

## INDEPENDENT AUDITOR'S REPORT

To the Members of **5ELEMENT HOMES PRIVATE LIMITED**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of 5ELEMENT HOMES PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31 March 2024, and the statement of Profit and Loss, including the Statement of Other Comprehensive Income, the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of financial statements in accordance with the Standards on Auditing (SAs), as 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 Act, and the Rules there under, 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 other information. The other information comprises Statutory reports, corporate governance reports and Boards Report included in the annual report but does not include the financial statements and our auditor's report thereon, which we obtain prior to the date of auditor's report.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Responsibilities of Management and Those Charged with Governance for the 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 the equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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.

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 of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The Balance Sheet, the Statement of Profit and Loss (Including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31 March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - 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 A".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:




- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements wherever applicable.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, 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 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 entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity 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 have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on the audit procedures that were 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software, Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

3. The Company did not pay any remuneration to its directors during the current year

For **PRSV & Co. LLP**

Chartered Accountants

Firm's Registration No. S200016



**Y. Venkateswarlu**

Partner

Membership No. 222068



Place: Hyderabad

Date: May 29, 2024

**UDIN: 24222068BKAVRD8362**

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **5ELEMENT HOMES 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”)**

We have audited the internal financial controls over financial reporting of **5ELEMENT HOMES PRIVATE LIMITED** (“the Company”) as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting, and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **PRSV & Co. LLP**

Chartered Accountants

Firm Registration No: S200016



**Y. Venkateswarlu**

Partner

Membership No: 222068



Place: Hyderabad

Date: May 29, 2024

**UDIN: 24222068BKAVRD8362**

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of 5ELEMENT HOMES PRIVATE LIMITED of even date)

- i.
  - (a) The company has no Property, Plant and Equipment as on 31 March 2024 and accordingly the requirement to report under clause 3(i)(a) of the Order is not applicable to the Company.
  - (b) The company has no Property, Plant and Equipment as on 31 March 2024 and accordingly the requirement to report under clause 3(i)(b) of the Order is not applicable to the Company.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, There were no immovable properties held by the company as on 31 March 2024.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii.
  - (a) The company has no inventory as on 31.03.2024 and therefore, the provisions of the clause 3 (ii)(a) of the Order are not applicable to the Company.
  - (b) The company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and therefore, the provisions of the clause 3 (ii)(b) of the Order are not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, Accordingly, the provisions of clause 3 (iii) (b), (c) and (d) are not applicable to the Company
- iv. In our opinion and according to the information and explanations given to us, the Company has not advanced loans to director/ to a Company in which the Director is interested to which provisions of section 185 of the Companies Act, 2013 apply. In our opinion and according to the information and explanations given to us, the Company has not made investments and given guarantees/provided security and therefore, the provisions of the clause 3 (iv) of the Order are not applicable to the Company.
- v. The Company has not accepted deposits during the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii.
  - (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues to the extent applicable. Since the company is not yet commenced the operations all other statutory dues are not applicable to the company.



- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the day they became payable.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no such transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. In our Opinion and according to the information and explanations given by the management, the company has not obtained loans or borrowings from banks or government and therefore the provisions of the clause 3(ix) of the order are not applicable to the company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a) According to information and explanation given by management, the Company has not raised any moneys by way of initial public offer/further public offer/ debt instruments and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year instruments and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.



- (b) 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.
- (c) 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 clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The company has no internal audit system as the company has not commenced its operations and hence reporting under clause 3(xiv)(a) and (b) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as the Company is not engaged in the business of financing and the company is not a core investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of the clause 3(xvi)(a), (b), (c) and (d) of the Order are not applicable to the Company.
- xvii. The company has incurred cash losses in the financial year 2023-24 amounting to Rs. 64,782 (Accumulated losses as on 31 March 2024 Rs.2,55,629/-) and in the immediately preceding financial year 2022-23 amounting to Rs.1,03,440/- (Accumulated losses as on 31 March 2023 Rs.1,90,850/-)
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions of the clause 3(xviii) of the Order are not applicable to the Company.
- xix. 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, the auditor's knowledge of the Board of Directors and management plans, the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. The company has no obligation towards Corporate Social Responsibility and hence provisions of the clause xx(a) and (b) of the Order are not applicable to the Company.



xxi. The Company is not required to prepare consolidated financial statements and hence provisions of the clause xxi of the Order are not applicable to the Company.

