



Partners:

J. Vasanth Kumar, B.Com., F.C.A., L.L.B.,

N. Amarnath, B.Com., F.C.A.,

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Vasanth & Co.,

Chartered Accountants

Auditor's Certificate

17th December, 2024

To,
The Board of Directors
Shreshta Infra Projects Private Limited
No. 2/4, Langford Garden,
Richmond Town, Bengaluru - 560025,
Karnataka, India

Independent Auditor's Report on the accounting treatment in the books of Shreshta Infra Projects Private Limited (hereinafter referred to as "SIPPL") as specified in the composite scheme of arrangement amongst Adarsh Ecstasy Projects Private Limited ("Transferor Company 1"), Adarsh Haven Private Limited ("Transferor Company 2"), Adarsh Realty And Hotels Private Limited ("Transferor Company 3"), Akarsha Prime Project Private Limited ("Transferor Company 4"), Akarshak Realty Private Limited ("Transferor Company 5"), Shivakar Developers Private Limited ("Transferor Company 6"), Shivakar Infra Private Limited ("Transferor Company 7"), Shreshta Apartments Private Limited ("Transferor Company 8"), Vismaya Builders And Developers Private Limited ("Transferor Company 9"), Vismaya Superprojects Private Limited ("Transferor Company 10"), Bangalore Best Realty Private Limited ("Transferor Company 11"), Adarsh Nest Private Limited ("Transferor Company 12"), Akarsha Realty Private Limited ("Transferor Company 13" or "Demerged Company 5"), Adarsh Nivaas Private Limited ("Transferee Company 1" or "Demerged Company 1"), Akarsh Residence Private Limited ("Demerged Company 2"), Shreshta Infra Projects Private Limited ("SIPPL" or "Demerged Company 3" or "Company"), Alekhya Property Developments Private Limited ("Transferee Company 2" or "Resulting Company 1"), Varin Infra Projects Private Limited ("Transferee Company 3" or "Demerged Company 4"), Palm Meadows Club Private Limited ("Resulting Company 2") and Kalpak Superprojects Private Limited ("Resulting Company 3") and their respective shareholders under section 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act ("Scheme") and SEBI Master Circular SEBI/HO/DDHS/DDHS-PoD- 1/P/CIR/2024/48 dated May 21, 2024, as amended from time to time ("SEBI Circular").

1. In relation to the accounting treatment in the books of SIPPL as specified in the Scheme, we, the statutory auditors of the Company:
 - 1.1 Certify that the proposed accounting treatment specified in "Para 9 to Part C" of the Scheme, the extract of which is reproduced under Appendix I of Annexure A is in conformity with the applicable Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act and other generally accepted accounting principles in India; and



- 1.2 Conclude that nothing has come to our attention that causes us to believe that the Company is not capable of payment of interest/repayment of principal amount of listed non-convertible debentures ("NCDs") of the Company.
2. The responsibility for the preparation of the Scheme and compliance with relevant laws and regulations, including applicable Ind AS as aforesaid, is that of the Management/Board of Directors of the companies involved. Our responsibility is to examine and report whether the Scheme complies with the applicable Ind AS and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.
3. This Certificate is issued at the request of the management of the Company pursuant to the requirements of the SEBI Regulations for onward submission to the BSE Limited, SEBI and the National Company Law Tribunal and any other regulatory authorities in relation to the Scheme. This certificate should not be used for any other purpose without our prior written consent.
4. This certificate should be read together with Annexures of even date attached herewith (Annexure A, B and Appendix I).

for Vasanth & Co.,
Chartered Accountants
Firm Registration No. 008204S


N. Amarnath
Partner

Membership No. 510064
ICAI UDIN: 24510064BKAJAK2050



Date: 17th December, 2024
Place: Bangalore

Enclosed:

1. Annexure A: Independent Auditor's Certificate on the proposed accounting treatment in the books of Shreshta Infra Projects Private Limited;
2. Appendix I to Annexure A - Extract from the Scheme Part C Para 9 - Accounting treatment in the books of the Demerged Company 3
3. Annexure B - Independent Auditor's Certificate in relation to capability of Shreshta Infra Projects Private Limited to pay interest/repay principal amount of listed non-convertible debentures

Annexure A to the Report

17th December, 2024

To,
The Board of Directors
Shreshta Infra Projects Private Limited
No. 2/4, Langford Garden, Richmond Town, Bengaluru - 560025, Karnataka, India.

