



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 2022, 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, 2022, 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.

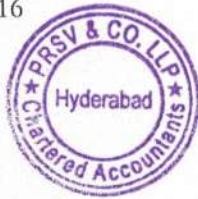
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022 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.

For **PRSV & Co. LLP**
Chartered Accountants
Firm's Registration No. S-200016



Y. Venkateswarlu
Partner
Membership No. 222068

Place: Hyderabad
Date: May 21, 2022

UDIN: 2222068AJKAKY4848

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 2022 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.

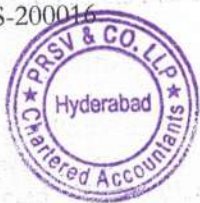
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, 2022, 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: S-200016



Y. Venkateswarlu
Partner
Membership No: 222068

Place: Hyderabad
Date: May 21, 2022
UDIN: 2222068AJKAKY4848

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)

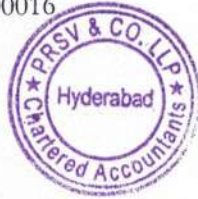
- i.
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the Property, Plant and Equipment were physically verified by the management in accordance with a regular program of verification, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed in such verification. According to the information and explanations given to us, no physical verification of fixed assets has been carried out during the year.
 - (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 2022.
 - (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 31.03.2022 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 2021-22 amounting to Rs.39,371/- and in the immediately preceding financial year 2020-21 amounting to Rs.37,704/-
- 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: S-200016



Y. Venkateswarlu
Partner
Membership No: 222068

Place: Hyderabad
Date: May 21, 2022

UDIN: 2222068AJKAKY4848

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: S-200016

Y. Venkateswarlu
Partner
Membership No: 222068

Place: Hyderabad
Date: May 21, 2022

UDIN: 2222068AJKAKY4848

5Element Homes Private Limited
 12-13-522, Lane No.13, Street No.14, Tarnaka, Secunderabad - 17
 Standalone Balance Sheet as at 31st March 2022
 (All amounts are in Thousands, unless otherwise stated)

Particulars	Note	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
1. NON-CURRENT ASSETS			
a) Property, plant and equipment	3	18.30	-
Total Non-Current Assets		18.30	-
2. CURRENT ASSETS			
b) Financial asset			
(iii) Cash and Cash equivalents	4	17.00	50.00
(iv) Bank balances other than (iii) above	5	19.94	24.40
Total Current Assets		36.94	74.40
TOTAL ASSETS		55.23	74.40
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share Capital	6	100.00	100.00
b) Other Equity	7	(87.42)	(42.86)
Total Equity		12.58	57.15
2. CURRENT LIABILITIES			
a) Financial Liabilities			
(ii) Trade Payables	8		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than (ii) (a) above		42.65	17.25
Total Current Liabilities		42.65	17.25
TOTAL EQUITY AND LIABILITIES		55.23	74.40

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. 22222068AJKAKY4848

Place: Secunderabad

Date: 21.05.2022



For and behalf of the Board

P.S. Somayajulu

Director

DIN. 05221729

Geetanjali Toopran

Director

DIN. 014988741



5Element Homes Private Limited
 12-13-522, Lane No.13, Street No.14, Tarnaka, Secunderabad - 17
 Standalone Statement of Profit and Loss for the year ended 31st March 2022
 (All amounts are in Thousands, unless otherwise stated)

Particulars	Note	Year Ended	
		31st March 2022	31st March 2021
I. Revenue from operations		-	-
II. Other Income		-	-
III. TOTAL REVENUE (I+II)		-	-
IV. Expenses			
Depreciation and amortization expenses	3	5.19	-
Other expenses	9	39.37	37.70
TOTAL EXPENSES (IV)		44.56	37.70
V. PROFIT /(LOSS) BEFORE TAX		(44.56)	(37.70)
VI. TAX EXPENSE			
1. Current tax (including Earlier year provisions written back)		-	-
2. Deferred tax		-	-
VII. PROFIT /(LOSS) FOR THE PERIOD (V-VI)		(44.56)	(37.70)
VIII. Other Comprehensive Income			
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		-	-
IX. Total Comprehensive Income for the period (VII+VIII)		(44.56)	(37.70)
X. Earnings per equity share			
Basic		(4.46)	(3.77)
Diluted		(4.46)	(3.77)