For **PRSV & Co. LLP**  
Chartered Accountants  
Firm Registration No: S200016



**Y. Venkateswarlu**  
Partner  
Membership No: 222068



Place: Hyderabad  
Date: May 29, 2024

**UDIN: 24222068BKAVRD8362**

**5Element Homes Private Limited**  
 12-13-522, Lane No.13, Street No.14, Tarnaka, Secunderabad - 17  
**Balance Sheet as at 31st March 2024**  
 (All amounts are in Thousands, unless otherwise stated)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
<b>ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a) Property, plant and equipment			
b) Intangible assets	3	2.64	10.47
<b>Total Non-Current Assets</b>		<b>2.64</b>	<b>10.47</b>
<b>2. CURRENT ASSETS</b>			
<b>a) Financial asset</b>			
(i) Cash and Cash equivalents	4	578.13	562.26
b) Other current assets	5	-	5.98
<b>Total Current assets</b>		<b>578.13</b>	<b>568.24</b>
<b>TOTAL ASSETS</b>		<b>580.76</b>	<b>578.71</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a) Equity Share Capital	6	100.00	100.00
b) Other Equity	7	(255.63)	(190.85)
<b>Total Equity</b>		<b>(155.63)</b>	<b>(90.85)</b>
<b>2. CURRENT LIABILITIES</b>			
<b>a) Financial Liabilities</b>			
(i) Short Term Borrowings	8	655.00	605.00
(ii) Trade Payables	9		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than (ii) (a) above		81.41	64.56
<b>Total Current Liabilities</b>		<b>736.41</b>	<b>669.56</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>580.76</b>	<b>578.71</b>

Notes 1 to 26 form part of Financial Statements

As per our report of even date

For PRSV & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: S200016

  
Y. Venkateswarlu

Partner

Membership No. 222068

UDIN. 24222068BKAVRD8362

Place: Secunderabad

Date: 29.05.2024



For and behalf of the Board

  
P.S. Somayajulu

Director

DIN. 05221729

  
Geetanjali Toopran

Director

DIN. 01498741



**5Element Homes Private Limited**  
 12-13-522, Lane No.13, Street No.14, Tarnaka, Secunderabad - 17  
**Statement of Profit and Loss for the year ended 31st March 2024**  
 (All amounts are in Thousands, unless otherwise stated)

Particulars	Note	Year Ended	
		31st March 2024	31st March 2023
I. Revenue from operations		-	-
II. Other Income		-	-
<b>III. TOTAL REVENUE (I+II)</b>		-	-
<b>IV. Expenses</b>			
Depreciation and amortization expenses	3	7.83	7.83
Other expenses	10	56.95	95.61
<b>TOTAL EXPENSES (IV)</b>		<b>64.78</b>	<b>103.44</b>
<b>V. PROFIT /(LOSS) BEFORE TAX</b>		<b>(64.78)</b>	<b>(103.44)</b>
<b>VI. TAX EXPENSE</b>			
1. Current tax (including Earlier year provisions written back)		-	-
2. Deferred tax		-	-
<b>VII. PROFIT /(LOSS) FOR THE PERIOD (V-VI)</b>		<b>(64.78)</b>	<b>(103.44)</b>
<b>VIII. Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income Tax relating to items that will not be reclassified to profit or loss		-	-
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income Tax relating to items that will be reclassified to profit or loss		-	-
<b>IX. Total Comprehensive Income for the period (VII+VIII)</b>		<b>(64.78)</b>	<b>(103.44)</b>
<b>X. Earnings per equity share</b>			
Basic		<b>(6.48)</b>	<b>(10.34)</b>
Diluted		<b>(6.48)</b>	<b>(10.34)</b>

Notes 1 to 26 form part of Financial Statements

As per our report of even date attached  
 For PRSV & Co. LLP  
 Chartered Accountants  
 ICAI Firm Registration Number: S200016

