



INDEPENDENT AUDITORS' REPORT

To

The Members of
M/s VARIN INFRA PROJECTS PRIVATE LIMITED
No 2/4, Langford Garden, Richmond Town,
Bangalore
560025.

Report on the Audit of the Standalone Financial Statements

We have audited the attached financial statements of M/s. **M/s VARIN INFRA PROJECTS PRIVATE LIMITED** (the Company), which comprise the Balance Sheet as at March 31, 2023 and profit and loss account for the year ended March 31, 2023, Cash flow Statement 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not



determined any matters described to be the key audit matters to be communicated in our report.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for presentation of the information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of 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 for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible of 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.

Paragraph 40(b) of SA 700 explains that the yellow shaded material can be located in an Appendix to the auditor's report. Paragraph 40(c) explains that when law, regulation or the applicable auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities given in SA 700

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

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

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



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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that 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 section 143(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss for the year ended dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss for the year ended, comply with the Accounting Standards referred to in Sec 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the Directors and taken on records by the Board of Directors, we report that none of the Directors of the Company are disqualified as on 31st March 2023 from being appointed as Directors of the Company under Sec 164 (2) of the Companies Act 2013.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.




g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

- I. The Company does not have any pending litigations which would impact its financial position.
- II. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
- III. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund

Place: Bangalore
Date: 28.09.2023



FOR VANKADARI ASSOCIATES
Chartered Accountants
Firm Registration No. 004507S


V. Dwarakanath
Proprietor
Membership. No. 025629

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Member of **M/s. Varin Infra Projects Private Limited** of even date)

Report on the Internal Financial Controls 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 **M/s. Varin Infra Projects Private Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act,2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over the financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 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 judgment, 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 authorities 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 the 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 the changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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 2023, 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.

Place: Bangalore
Date: 28.09.2023

FOR VANKADARI ASSOCIATES
Chartered Accountants
Firm Registration No. 004507


V. Dwarakanath
Proprietor

Membership. No. 025629



1. SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS:

Significant Accounting Policies:

a) Background:

Varin Infra Projects Private Limited ('the Company') was incorporated on 12th day of August 2011 under the provisions of the Companies Act, 1956. The Company is engaged in the business of property development and land acquisition activities.

b) Basis of Preparation:

The financial statements of the Company is prepared in accordance with the Generally Accepted Accounting Principles in India ("GAAP") under the historical cost convention using the accrual method of accounting and complied with the mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, and with the relevant provisions of the Companies Act 1956 and 2013 (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c) Use of Estimates:

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from these estimates, difference between the actual results and estimates are recognised in the year in which the results are known / materialised.

d) Revenue Recognition:

Revenue from real estate under development/ sale of developed property will be recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards. In such cases, the revenue will be recognised on percentage of completion method, when the stage of completion of each project reaches a significant level which is estimated to be at least 25% of the total estimated construction cost of the Project. Revenue is recognised in proportion that the contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs.

e) Fixed Assets & Depreciation:

Fixed Assets are stated at cost of acquisition, less accumulated depreciation and impairments, if any. Cost of acquisition is inclusive of freight, duties, levies and all incidentals attributable to bringing the asset to its present location and working condition including the cost of finance specifically borrowed for acquisition or construction of the asset.

As on date, the company does not own any fixed assets



f) Inventories/WIP:

Direct expenditure relating to construction activity is inventorised. Indirect expenditure (including borrowing costs) during construction year is inventorised to the extent the expenditure is related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction year which is neither related to the construction activity nor is incidental thereto is charged to the profit and loss account. Cost incurred/ items purchased specifically for project is taken as consumed as and when incurred/ received. Out of such purchases of materials some of them provided to the sub-contractors at the agreed price in the contract irrespective of prevailing rate of materials on the date of transfer. In consequent to this the proceeds on the same have been transferred to Work in Progress.

g) Cash flow statement:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

h) Taxes on Income:

Tax expenses for the year comprise current tax and deferred tax liability. Current tax is calculated in accordance with the provisions of section 115BAA of Income tax Act, 1961, where the income tax is calculated at the rate of 22%(Plus 10% Surcharges and 4 % education cess) of the taxable income by filing appropriate form 10 IC under Income Tax Act,1961.

i) Impairment of Assets:

The Company assess at each Balance Sheet date whether there is any indication that any of the assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an Impairment loss and is recognized in the profit and loss account. As on the Balance Sheet date the Company assessed for impairment of assets and found no indication of impairment of assets as per Accounting Standard (AS-28).

j) Provisions and Contingent Liabilities/ Assets:

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



k) Foreign Currency Transactions:

During the year, there were no foreign currency transactions.

n) Earnings/(Loss) per Share:

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

o) Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such assets, till such time as the asset is ready for its intended use or sale in accordance with notified Accounting Standard 16 "Borrowing Costs". A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

2. Notes to Accounts:

(a) Secured Loans:

The Company has created charge on certain assets as security to M/s. Reliance Home Finance Limited for a loan of Rs.2,000 Lakhs lent by M/s. Reliance Home Finance Limited to M/s. Varin Infra Projects Pvt Ltd. The Loan has been fully repaid during the F.Y 2022-23 and the balance is NIL as on 31.03.2023.

The Company has created charge on certain assets as security to M/s. VISTRA ITCL (INDIA) LIMITED for a secured loan of Rs.22,500 Lakhs lent as "HDFC Capital Affordable Real Estate Fund-II"

(b) Contingent Liabilities & Provisions:

The company has issued corporate guarantee to an extent of Rs.194.70 Crores for securing the loan lent by HDFC Capital Affordable real Estate Fund-2 to M/s Shivkar Infra Projects Private Limited, which is an Group Company.

The company has issued corporate guarantee to an extent of Rs.453.89 Crores for securing the loan lent by HDFC capital Affordable Real Estate Fund - 3 to M/s Shreshta Apartments Private Limited, Akarsha Realty Private Limited, Shivakar Developers Private Limited and Adarsh Ecstasy Projects Private Limited which are Group Companies.



(c) Related Party Disclosure:

As per Accounting Standard (AS-18) on "Related Party Disclosures", the disclosure of transactions with the related party as defined in the Accounting Standard is given below:

i. List of Related parties with whom transactions have taken place and relationship:

Parent Company	➤ M/s. Adarsh Developers (A partnership firm)
Key Management Personnel	➤ B.M. Jayeshankar ➤ B.M. Karunesh
Enterprises owned or significantly influenced by KMP or their Relatives	➤ M/s. Adarsh Developers ➤ M/s. Akarsha Reality Private Limited ➤ M/s Shivkar Infra Private Limited ➤ M/s. Adarsh Heaven Private Limited ➤ M/s. Adarsh Nivaas Private Limited ➤ M/s. Akarsh Residence Private Limited ➤ M/s. Alekhya Property Developments Private Limited ➤ M/s. Shivakar Infrastructure

ii. Transactions during the year with related party:

Particulars	Name of Related Party	Rs.in Lakhs	
		Year ended 31-03-2023	Year ended 31-03-2022
Loans and Advances Received	M/s. Adarsh Developers	2491.74	6283.47
Advance given	M/s. Adarsh Developers	9843.41	1004.21
Advance given	M/s. Akarsha Reality Private Limited	3172.49	2827.81
Loans and Advances Received	M/s. Akarsha Reality Private Limited	2000.00	-
Advance given	M/s. Akarshak Reality Private Limited	483.00	-
Loans and Advances Received	M/s. Akarshak Reality Private Limited	5148.59	-
Loans and Advances Received	M/s. Adarsh Heaven Private Limited	7.28	40.19
Loans and Advances Received	M/s. Adarsh Nivaas Private Limited	-	0.98
Advance Given	M/s. Adarsh Nivaas Private Limited	773.96	-
Loans and Advances Received	M/s. Akarsh Residence Private Limited	-	0.44
Loans and Advances Received	M/s. Alekhya Property	198.18	1027.62



	Developments Private Limited		
Loans and Advances Received	M/s Shivkar Infra Private Limited	2575.18	3033.38
Advance given	M/s Shivkar Infra Private Limited	5637.42	3850.08
Loans and Advances Received	M/s Shreshta Infra Projects Private Limited	-	1.10