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. 22222068AJKAKY4848



Place: Secunderabad
 Date: 21.05.2022

For and behalf of the Board



P.S. Somayajulu
 Director
 DIN. 05221729





Geetanjali Toopran
 Director
 DIN. 014988741

5Element Homes Private Limited

Cash Flow Statement for the year ending March 31, 2022

(All amounts are in Thousands, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
A) Cash Flows from Operating Activities		
Profit before Tax	(44.56)	(37.70)
Adjustment to reconcile loss before tax to net cash flows	-	-
Depreciation and amortization expense	5.19	-
Interest income	-	-
Finance cost	-	-
Operating cashflow before working capital changes	(39.37)	(37.70)
Movements in working capital:		
(Increase)/Decrease in Short Term Loans & Advances	-	-
(Increase)/Decrease in Current Assets	-	-
(Increase)/Decrease in Trade Receivable	-	-
Increase/(Decrease) in Trade Payables	25.40	12.10
Increase/(Decrease) in Short Term Provisions	-	-
Increase/(Decrease) in Other Current Liabilities	-	-
Cash generated from operations	(13.97)	(25.60)
Income tax paid (net)	-	-
Net Cash from Operating Activities (A)	(13.97)	(25.60)
B) Cash Flows from/(used in) Investing Activities		
Purchase of New Equipment	(23.49)	-
Net Cash from/(used in) Investing Activities (B)	(23.49)	-
C) Cash Flows from from/(used in) Financing Activities		
Interest Paid	-	-
Net Cash from/(used in) Financing Activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(37.46)	(25.60)
Cash and Cash Equivalents at the Beginning of the Year	74.40	100.00
Cash and Cash Equivalents at the End of the Year	36.94	74.40
Components of cash and cash equivalents		
Cash on hand	17.00	50.00
Balances with schedule banks:		
- On current accounts	19.94	24.40
- Deposits with original maturity less than 3 months	-	-
Total cash and cash equivalents	36.94	74.40

As per our report of even date attached

For PRSV & Co. LLP.,
Chartered Accountants

ICAI FRN : S200016

Y. Venkateswarlu
Partner

Membership No. 222068

UDIN. 22222068AJKAKY4848



for and behalf of the Board

P.S. Somayajulu
Director
DIN. 05221729

Geetanjali Toopran

Director
DIN. 014988741



Place: Secunderabad

Date: 21.05.2022

Stement Homes Private Limited
Statement of Changes in Equity for the year ended March 31, 2022
 (All amounts are in Thousands, unless otherwise stated)
Current Reporting Period as on 31st March, 2022

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	Total	
Previous Reporting Period as on 31st March, 2021							
Particulars	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		
Total	100.00	-	100.00	-	100.00	100.00	100.00
2. Other Equity							
Particulars							
			Securities Premium	Retained Earnings	Re-measurement gains or losses on employee defined benefit plans		Total
As at March 31, 2020			-	(5.15)	-		
Profit for the year			-	(37.70)	-		
Remeasurement on net defined benefit liability, net of tax			-	-	-		
As at March 31, 2021			-	(42.86)	-		
Profit for the year			-	(44.56)	-		
Remeasurement on net defined benefit liability, net of tax			-	-	-		
As at March 31, 2022			-	(87.42)	-		

As per our report of even date

For PRSV & Co. LLP
 Chartered Accountants
 ICAI Firm Registration Number: 5200016
 Y. Venkateswarlu
 Partner
 Membership No. 222068
 UDIN. 22222068AJKAKY4848



P.S. Somayajulu
 Director
 DIN. 05221729
 Geetanjali Toopran
 Director
 DIN. 014988741

Geetanjali Toopran

Place: Secunderabad
 Date: 21.05.2022

Notes to financial statements for the year ended March 31, 2022.
(All amounts are in Indian Rupees Lakhs unless otherwise stated)

1. CORPORATE INFORMATION

M/s. 5Element Homes Private Limited 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

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, ("the Act") read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 issued by the Ministry of Corporate Affairs as amended from time to time and other relevant provisions of the Act and Central Electricity Regulatory Commission (CERC) to the extent relevant and applicable. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

2.2 Summary of significant accounting policies

A) Key estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts 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.

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 beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Depreciation on Property, Plant and equipment

Depreciation is provided in accordance with Schedule II prescribed under Section 133 of Companies Act, 2013 on the basis of useful life of the respective assets. Depreciation on additions/deletions during the year is being provided for, on a prorate basis with reference to the month in which such asset is added or deleted, as the case may be.



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.