Y. Venkateswarlu  
 Partner

Membership No. 222068  
 UDIN. 24222068BKAVRD8362

Place: Secunderabad  
 Date: 29.05.2024



For and behalf of the Board

P.S. Somayajulu  
 Director  
 DIN. 05221729

T. Geetanjali  
 Geetanjali Toopran  
 Director  
 DIN. 01498741



**5Element Homes Private Limited**  
**Cash Flow Statement for the year ending March 31, 2024**  
(All amounts are in Thousands, unless otherwise stated)

Particulars	31st March 2024	31st March 2023
<b>A) Cash Flows from Operating Activities</b>		
Profit before Tax	(64.78)	(103.44)
<b>Adjustment to reconcile loss before tax to net cash flows</b>		
Depreciation and amortization expense	7.83	7.83
Interest income	-	-
Finance cost	-	-
<b>Operating cashflow before working capital changes</b>	<b>(56.95)</b>	<b>(95.61)</b>
<b>Movements in working capital:</b>		
(Increase)/Decrease in Short Term Loans & Advances	-	-
(Increase)/Decrease in Current Assets	5.98	(5.98)
(Increase)/Decrease in Trade Receivable	-	-
Increase/(Decrease) in Trade Payables	66.85	626.91
Increase/(Decrease) in Short Term Provisions	-	-
Increase/(Decrease) in Other Current Liabilities	-	-
<b>Cash generated from operations</b>	<b>15.88</b>	<b>525.33</b>
Income tax paid (net)	-	-
<b>Net Cash from Operating Activities (A)</b>	<b>15.88</b>	<b>525.33</b>
<b>B) Cash Flows from/(used in) Investing Activities</b>		
Purchase of New Equipment	-	-
<b>Net Cash from/(used in) Investing Activities (B)</b>	<b>-</b>	<b>-</b>
<b>C) Cash Flows from from/(used in) Financing Activities</b>		
Interest Paid	-	-
<b>Net Cash from/(used in) Financing Activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>15.88</b>	<b>525.33</b>
Cash and Cash Equivalents at the Beginning of the Year	562.27	36.94
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>578.13</b>	<b>562.27</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	516.95	516.95
<b>Balances with schedule banks:</b>		
- In current accounts	61.18	45.31
- Deposits with original maturity less than 3 months	-	-
<b>Total cash and cash equivalents</b>	<b>578.13</b>	<b>562.26</b>

As per our report of even date attached

For PRSV & Co. LLP.,  
Chartered Accountants  
ICAI FRN : S200016

Y. Venkateswarlu  
Partner  
Membership No. 222068  
UDIN. 24222068BKAVRD8362



Place: Secunderabad  
Date: 29.05.2024

for and behalf of the Board

P.S. Somayajulu  
Director  
DIN. 05221729


Geetanjali Toopran  
Director  
DIN. 01498741



**Element Homes Private Limited**  
**Statement of Changes in Equity for the year ended March 31, 2024**  
 (All amounts are in Thousands, unless otherwise stated)

Current Reporting Period as on 31st March, 2024		Previous Reporting Period as on 31st March, 2023				
Particulars	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	
<b>Total</b>	100.00	-	100.00	-	100.00	
<b>Previous Reporting Period as on 31st March, 2023</b>						
<b>Particulars</b>	<b>Balance at the beginning of the previous reporting period</b>	<b>Changes in Equity Share Capital due to prior period errors</b>	<b>Restated balance at the beginning of the previous reporting period</b>	<b>Changes in equity share capital during the previous year</b>	<b>Balance at the end of the previous reporting period</b>	<b>Total</b>
<b>Total</b>	100.00	-	100.00	-	100.00	
<b>2. Other Equity</b>						
As at March 31, 2022						
Profit for the year				(87.42)		(87.42)
Profit for the year				(103.44)		(103.44)
Re-measurement on net defined benefit liability, net of tax						
As at March 31, 2023				(190.86)		(190.86)
Profit for the year				(64.78)		(64.78)
Re-measurement on net defined benefit liability, net of tax						
As at March 31, 2024				(255.64)		(255.64)