(iii) Balances with the related parties

Rs.in Lakhs

Particulars	Name of Related Party	As at 31-03-2023	As at 31-03-2022
Loans and Advances Given/(Received)	M/s. Adarsh Developers	(12,403.26)	(19,754.93)
Loans and Advances Given/(Received)	M/s. Akarsha Reality Private Limited	18,652.17	17,479.68
Loans and Advances Given/(Received)	M/s. Adarsh Heaven Private Limited	(46.64)	(39.36)
Advance given	M/s. Adarsh Nivaas Private Limited	776.85	2.90
Loans and Advances Given/(Received)	M/s. Alekhya Property Developments Private Limited	(1,225.03)	(1026.85)
Loans and Advances Given/(Received)	M/s. Akarsh Residence Private Limited	(0.44)	(0.44)
Loans and Advances Given/(Received)	M/s Shreshta Infra Projects Private Limited	(1.10)	(1.10)
Loans and Advances Given/(Received)	M/s. Akarshak Reality Private Limited	(4665.59)	-
Advance given	M/s Shivkar Infra Private Limited	16,122.83	13,060.60

Note: Related parties are as identified by the Management and relied upon by the auditors.



(d) Earnings per Share (in Rs.):

Particulars	Rs.in Lakhs	
	Year ended 31-03-2023	Year ended 31-03-2022
Net Profit as Per Statement of Profit and Loss attributable to Equity Shareholders.	(726.35)	(933.83)
Weighted Average Nos. of Equity Share Outstanding	40000	40000
Earnings Per Share	(1,815.87)	(2,334.58)
Basic and diluted Earnings per share	(1,815.87)	(2,334.58)

(e) Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :

To the extent information available with the company, Sundry Creditors include Rs nil, (Previous year Nil) due to Small Scale Industrial Undertaking.

The company has not received any information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. To the extent information available with the company, the company does not owe any sum including interest required to be disclosed under the said Act.

(f) Payment to Auditors

Rs. in Lakhs

Payment to Auditors	31.03.2023	31.03.2022
Statutory Audit Fee	0.30	0.15
Certificate & Other Consultancy Fee	-	-

(g) Accounting Ratios:

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	Numerator	Denominator	March31, 2023	March31, 2022	Variance %
(a) Current ratio	Current assets	Current liabilities	3.33	12.33	-73%
(b) Debt-equity ratio	Total Debt	Shareholder's Equity	11,472.24	12,643.19	-9%
(c) Debt service coverage ratio	Earnings available for debt service	Debt Service	0.04	0.01	544%
(d) Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	-181.59	-233.46	-22%
(e) Inventory turnover ratio	Sales	Average Inventory	0.21	0.03	639%
(f) Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	NA	NA	NA
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.28	0.65	558%
(h) Net capital	Net Sales	Working	0.05	0.01	544%



turnover ratio		Capital			
(i) Net profit ratio	Net Profit	Net Sales	-0.35	-2.67	-87%
(j) Return on capital employed	Earning before interest and taxes	Capital Employed	NA	NA	NA
(k) Return on investment on Quoted Instruments	Difference of Market value at the end and beginning of the period	Market Value at the beginning of the Year	NA	NA	NA

(1) Share Application Money received during the year – Nil

(2) Growth in revenue there by Net loss has been increased. During the Previous Year the company made turnover of Rs.350 Lakhs and in current Year the company made turnover of Rs.2,045.27 Lakhs.

(3) Long Term Borrowings availed from HDFC Capital & Reliance Home Finance Limited as Secured Loans & Within a Group entity as Unsecured Loans & repaid during the current year and significant increase in customer advances for the year.

(h) Preliminary & Pre-operative Expenditure:

Preliminary and Pre-operative expenditure incurred till date amounting to Rs. 249.42/-Lakhs has been written off during the year.

(i) Land and Land related costs:

Land owned by the company and all other land advances given is classified under "Current Assets". Such land is held with an intention of development.

(j) Cost Recharge:

The advances relating to their sister concern for furtherance of the business and accordingly the works were being executed by the sister concerns and company has charged the cost on those funds which are not utilised by the sister concerns on the assigned work as the same is interest bearing funds and vice versa in case of advances received by the Company.

Thus the company has charged cost of reimbursement on those unutilised advances in the execution of project works which compensate the excessive cost incurred by the company during the financial year against that of the revenue.

Since this arrangement is of the nature of reimbursement of the cost incurred by the company hence no Taxes are withheld in the form of Tax deducted at source by the sister concerns and thereby the company has maintained the accounting concept of appropriation of cost upon utilisation of the sources in the business.