(ii) Taxes

- a) **Current Tax:** Tax expense for the period, comprising of current tax and deferred tax, are included in the determination of the net profit or loss for the year. Provision for Current tax is made for the amount expected to be paid in respect of the taxable income for the year in accordance with the current tax laws.
- b) **Deferred Tax:** Deferred tax is recognized on timing differences; being the difference between taxable income and accounting income that originate in one period and is capable of reversal in subsequent periods, subject to consideration of prudence.
- c) **Minimum Alternative Tax:** MAT credit is recognized as an asset only to the extent based on a possible evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is adjusted to the extent there is no longer possible evidence to the effect that the Company will pay normal income tax during the specified year.

(iii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget for the relevant cash generating period (not exceeding the PPA term) and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the Cash Generating Unit (CGU) being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Valuation of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.



(vi) Defined benefit plan

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

B) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value. Freehold land is not depreciated. Historical cost includes expenditure that is directly attributable to the acquisition of the items and borrowing cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance expenditure are charged to profit or loss during the period in which they are incurred.

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.

Derecognition

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

C) Depreciation

Depreciation is provided in accordance with Schedule II prescribed under Section 133 of Companies Act, 2013 on the basis of useful life of the respective assets. Depreciation on additions/deletions during the year is being provided for, on a prorate basis with reference to the month in which such asset is added or deleted, as the case may be.

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.

D) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised. The Company amortizes software using the straight-line method over the period of 3 years.

E) Leases

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



As a Lessee

i) Right-of-Use Assets

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, lease payments made at or before the commencement date. 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.

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. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

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

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption 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.

F) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

G) 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.

I) Financial Assets

Initial Recognition and Measurement

All financial assets are recognized 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 recognized 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 three categories:

- a) Financial assets at amortized cost
- b) Financial assets at fair value through other comprehensive income (FVTOCI)
- c) Financial assets at fair value through Statement of Profit and Loss (FVTPL)



a) Financial assets at amortized cost

A 'Financial assets' is measured at the amortized cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. The category applies to the Company's trade receivables, unbilled revenue, other bank balances, security deposits etc.

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

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

- i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- ii) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI Financial assets is reported as interest income using the EIR method.

c) Financial assets at fair value through profit and loss (FVTPL)

FVTPL is a residual category for financial assets. Any Financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate a Financial assets, 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'). Financial assets included within FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- i) the contractual rights to receive cash flows from the asset have expired, or
- ii) the Company has transferred its contractual rights to receive cash flows from the financial 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 recognize the asset to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets are measured at amortized cost e.g. deposits, trade receivables and bank balances
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

- For recognition of impairment loss on the financial assets that are financial assets which are initially measured at fair value with subsequent measurement at amortized cost e.g. Trade receivables, unbilled revenue etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss.

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument



- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

- For financial assets measured at amortized cost: ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

II. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition as financial liabilities at FVTPL, or other financial liabilities. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. 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:

a) Financial liabilities at fair value through profit or loss

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

b) Loans and borrowings

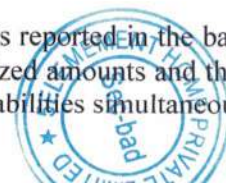
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized 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 recognized in the Statement of profit and loss.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.



H) Revenue recognition

Revenue from Software development on Fixed - Price and fixed Time Frame contract, where there is no uncertainty as to measurement or collectability, revenue consideration is recognized as per the percentage of completion method.

Interest Income

Interest income or expense is recognized using the effective interest method. Dividend income is recognized in profit or loss on the date on which the Company's right to receive payment is established.

I) Foreign currencies

The Company's financial statement are presented in Indian Rupees (INR), which is the company's functional currency. Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively).

J) Income Taxes on Income

Income taxes

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with The Income Tax Act, 1961 of India.

Deferred tax

Deferred tax charge or credit reflects the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is convincing evidence of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realized.



K) Retirement and other employee benefits

(i) Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme and the contribution are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds is due. There are no other obligations other than the contribution payable to the respective authorities.

(ii) Gratuity

Gratuity is a post-employment defined benefit plan. The liability recognized in the balance sheet represents the present value of the defined benefit obligation at the balance sheet date, together with adjustments for past service costs. An independent actuary using the projected unit credit method calculates the defined benefit obligation annually. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in Other Comprehensive Income (OCI).

(iii) Compensated absences

Compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the statement of profit and loss in the year in which such gains or losses arises.

L. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

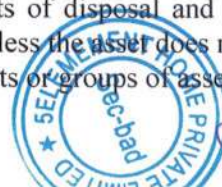
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

M. Provisions

A provision is recognized if, as a result of past event, the company has a present Legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to be settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as other finance expense.

N. Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less 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.



Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount and the asset 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.

O. Contingent Assets/liabilities

Contingent assets are not recognized. However, when realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset.

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.

P. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in other current liabilities in the balance sheet.

Q. Fair value measurement

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

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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:



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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.3. Recent Pronouncements:

Amendments to the Companies Act and Accounting Standards effective from 1st April 2021. On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

a) Balance Sheet:

- Disclosure of Lease liabilities under the head ‘financial liabilities’,
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ with respect to compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.

b) Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the financial statements.

The amendments are extensive, and the Company will evaluate and comply with the same to give effect to them for the financial year beginning from 1st April 2021.



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

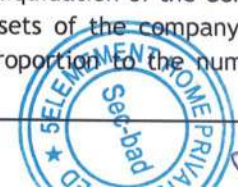
3. Property, Plant and Equipment

Particulars	Computer Software	Total
Year ended 31 March 2021 Gross carrying amount		
As on April 01, 2021	-	-
Additions	23.49	23.49
Disposals	-	-
Balance as at March 31, 2022	23.49	23.49
Accumulated Depreciation		
As on April 01, 2021	-	-
Depreciation Charge	5.19	5.19
Disposals	-	-
Closing Accumulated Depreciation as on March 31, 2022	5.19	5.19
Carrying amounts (net)		
At March 31, 2022	18.30	18.30



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 2022	31st March 2021
4	Cash and Cash equivalents		
	Cash on Hand	17.00	50.00
	TOTAL	17.00	50.00
5	Bank Balances		
	Balance with Scheduled Banks	-	-
	Current Accounts	19.94	24.40
	TOTAL	19.94	24.40
6	Equity share capital		
	a) Authorised:		
	At the beginning of the year	100.00	100.00
	(10,000 Equity Shares of Rs. 10/each)		
	Addition during the year	-	-
	At the end of the year	100.00	100.00
	b) Issued, subscribed and fully paid-up share capital:		
	At the beginning of the year (10,000 Equity Shares of Rs. 10/each)	100.00	100.00
	Changes during the year	-	-
	At the end of the year	100.00	100.00
	c) Reconciliation of number of equity shares		
	At April 01, 2020	10,000	10,000
	Addition during the year	-	-
	At March 31, 2021	10,000	10,000
	Addition during the year	-	-
	At March 31, 2022	10,000	10,000
	d) Number of shares outstanding at the end of the year	10,000	10,000
<p>e). During the five years immediately preceding the current financial year, the company has not issued any shares without payment being received in cash, nor issued any bonus shares. neither did the company buy back any shares during the said period.</p>			
<p>f). The Company has only one class of shares. i.e. Equity Shares</p>			
<p>g). Terms and Rights attached to Equity Shares. The company has only one class of Equity Shares having par value of Rs. 10/- per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.</p>			



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

h). Details of Share holders holding more than 5% shares of the company		
Name of the Shareholder	No of shares	
	31st March 2022	31st March 2021
1. Technvision Ventures Limited	9,999	9,999
i) . Shares held by Promoter at the end of the year		
	No. of Shares and % of total shares	% Change during the year
1. Technvision Ventures Limited	9999 & 99.99	-
7 Other Equity - Retained earnings Profit and Loss Account		
Opening balance	(42.86)	(5.15)
Net profit/ (loss) for the year	(44.56)	(37.70)
Closing balance	(87.42)	(42.86)
8 Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
Technvision Ventures Ltd	25.00	-
Professional Fees Payable	8.00	8.00
Statutory Fees Payable	2.15	2.15
Audit Fee Payable	5.90	5.90
Filing Fees Payable	1.60	1.20
TOTAL	42.65	17.25
9 Other Expenses		
Professional Fees	31.86	30.60
Audit Fee	5.90	5.90
Bank Charges	0.01	-
ROC Filing Fees	1.60	1.20
TOTAL	39.37	37.70



OTHER NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(ALL AMOUNTS ARE IN INDIAN RUPEES IN THOUSANDS UNLESS OTHERWISE STATED)