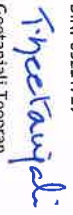
As per our report of even date

For PRSV & Co. LLP  
 Chartered Accountants  
 ICAI Firm Registration Number: 3200016  
  
 Y. Venkateswarlu  
 Partner



Membership No. 222068  
 UDIN. 24222068BKAYRD8362  
 Place: Secunderabad  
 Date: 29.05.2024

For and behalf of the Board

  
 P.S. Somayajulu  
 Director  
 DIN. 05221729  
  
 Geetanjali Toopran  
 Director  
 DIN. 01498741



**5Element Homes Private Limited**  
**Notes to the Financial Statements**  
(All amounts are in Thousands, unless otherwise stated)

**3. Intangible assets**

Description	Computer Software	Total
Cost as at 1 April 2022	23.49	23.49
Additions		-
Disposals	-	-
Cost as at 31 March 2023	23.49	23.49
Additions		-
Disposals	-	-
Cost as at 31 March 2024	23.49	23.49
		-
Accumulated depreciation as at 1 April 2022	5.19	5.19
Depreciation for the year	7.83	7.83
Disposals/adjustments	-	-
Accumulated depreciation as at 31 March 2023	13.02	13.02
Depreciation for the year	7.83	7.83
Disposals/adjustments	-	-
Accumulated depreciation as at 31 March 2024	20.85	20.85
Net carrying value as at 31 March 2023	10.47	10.47
Net carrying value as at 31 March 2024	2.64	2.64

*T.heetanjali*



**5Element Homes Private Limited**  
**Notes to the financial statements for the year ended 31 March 2024**

**1 Corporate information**

M/s. 5Element Homes Private Limited ("the Company") is a Private company incorporated and Domiciled in India, having its registered office at Hyderabad, Telangana, India.

M/s. 5Element Homes Private Limited is engaged in the business of construction, builders, contractors, engineers, colonizers, town planners, surveyors, appraisers, decorators, furnishers, manufacturers of prefabricated and precasted houses, and to acts Estate developers and Engineers, land developers, Landscapers, estate agents, immovable property dealers and to acquire, buy, purchase, hire or otherwise lands, buildings, civil works of immovable property of any tenure or any interest in the same and contractors for the purposes of residential complexes / flats / enclave / commercial complexes / multistoried buildings and to carry on all types of construction activities.

**2 Significant accounting policies**

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below.

**2.1 Basis of Preparation and Presentation**

The financial statements have been prepared on the historical cost basis and on accrual basis, except for the following items

- i) Certain financial assets and liabilities : Measured at fair value
- i) Borrowings: Amortised cost using effective interest rate method
- ii) employee defined benefit assets/(liability): Present value of defined benefit obligations less fair value of plan

The financial statements have been prepared and presented in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Up to the year ended 31st Mar, 2017, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 ('Previous GAAP').

Company's financial statements are presented in Indian Rupees, which is also its functional currency.

**2.2 Use of estimates and judgments**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

**2.3 Measurement of fair values**

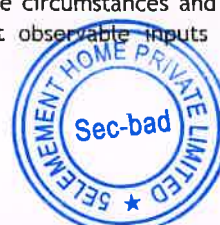
Accounting policies and disclosures require measurement of fair value for financial assets and financial liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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



*T. Jeevanjali*

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### 2.4 Current and non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

##### Assets

An asset is classified as a current when it is:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets are classified as non current.

##### Liabilities

A liability is classified as a current when:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Company does not have an unconditional right to defer settlement of liability for atleast twelve months from the reporting date. All other liabilities are classified as non-current.

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

##### Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current

#### 2.5 Property, plant and equipment

Property, plant and equipment are stated at cost, net off recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price and any cost directly attributable to bringing the assets to its working conditions for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.



Gains and losses upon disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment and are recognised in the statement of profit and loss.

Depreciation on property, plant and equipment is provided using Straight line method. Depreciation is provided based on useful life of the assets as prescribed in schedule II to the companies Act, 2013.

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.

