ended 31 March 2023 and 31 March 2022 respectively:

Business segments

Particulars	₹ million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Segment revenue		
Real estate	8.14	5.80
Trading	134.12	77.75
Total Segment revenue	142.26	83.55
Inter segment revenues	-	-
Net revenue from operations	142.26	83.55
Segment result		
Real estate	4.07	(3.24)
Trading	(80.93)	(78.29)
Total Segment results	(76.86)	(81.53)
Finance costs	(7.30)	(14.05)
Other unallocable expenditure	(0.43)	(0.53)
Other income (including finance income)	25.86	133.22
Profit before taxation	(58.73)	37.12
Income taxes	14.37	(10.13)
Profit after taxation	(44.36)	26.99



Sobha Highrise Ventures Private Limited**Notes to the financial statements for the year ended March 31, 2023**

The following table presents assets and liabilities information for the Company's operating segments as at 31 March 2023 and 31 March 2022 respectively:-

Particulars	₹ million	
	As at 31 March 2023	As at 31 March 2022
Segment assets		
Real estate	1,400.41	901.38
Trading	141.49	111.77
Total segment assets	1,541.90	1,013.15
Unallocated assets	343.76	331.47
Total assets	1,885.66	1,344.62
Segment liabilities		
Real estate	1,010.19	325.78
Trading	155.38	84.02
Total segment liabilities	1,165.57	409.80
Unallocated liabilities	82.79	253.16
Total liabilities	1,248.36	662.96
Capital employed		
Real estate	390.22	575.60
Contractual and trading	(13.89)	27.75
Unallocated capital employed	260.97	78.31
Total capital employed	637.30	681.66

Current taxes, deferred taxes and certain financial assets and liabilities are considered as unallocated as they are also managed on a Company basis.

Particulars	₹ million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Capital expenditure		
Real estate	-	-
Trading	3.08	4.38
Unallocated capital expenditure	-	-
Total capital expenditure	3.08	4.38

Capital expenditure consists of additions of property, plant and equipment, intangible assets and capital work-in-progress.

Information of revenue and non-current operating assets based on location cannot be furnished since there are no revenue generated from business activities outside India and there are no non-current operating assets held by the Company outside India.

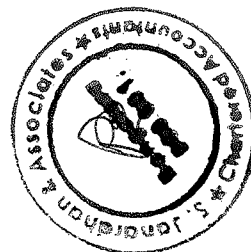


Sobha Highrise Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2023

50 Fair value measurements

The carrying value of financial instruments by categories is as follows:

Particulars	As at March 31, 2023			As at March 31, 2022		
	At Cost	Fair value through profit or loss	At Amortised Cost	At Cost	Fair value through profit or loss	At Amortised Cost
Financial assets						
Investment	0.10	-	-	0.10	0.10	-
Other non-current financial assets	-	-	0.32	-	-	0.32
Loans	-	-	252.48	-	-	252.48
Trade receivables	-	-	4.72	-	-	4.10
Cash and cash equivalents	-	-	17.11	-	-	8.60
Total	0.10	-	274.63	0.10	0.10	265.50
Financial liabilities						
Borrowings	-	-	70.99	-	-	225.04
Trade payables	-	-	249.88	-	-	83.40
Other financial liabilities	-	-	42.21	-	-	61.00
Total	-	-	363.08	-	-	369.44



Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Carrying amount	Fair value		Carrying amount	Fair value	
		Level 1	Level 2	Level 3	Level 1	Level 2
Financial assets						
Investments carried at fairvalue through profit and loss	-	-	-	-	0.10	-
Total	-	-	-	-	0.10	-

₹ million

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

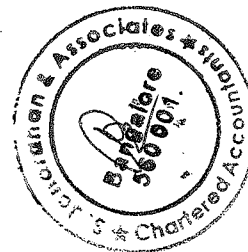
Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

Financial instruments carried at amortised cost such as instruments, trade receivables, cash and other financial assets, borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



Sobha Highrise Ventures Private Limited

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

51 Dividend

The company has not declared any dividend during the year.

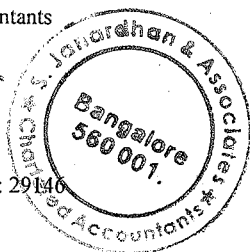
52 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to confirm with the current year's classification.

As per our report of even date

For S.Janardhan & Associates
ICAI Firm registration number: 005310S
Chartered Accountants

B. Anand
Partner
Membership No.: 29146



For and on behalf of the Board of Directors of
Sobha Highrise Ventures Private Limited

Yogesh Bansal
Director
DIN: 06764277

Jagadish Nangineni
Director
DIN: 01871780

Barsha Agarwal
Company Secretary
A48155

Place: Bengaluru, India

Date: 20/05/2023

Place: Bengaluru, India

Date: 20/05/2023

UDIN: 23029146BGWCWU3788