10. Earnings per Share

Particulars	31-Mar-22	31-Mar-21
Net profit as per statement of profit and loss for calculation of basic EPS and dilutive EPS (Rs. Lakhs)	(44.56)	(37.70)
Weighted average number of equity shares for calculating basic EPS	10,000	10,000
<u>Effect of dilution:</u>		
Compulsory Convertible Debentures*	-	-
Weighted average number of equity shares for calculating diluted EPS	10,000	10,000
Nominal value per share (Rs.in INR)	10	10
Basic earnings per share (Rs.)	(4.46)	(3.77)
Diluted earnings per share (Rs.)	(4.46)	(3.77)

11. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	31-Mar-22	31-Mar-21
Profit / (Loss) before tax	(44.56)	(37.70)
Enacted tax rate in India	25.17%	25.17%
Computed expected tax expenses/ (benefit)	(11.22)	(9.49)
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	-	-

12. Dues to micro and small enterprises

The Micro, Small and Medium Enterprises have been identified by management from the available information, which has been relied upon by the auditors. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006.



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Particulars	As at	As at
	31-Mar-22	31-Mar-21
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

13. Segment Information

The Company operates in Single Business Segment of construction business 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.

14. 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)

B) The details of the related party transactions entered into by the Company during the year ended March 31, 2022 and balances as at March 31, 2021 are as follows:

Particulars of Transactions	Year ended 31st March, 2022	Year ended 31st March, 2021
TechNvision Ventures Ltd		
Investment	100.00	100.00

15. Contingent Liabilities

There are no contingents Liabilities as an 31.03.2022



16. Leases

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

17. Employee Benefit**i) Balance Sheet:**

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2022 are as follows

Particular	Gratuity		Compensated absences	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Present value of obligation as at the beginning	-	-	-	-
Current service cost	-	-	-	-
Interest cost	-	-	-	-
Re-measurement (or Actuarial) (gain) / loss	-	-	-	-
Benefits paid	-	-	-	-
Present Value of Obligation as at the end	-	-	-	-
Current Liability (Short term)	-	-	-	-
Non-Current Liability (Long term)	-	-	-	-

ii) Net (assets)/ liability

Particular	Gratuity		Compensated absences	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Present value of defined benefit obligation	-	-	-	-
Net (assets)/ liability	-	-	-	-

iii) Profit & Loss

Net employee benefit expense (recognized in employee cost) for the year ended March 31, 2022

Particular	Gratuity		Compensated absences	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Current service cost	-	-	-	-
Interest cost on benefit liability	-	-	-	-
Actuarial (gain)/ loss recognized in the year	-	-	-	-
Net benefit expense recognized in statement of profit and loss	-	-	-	-



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iv). Amount recognized in other comprehensive income for the year ended March 31, 2022.

Particular	Gratuity		Compensated absences	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Actuarial (gain)/ loss recognized in the year	-	-	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-	-	-

The principal assumptions used in determining gratuity for the Company's plans are shown below.

Particulars	31-Mar-22	31-Mar-21
Discount rate	0.00%	0.00%
Employee turnover rate	0.00%	0.00%
Salary Escalation Rate	0.00%	0.00%

18. Financial Assets and Liabilities

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

Particulars	31-Mar-22	31-Mar-21
Financial Assets		
Current		
Cash and cash equivalents (Note 4)	17.00	50.00
Bank balances other than cash and cash equivalents (Note 5)	19.94	24.40
Total	36.94	74.40
Financial Liabilities		
Current		
Trade payables (Note 9)	42.65	17.25
Total	42.65	17.25

19. 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:



Particulars	Carrying value	Fair value	Carrying value	Fair value
	As at	As at	As at	As at
	31-Mar-22	31-Mar-22	31-Mar-21	31-Mar-21
Financial assets measured at Amortized cost				
Non-Current				
Investments (Note 4)	0	0	0	0
Long Term Loans and Advances (Note 5)	0	0	0	0
Current				
-Cash and cash equivalence	17.00	17.00	50.00	50.00
-Bank balances other than above	19.94	19.94	24.40	24.40
-Loans	0	0	0	0
Total	36.94	36.94	74.40	74.40
Financial liabilities measured at Amortized cost				
Non-current Liabilities				
-Borrowings	0	0	0	0
	-	-	-	-
Current				
-Trade Payables	42.65	42.65	17.25	17.25
Total	42.65	42.65	17.25	17.25

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.

20. 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. The Company's income and operating cash flows are substantially independent of changes in market interest rates. As the Company's borrowing carries fixed rate of interest and these debts are carried at amortised cost, there is no interest rate risk to the Company.