## 2.6 Intangible assets

Intangible assets that are acquired by the company are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Gains and Losses arising from de-recognition of an intangible assets are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

## 2.5 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. Purchase and sale of financial assets are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### *Subsequent measurement*

##### *i. Financial assets carried at amortised cost (AC)*

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

##### *ii. Financial assets at fair value through other comprehensive income (FVTOCI)*

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### *iii. Financial assets at fair value through profit or loss (FVTPL)*

A financial asset which is not classified in any of the above categories are measured at FVTPL.

The Company has accounted for its investment in subsidiary at cost.

### Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).



T. H. Chaitanya

For trade receivables, Company applies 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach require the Company to recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

### **Financial Liabilities**

#### *Initial recognition and measurement*

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable transaction costs. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### *Subsequent measurement*

Financial liabilities are carried at amortized cost using the effective interest method. 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 of financial instruments**

A financial asset (or a part of the financial asset) is derecognized from the Company's balance sheet when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of the financial liability) is derecognized from the Company's balance sheet when the obligation under the liability is discharged or cancelled or expires.

### **2.7 Cash and cash equivalents**

Cash and cash equivalents consist of cash at banks and on hand, demand deposits and other short term deposits that are readily convertible into known amounts of cash, are subject to insignificant risk of changes in value and have a maturity of three months or less.

### **2.7 Inventories**

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost and net realisable value after providing for obsolescence. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

### **2.8 Impairment of non-financial assets**

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated to determine the extent of impairment if any.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised in the statement of profit and loss to the extent, the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



T. Jeevanjali

## 2.9 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. 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.

### *Contingent liabilities*

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

### *Contingent assets*

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

## 2.10 Revenue recognition

### *i. Revenue from contracts*

Revenue from contracts priced on a time and material basis are recognised as the related services are rendered and the related costs are incurred. Revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue from fixed price contracts is recognised as per the 'percentage of completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration.

### *ii. Revenue from services*

Service income is recognised as per the terms of contracts with the customer, when the related services are performed.

### *iii. Sale of goods*

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing effective control or management involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

### *iv. Interest Income*

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

## 2.11 Employee Benefits Expense

### *i. Short Term Employee Benefits*

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

### *ii. Post-Employment Benefits*

#### *Defined Contribution Plans*

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company's contributions to defined contribution plans are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

#### *Defined Benefit Plans*

The liability in respect of gratuity benefit is determined using the Projected Unit Credit Method based on actuarial valuation, performed by an independent qualified actuary.

Re-measurement of defined benefit plans in respect of post-employment benefits are charged to the Other Comprehensive Income.



T. Geetanjali

## 2.12 Finance cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of such assets.

All other borrowing costs are charged to the statement of profit and loss for which they are incurred.

## 2.13 Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-Monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of transaction.

## 2.14 Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax expense is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

### Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

### Deferred tax

Deferred tax is recognised using the balance sheet method on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used in the computation of taxable profit.

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## 2.15 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares except where the result would be anti dilutive.

## 2.16 Leases

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

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



T. Jeetanjali

**1) Right-to-use assets**

The Company recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right of use assets are also subject to impairment

**ii) Lease Liabilities**

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

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

**iii) Short-term leases and leases of low-value assets**

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



*T.heetanjali*

**5Element Homes Private Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 (All amounts are in Thousands, unless otherwise stated)

S.No	Particulars	As at	As at
		31st March 2024	31st March 2023
4	<b>Cash and Cash equivalents</b>		
	Cash on Hand	516.95	516.95
	<i>Balances with banks</i>		
	In Current accounts	61.18	45.31
	<b>TOTAL</b>	<b>578.13</b>	<b>562.26</b>
5	<b>Other current assets</b>		
	Prepaid Expenses	-	5.98
	<b>Total</b>	-	5.98



T.heetanjali

**5Element Homes Private Limited**  
**Notes to the Financial Statements**  
(All amounts are in Thousands, unless otherwise stated)

**6 Share Capital**

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
<u>Authorised</u> Equity shares of Rs.10/- each per share	100,000	1,000.00	100,000	1,000.00
<u>Issued, Subscribed &amp; Paid up</u> Equity shares of Rs.10/- each per share	10,000	100.00	10,000	100.00

**a Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**

Particulars	As at 31 Mar 2024		As at 31 Mar 2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	10,000	100.00	10,000	100.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>10,000</b>	<b>100.00</b>	<b>10,000</b>	<b>100.00</b>

**b Rights, preferences, restrictions attached to equity shares**

The company has only one class of shares having a face value of Rs. 10/- per share. All equity shareholders rank pari-passu in respect of dividend and voting rights. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of preferential amounts, in proportion to their shareholding.