Independent Auditor's Report on the accounting treatment in the books of Shreshta Infra Projects Private Limited as specified in the composite scheme of arrangement amongst composite scheme of arrangement of Adarsh Ecstasy Projects Private Limited ("Transferor Company 1"), Adarsh Haven Private Limited ("Transferor Company 2"), Adarsh Realty And Hotels Private Limited ("Transferor Company 3"), Akarsha Prime Project Private Limited ("Transferor Company 4"), Akarshak Realty Private Limited ("Transferor Company 5"), Shivakar Developers Private Limited ("Transferor Company 6"), Shivakar Infra Private Limited ("Transferor Company 7"), Shreshta Apartments Private Limited ("Transferor Company 8"), Vismaya Builders And Developers Private Limited ("Transferor Company 9"), Vismaya Superprojects Private Limited ("Transferor Company 10"), Bangalore Best Realty Private Limited ("Transferor Company 11"), Adarsh Nest Private Limited ("Transferor Company 12"), Akarsha Realty Private Limited ("Transferor Company 13" or "Demerged Company 5"), Adarsh Nivaas Private Limited ("Transferee Company 1" or "Demerged Company 1"), Akarsh Residence Private Limited ("Demerged Company 2"), Shreshta Infra Projects Private Limited ("SIPPL" or "Demerged Company 3" or "Company"), Alekhya Property Developments Private Limited ("Transferee Company 2" or "Resulting Company 1"), Varin Infra Projects Private Limited ("Transferee Company 3" or "Demerged Company 4"), Palm Meadows Club Private Limited ("Resulting Company 2") and Kalpak Superprojects Private Limited ("Resulting Company 3") and their respective shareholders under section 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act ("Scheme") and SEBI Master Circular SEBI/HO/DDHS/DDHS-PoD- 1/P/CIR/2024/48 dated May 21, 2024, as amended from time to time ("SEBI Circular").

1. This report is issued in accordance with the terms of our engagement letter dated 17th December, 2024.
2. We have been requested by the management of Shreshta Infra Projects Private Limited, to issue a certificate in relation to the proposed accounting treatment as specified in Paragraph 9 to Part C of the Scheme involving demerger of Demerged Undertaking 3 of the Company with and into Resulting Company 1 with reference to its compliance with the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant Rules issued thereunder and other generally accepted accounting principles in India.

The Scheme is subject to the approval of the requisite majority of shareholders, creditors of

the Company and the National Company Law Tribunal ("NCLT"), SEBI, Stock exchange and other statutory and regulatory authorities, as applicable. The appointed date for the purpose of this Scheme is 1st April 2024.

Management's Responsibility

4. The preparation of the Scheme as reproduced in the Appendix I and its compliance with the relevant provision of the Act, and regulations, including the applicable Ind AS read with the Rules made, issued thereunder and the Generally Accepted Accounting Principles in India is the responsibility of the management of the companies involved, including the preparation and maintenance of all accounting and other relevant supporting records and documents.
5. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme as reproduced in Appendix I and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
6. The Company's management is also responsible for ensuring that the Company complies with the requirements of Act and providing all relevant information with respect to the Scheme to the NCLT.

Auditor's responsibility

7. Pursuant to the requirements of provisions of Section 232 of the Act, our responsibility is to provide a reasonable assurance whether the proposed accounting treatment specified in Para 9 to Part C of the Scheme and as reproduced in Appendix I to this certificate is in conformity with the Ind AS prescribed under Section 133 of the Act read with the rules issued thereunder and other generally accepted accounting principles in India.
8. We conducted our examination of the proposed accounting treatment referred to in Para 9 to Part C of the Scheme and reproduced under Appendix I to this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the Guidance Note), issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

10. As per section 232(6) of the Act, the Scheme has to provide for the appointed date from which the Scheme shall be deemed to be effective. The Company has accordingly proposed the appointed date as the effective date as defined in the Scheme.



11. Based on our examination and according to the information and explanations given to us and appropriate representations obtained from the Company, the proposed accounting treatment referred to in Para 9 to Part C of the Scheme and as reproduced in Appendix I to this certificate, initialed and stamped by us for the purposes of identification only, is in conformity with Ind AS 103 'Business Combinations' i.e. the applicable Accounting Standards prescribed under Section 133 of the Act and other generally accepted accounting principles in India.

Restriction of use

12. This Certificate is issued at the request of the management of the Company solely for the purpose of onward submission to the NCLT and any other regulatory authority in relation to the Scheme pursuant to the requirements of Sections 230 to 232 of the Act read with relevant rules issued thereunder. Our certificate should not be used by other person or for any other purpose.
13. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

for Vasanth & Co.,
Chartered Accountants
Firm Registration No. 0082048


N. Amarnath

Partner

Membership No. 510064

ICAI UDIN: 24510064BKAJAK2050



Date: 17th December, 2024

Place: Bangalore

Appendix I - Extract of "Accounting treatment" as per Para 9 to Part C of Scheme

"ACCOUNTING TREATMENT FOR DEMERGER IN THE BOOKS DEMERGED COMPANY 1, DEMERGED COMPANY 2 AND DEMERGED COMPANY 3"

9.1 Upon the coming into effect of the Scheme, and with effect from the Appointed Date, but after the Amalgamation 1 has been given effect to in terms of Part B of this Scheme, Demerged Company 1 and Demerged Company 2 shall account for the Scheme in its books of account in accordance with the accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India in the following manner:

9.1.1 Demerged Company 1 and Demerged Company 2 shall transfer all assets and liabilities pertaining to the Demerged Undertaking 1 and Demerged Undertaking 2 at the values appearing in its books of accounts of Demerged Company 1 and Demerged Company 2, respectively; and

9.1.2 The difference between the book value of assets and liabilities derecognized as per 9.1.1 above shall be recognized in the statement of profit and loss account if such difference is positive otherwise, shall be recorded as capital reserve in the books of account of Demerged Company 1 and Demerged Company 2, respectively.