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(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.

b) Credit risk

Company's revenue is derived from sales to state owned utilities, hence potential risk of default is predominantly a governmental one. The company maintains banking relationships with only credit worthy banks, which it reviews on an ongoing basis. The maximum exposure to credit risk for bank deposits and bank balances at the reporting date is the fair value of the amount disclosed.

Trade receivables that are due for more than one month are considered past due. Delayed receivable carries interest as per the terms of agreement. These receivables have been considered as fully recoverable based on the evaluation of terms implicit in the contracts with customers and other pertinent factors.

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

Particulars	As at 31 March 2022	As at 31 March 2021
Not due	-	-
1 to 6 months	-	-
6 to 12 months	-	-
Beyond 12 months	-	-
Total	-	-

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.

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and maintaining adequate credit facilities.

The Company believes that the net cash flows expected to be generated from the operations shall be sufficient to meet the operating and finance costs.

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
As at 31st March, 2022						
Borrowings	-	-	-	-	-	-
Interest on borrowings	-	-	-	-	-	-
Trade and other payables	42.65	37.50	5.15	-	-	42.65
Other financial liabilities	-	-	-	-	-	-
As at 31st March, 2021						
Borrowings	-	-	-	-	-	-
Interest on borrowings	-	-	-	-	-	-
Trade and other payables	17.25	5.15	12.10	-	-	17.25
Other financial liabilities	-	-	-	-	-	-

21. Changes in liabilities arising from financial activities:

Particulars	As at	Cash flows	Non cash changes	As at
	1-Apr-21			31-Mar-22
Long term borrowings	-	-	-	-
Short term borrowings	-	-	-	-
Total	-	-	-	-

22. Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
Current ratio	Current assets	Current liabilities	0.87	4.31	(0.80)	NA
Debt equity ratio	Borrowings	Total equity	4.39	1.30	2.38	NA
Debt service coverage ratio	EBITDA	Interest + Principal of Borrowing	-	-	0	NA
Return on equity ratio	PAT	Total equity	(3.54)	(0.66)	4.37	NA



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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	(354.12)	(65.98)	4.37	NA
Trade payable turnover ratio	Net Credit Purchases	Average Trade Payables	1.10	0.33	2.33	NA

23. Trade Payables Ageing Schedule

As on 31st March, 2022

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	0	0	0	0	0
(ii) Others	37.50	5.15	0	0	42.65
(iii) Disputed dues - MSME	0	0	0	0	0
(iv) Disputed dues - Others	0	0	0	0	0
Total Trade Payables	37.50	5.15	0	0	42.65

As on 31st March, 2021

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	0	0	0	0	0
(ii) Others	5.15	12.10	0	0	17.25
(iii) Disputed dues - MSME	0	0	0	0	0
(iv) Disputed dues - Others	0	0	0	0	0
Total Trade Payables	5.15	12.10	0	0	17.25



24. Trade Receivables Ageing Schedule

As on 31st March, 2022

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) Undisputed Trade receivables – considered good	0	0	0	0	0
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0
(iii) Undisputed Trade Receivables – credit impaired	0	0	0	0	0
(iv) Disputed Trade Receivables –considered good	0	0	0	0	0
(v) Disputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0
(vi) Disputed Trade Receivables – credit impaired	0	0	0	0	0
Total Trade Receivables	0	0	0	0	0

As on 31st March, 2021

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) Undisputed Trade receivables – considered good	0	0	0	0	0
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0
(iii) Undisputed Trade Receivables – credit impaired	0	0	0	0	0
(iv) Disputed Trade Receivables –considered good	0	0	0	0	0
(v) Disputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0
(vi) Disputed Trade Receivables – credit impaired	0	0	0	0	0
Total Trade Receivables	0	0	0	0	0



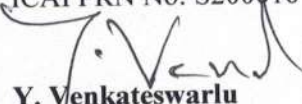
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25. Impact of COVID-19:

In preparation of the financial statements, the Company has considered the business environment arising out of the COVID-19 outbreak and more severe outbreak of the second wave in recent months. The management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Company is closely monitoring developments, its operations, and liquidity and capital resources and is actively working to minimize the impact of the unprecedented situation.

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

For PRSV & Co. LLP
Chartered Accountants
ICAI FRN No: S200016


Y. Venkateswarlu
Partner
M.No. 222068
UDIN. 2222068AJKAKY4848



For and on behalf of the Board


P.S. Somayajulu
Director
DIN. 05221729


Geetanjali Toopran
Director
DIN. 014988741



Place: Secunderabad
Date: 21.05.2022.