**c Details of shareholders holding more than 5% shares in the Company**

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Technvision Ventures Limited	9,999	99.99	9,999	99.99

**d Details of shares held by promoters**

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Technvision Ventures Limited	9,999	99.99	9,999	99.99
Geetanjali Toopran	1	0.01	1	0.01



*Geetanjali*

**5Element Homes Private Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(All amounts are in Thousands, unless otherwise stated)

S.No	Particulars	As at	As at
		31st March 2024	31st March 2023
7	<b>Other Equity - Retained earnings</b>		
	<b>Profit and Loss Account</b>		
	Opening balance	(190.85)	(87.42)
	Net profit/ (loss) for the year	(64.78)	(103.44)
	<b>Closing balance</b>	<b>(255.63)</b>	<b>(190.85)</b>
8	<b>Short Term Borrowings</b>		
	Technivision Ventures Ltd - Holding Company (Refer Note 15)	655.00	605.00
	<b>TOTAL</b>	<b>655.00</b>	<b>605.00</b>
9	<b>Trade payables (Refer Note 24)</b>		
	- Total outstanding dues of micro enterprises and small enterprises	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		
	Professional Fees Payable	8.55	8.00
	Statutory Fees Payable	2.15	2.15
	Audit Fee Payable	24.10	11.80
	Filing Fees Payable	8.00	4.00
	TDS Payable	-	-
	Black & White Ad agency	38.61	38.61
	<b>TOTAL</b>	<b>81.41</b>	<b>64.56</b>
10	<b>Other Expenses</b>		
	Professional Fees	38.19	33.67
	Audit Fee	17.70	5.90
	Bank Charges	1.07	2.39
	ROC Filing Fees	-	14.65
	Advertising & Sales Promotion Exps	-	39.00
	TDS paid	-	-
	<b>TOTAL</b>	<b>56.95</b>	<b>95.61</b>



*T. Neetaanjali*

**5Element Homes Private Limited**  
Notes to financial statements for the year ended March 31, 2024  
(All amounts are in Thousands, unless otherwise stated)

**11 Earnings per Share:**

Particulars	31st March 2024	31st March 2023
Net profit as per statement of profit and loss for calculation of basic EPS and dilutive EPS (Rs. Lakhs)	(64.78)	(103.44)
Weighted average number of equity shares for calculating basic EPS (Actual No. of Shares)	10,000	10,000
Weighted average number of equity shares for calculating diluted EPS (Actual No. of Shares)	10,000	10,000
Nominal value per share (Rs.)	10	10
Basic earnings per share (Rs.)	(6.48)	(10.34)
Diluted earnings per share (Rs.)	(6.48)	(10.34)

**12 Reconciliation of tax expense and the accounting profit multiplied by India's tax rate**

Particulars	31st March 2024	31st March 2023
Profit / (Loss) before tax	(64.78)	(103.44)
Enacted tax rate in India	25.17%	25.17%
Computed expected tax expenses/ (benefit)	(16.30)	(26.03)
Tax As per Books	-	-
Add: Reconciliation items		
- Tax impact of deduction under Chapter VIA	-	-
- Tax impact on Mat credit entitlement utilized	-	-
- Tax effect on re-measurement gains/(losses) on defined benefit plans	-	-
- Non-deductible expenses	-	-
Total Tax	-	-

**13 Dues to micro and small enterprises**

The Micro, Small and Medium Enterprises have been identified by management from the available

Particulars	As at	As at
	31st March 2024	31st March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
Principal amount due to micro and small enterprises	Nil	Nil
Interest due on above	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	Nil	Nil

**14 Segment Information**

The Company operates in Single Business Segment of Generation of Power and in a Single Geography. Accordingly, disclosure requirements of Ind AS 108, 'Operating Segments' as notified under Section 133 of the Companies Act, are not applicable.