9.2 The Demerged Company 3 shall account for the demerger including transfer of allocated reserves to Resulting Company 1 at book values, in accordance with Appendix C of Ind AS - 103 on Business Combinations and other Ind AS's , as applicable, and notified under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India in the following manner:

9.2.1 Demerged Company 3 shall transfer all of its assets, liabilities and reserves pertaining to Demerged Undertaking 3 at the values appearing in its books of accounts of Demerged Company 3; and

9.2.2 The difference between the book value of assets, liabilities and reserves derecognized as per 9.2.1 above shall be recognized in the statement of profit and loss account if such difference is positive otherwise, shall be recorded as capital reserve in the books of account of Demerged Company 3.



Annexure B to the Report

17th December, 2024

To,
The Board of Directors
Shreshta Infra Projects Private Limited
No. 2/4, Langford Garden,
Richmond Town, Bengaluru - 560025,
Karnataka, India.

Independent Auditor's Certificate in relation to capability of Alekhya Property Developments Private Limited ("Transferee Company 2" or "Resulting Company 1") to pay interest/ repay principal amount of listed Non-Convertible Debentures ("NCDs") of the Shreshta Infra Projects Private Limited ("SIPPL" or "Demerged Company 3" or "Company").

1. This Certificate is issued in accordance with the terms of our engagement letter dated 17th December, 2024.
2. We have been requested by the management of Shreshta Infra Projects Private Limited ("the Company / Demerged Company 3"), to issue a certificate in relation to the Resulting Company 1's capability to pay interest/repay principal amount of listed non-convertible debentures of the Company, as per the requirements of SEBI Master Circular SEBI/HO/DDHS/DDHS-PoD- 1/P/CIR/2024/48 dated May 21, 2024, as amended from time to time ("SEBI Circular") issued by Securities Exchange Board of India ("SEBI"). The Proposed Scheme is approved by the Board of Directors of the Resulting Company 1 and Demerged Company 3 on 17th December, 2023 and is subject to approval of the respective shareholders, the National Company Law Tribunal, Bangalore Bench ("NCLT") and other statutory and regulatory authorities, as applicable. The appointed date for the purpose of this Scheme is the effective date as defined in the Scheme.
3. In the instant case, the NCDs of the Company shall not be transferred to Resulting Company 1 as a part of Demerged Undertaking 3 (as defined under the Scheme) pursuant to the demerger.

Management's responsibility

4. The management of the Company is responsible for providing all the information in relation to the preparation of this certificate including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal

controls relevant to the details stated in the certificate and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

5. The management of the Company is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Circular issued thereunder, and providing all relevant information with respect to the Scheme to the BSE Limited and any other regulatory authorities, as applicable

Auditor's responsibility

6. Our responsibility is to provide a limited assurance as to whether the Resulting Company 1 is capable of payment of interest / repayment of principal amount of NCDs of the Company. In the instant case, the NCDs of the Company are not transferred as a part of the Demerged Undertaking pursuant to the Scheme. Thus, the aforesaid provisions shall not be applicable in respect of Resulting Company 1. However, we hereby certify that the Company is capable of payment of interest / repayment of principal amount of NCDs.
7. In respect of certification of this subject matter, our examination is based on the audited financial statements of the Company as at and for the year ended 31 March 2024, limited reviewed financial information of the Company for the period from 1 April 2024 to 30 June 2024, details about the assets and liabilities proposed to be transferred to the Resulting Company 1 pursuant to the demerger and details of the assets and liabilities to be retained by the Company post consummation of the demerger and such other information as may be relevant for the aforesaid purpose.
8. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. As part of this engagement, we have not performed any procedures by way of audit or review.
9. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.




Conclusion

11. Based on our examination and according to the information and explanations given to us and appropriate representations obtained from the Company, nothing has come to our attention that causes us to believe that the Company is not capable of payment of interest / repayment of principal amount of NCDs . We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the procedures performed as enumerated in Para 7 above. We neither give any guarantee nor any assurance that all liabilities will get discharged by the Company as and when they fall due.

Restriction of use

12. This Certificate is issued at the request of the management of the Company pursuant to the requirements of the SEBI Regulations for onward submission to the BSE Limited, SEBI and the National Company Law Tribunal and any other regulatory authorities in relation to the Scheme. This certificate should not be used for any other purpose without our prior written consent.

for Vasanth & Co.,
Chartered Accountants
Firm Registration No. 008204S


N. Amarnath
Partner
Membership No. 510064
ICAI UDIN: 24510064BKAJAK2050



Date: 17th December, 2024
Place: Bangalore