T. Jeevanjali

**5Element Homes Private Limited**  
Notes to financial statements for the year ended March 31, 2024  
(All amounts are in Thousands, unless otherwise stated)

**15 Related Party Transactions**

**A) List of Related Parties**

Relationship with the Company	Names of Related Parties
Holding Company	TechNvision Ventures Ltd, (formerly Solix Technologies Limited)
Key managerial person	P.S. Somayajulu - Director Geetanjali Toopran - Director

**B) The details of the related party transactions entered into by the Company during the year ended March 31, 2024 are as follows :**

Particulars of Transactions	31st March 2024	31st March 2023
TechNvision Ventures Ltd Short Term Borrowings (Note.8)	0.50	580.00

**C) The details balances as at March 31, 2024 and as at March 31, 2023 are as follows :**

Particulars of Transactions	31st March 2024	31st March 2023
TechNvision Ventures Ltd		
Investment	100.00	100.00
Short Term Borrowings (Note.8)	655.00	605.00

**16 Contingent liabilities and commitments**

There are no contingent liabilities as at the Balance Sheet date.

*T. Geetanjali*

**17 Leases**

Operating Lease: The Company has no leases for office premises.



*T. Geetanjali*

**5Element Homes Private Limited**  
Notes to financial statements for the year ended March 31, 2024  
(All amounts are in Thousands, unless otherwise stated)

**18 Employee Benefit**

There are no employees in the Company as on 31 March 2024

**19 Financial Assets and Liabilities**

The accounting policies for financial instruments have been applied to the following line items below-

Particulars	31st March 2024	31st March 2023
<b>Financial Assets</b>		
<b>Current</b>		
Cash and cash equivalents (Note 4)	578.13	562.26
Bank balances other than cash and cash equivalents	-	-
<b>Total</b>	<b>578.13</b>	<b>562.26</b>
<b>Financial Liabilities</b>		
<b>Current</b>		
Short Term Borrowings (Note 8)	655.00	605.00
Trade payables (Note 9)	81.41	64.56
<b>Total</b>	<b>736.41</b>	<b>669.56</b>

**20 Fair Value**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company financial instruments, those with carrying amounts that are reasonable approximations of fair values:

	Carrying value	Fair value	Carrying value	Fair value
	As at	As at	As at	As at
	31st March 2024	31st March 2024	31st March 2023	31st March 2023
<b>Financial assets measured at Amortised cost</b>				
<b>Non-Current</b>				
<b>Current</b>				
Cash and cash equivalents (Note 4)	578.13	578.13	562.26	562.26
Bank balances other than cash and cash equivalents	-	-	-	-
Loans	-	-	-	-
<b>Total</b>	<b>578.13</b>	<b>578.13</b>	<b>562.26</b>	<b>562.26</b>
<b>Financial liabilities measured at Amortised cost</b>				
<b>Current</b>				
Short Term Borrowings (Note 8)	655.00	655.00	605.00	605.00
Trade payables (Note 9)	81.41	81.41	64.56	64.56
<b>Total</b>	<b>736.41</b>	<b>736.41</b>	<b>669.56</b>	<b>669.56</b>

The management assessed that cash and cash equivalents, other bank balances, trade receivables, security deposits received, receivable from related parties, inter corporate loan from related party, trade payables and security deposits paid approximate their carrying amounts largely due to the short-term maturities of these instruments.

The management assessed that the fair value of the borrowings are not materially different from the carrying value presented.

The fair value of the financial assets and liabilities is included at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date.



*T. Heetaanjali*

**21 Financial risk management**

The Company’s activities expose it to a variety of financial risks; market risk, credit risk and liquidity risk. The Company’s overall risk management programme focuses to minimise potential adverse effects on the Company’s financial performance. The financial instruments of the Company comprise borrowings from banks/other lenders, cash and cash equivalents, bank deposits, trade receivables and other assets, trade payables and other financial liabilities and payables.

**a. Market risk**

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated into Interest rate risk and Foreign exchange risk:

**(i) 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 has no significant interest-bearing assets other than investment in bank deposits.

**b. Credit risk**

Credit Risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has a prudent and conservative process for managing its credit risk raising in the course of its business activities. Credit risk is managed through continuously monitoring the creditworthiness of customers and obtaining sufficient collateral, where appropriate, a means of mitigating the risk of financial loss from defaults.

**(ii) Foreign exchange risk**

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no significant transactions in foreign currency during the year, hence there are no foreign currency exchange risks.

The company makes an allowance for doubtful debts/advances using expected credit loss model.

The ageing analysis trade receivables as at the reporting date is as follows:

Particulars	31st March 2024	31st March 2023
Not due	-	-
1 to 6 months	-	-
6 to 12 months	-	-
Beyond 12 months	-	-
<b>Total</b>	-	-

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Company does not hold any collateral as security.



*T. Heetanjali*

**5Element Homes Private Limited**  
Notes to financial statements for the year ended March 31, 2024  
(All amounts are in Thousands, unless otherwise stated)

**c. Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and maintaining adequate credit. The table below summarizes the maturity profile of the Company's financial liabilities.

Particulars	Carrying Value	Less than 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
<b>As at 31st March, 2024</b>						
Borrowings	655.00	655.00	-	-	-	655.00
Interest on borrowings	-	-	-	-	-	-
Trade and other payables	81.41	81.41	-	-	-	81.41
Other financial liabilities	-	-	-	-	-	-
<b>As at 31st March, 2023</b>						
Borrowings	605.00	605.00	-	-	-	605.00
Interest on borrowings	-	-	-	-	-	-
Trade and other payables	64.56	64.56	-	-	-	64.56
Other financial liabilities	-	-	-	-	-	-

**22 Changes in liabilities arising from financial activities:**

Particulars	As at	Cash flows	Non cash changes	As at
	31st March 2023			31st March 2024
Long term borrowings	-	-	-	-
Short term borrowings	605.00	50.00	-	655.00
<b>Total</b>	<b>605.00</b>	<b>50.00</b>	<b>-</b>	<b>655.00</b>

**23 Ratios**

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
Current ratio	Current assets	Current liabilities	0.79	0.85	(7.50)	NA
Debt equity ratio	Borrowings	Total equity	-	-	-	NA
Debt service coverage ratio	EBITDA	Interest + Principal of Borrowing	-	-	0	NA
Return on equity ratio	PAT	Total equity	(0.42)	(1.14)	(63.44)	There is decrease in the Profit.
Trade receivable turnover ratio	Revenue from operations	Average Trade Receivables	NA	NA	NA	NA
Net capital turnover ratio	Revenue from operations	Total equity	NA	NA	NA	NA
Net profit ratio	PAT	Revenue	NA	NA	NA	NA
Return on capital employed	EBIT	Capital Employed	0.42	1.14	(63.44)	There is decrease in the EBDITA.
Trade payable turnover ratio	Net Credit Purchases	Average Trade Payables	0.78	1.33	(41.13)	There is an increase in Credit Purchases.



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**SElement Homes Private Limited**  
**Notes to financial statements for the year ended March 31, 2024**  
 (All amounts are in Thousands, unless otherwise stated)

**24 Trade Payables Ageing Schedule**  
**31st March 2024**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	81.41	-	-	-	81.41
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total Trade Payables</b>	<b>81.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81.41</b>

**31st March 2023**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	64.56	-	-	-	64.56
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total Trade Payables</b>	<b>64.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64.56</b>

**25 Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with struck off companies
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,



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**5Element Homes Private Limited**  
**Notes to financial statements for the year ended March 31, 2024**  
(All amounts are in Thousands, unless otherwise stated)

(vii) The Company has not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender

(ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017


(x) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year

(xi) The Company does not have any borrowings from banks or financial institutions against security of its current assets.

26 Amount has been rounded off to nearest thousands and previous period have been rearranged, regrouped and recast wherever necessary.

**As per our report of even date**

**For PRSV & CO. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: S200016

  
**Y. Venkateswarlu**  
Partner  
Membership No. 222068  
UDIN.24222068BKAVRD8362



Place: Secunderabad  
Date: 29.05.2024

For and behalf of the Board

  
**P S Somayajulu**  
Director  
DIN : 05221729

  
**Geetanjali Toopran**  
Director  
DIN No : 01498741