(k) Inventories/WIP

Cost incurred during the year amounting to Rs.1,113.99/-Lakhs relating to construction activity or incidental thereto has been treated as Work in Progress under the head 'Inventories'

(l) Segment Reporting The activity of the company is revolving around only one activity of business of Real Estate services. Hence no disclosure is required to be given as per the AS 17 "Segment Reporting " under business segment and Geographical Segment



(m) Events occurring after the date of Balance Sheet:

There are no Material Events occurring after the date of Balance Sheet. Hence the same has not been taken into cognizance.

(n) Benami Transactions:

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

(o) Company Struck Off :

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013

(p) Undisclosed Income:

The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

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

(r) The confirmation and reconciliation of certain balances from sundry debtors, sundry creditors and Loans & Advances have not been obtained

(s) Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

For Vankadari Associates

Chartered Accountants



V.Dwarakanath

Membership No. 0205629

Firm Number : 004507S

For M/s Varin Infra Projects Private Limited



B.M. Jayeshankar

Director

DIN:00745118



B.M. Karunesh

Director

DIN:00693174



Date: 28.09.2023

Place: Bangalore

M/s VARIN INFRA PROJECTS PRIVATE LIMITED
CIN: U45200KA2011PTC059980
No 2/4, Langford Garden, Richmond Town Bangalore 560025
BALANCE SHEET AS AT 31st MARCH, 2023

(Rs. in Lakhs)

(Rs. in Lakhs)

Particulars	Note No	As at 31st March 2023	As at 31st March 2022
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	II	4.00	4.00
(b) Reserves and Surplus	III	(2,202.45)	(1,476.11)
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment			
		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	IV	45,888.97	50,572.75
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(4) Current Liabilities			
(a) Short-Term Borrowings		-	-
(b) Trade Payables	V	399.35	505.63
(c) Other Current Liabilities	VI	18,313.33	3,805.38
(d) Short-Term Provisions		-	-
Total Equity & Liabilities		62,403.20	53,411.66
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets	VII	-	249.42
(2) Current Assets			
(a) Current investments		-	-
(b) Inventories	VIII	10,556.24	9,394.25
(c) Trade receivables	IX	-	-
(d) Cash and cash equivalents	X	2,231.04	232.93
(e) Short-term loans and advances	XI	37,861.54	32,603.93
(f) Other current assets	XII	11,754.37	10,931.12
Total Assets		62,403.20	53,411.66

NOTES TO ACCOUNTS

1

Notes referred to above and notes attached there to form an integral part of Balance Sheet
This is the Balance Sheet referred to in our Report of even date.

FOR VANKADARI ASSOCIATES
CHARTERED ACCOUNTANTS

V. Dwarakanath
Proprietor
Membership No. : 025629
Firm Number : 004507S
UDIN:

Date: 28.09.2023
Place: Bangalore



For and on behalf of the Board of Directors of
FOR M/s VARIN INFRA PROJECTS PRIVATE LIMITED

B.M. JAYESHANKAR
DIRECTOR
DIN:00745118

B.M. KARUNESH
DIRECTOR
DIN:00693174



M/s VARIN INFRA PROJECTS PRIVATE LIMITED
CIN: U45200KA2011PTC059980
No 2/4,Langford Garden,Richmond Town Bangalore 560025
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2023

(Rs. in Lakhs)

(Rs. in Lakhs)

Sr. No	Particulars	Note No.	For the year ended 31.03.2023	For the year ended 31.03.2022
I	Revenue from operations / Sale of Land	XIII	2,045.27	350.00
II	Other Income	XIV	1.53	0.00
III	III. Total Revenue (I + II)		2,046.81	350.00
	Expenses:			
	Cost of materials	XV	1,894.12	441.20
	Direct Expenses	XVI	136.81	1,294.63
	Financial Costs	XVII	998.72	0.09
	Other Administrative Expenses	XVIII	757.98	409.54
	Depreciation and Amortization Expense		-	-
IV	Total Expenses (IV)		3,787.63	2,145.45
	Less : Transfer to work in progress		1,014.48	861.62
V	Profit before exceptional and extraordinary items and tax	(III - IV)	(726.35)	(933.83)
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		(726.35)	(933.83)
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		(726.35)	(933.83)
X	Tax expense: (1) Current tax (2) Deferred tax		-	-
XI	Profit(Loss) from the period from continuing operations	(IX-X)	(726.35)	(933.83)
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		(726.35)	(933.83)
XVI	Earning per equity share:			
	(1) Basic		(1,815.87)	(2,334.58)
	(2) Diluted		(1,815.87)	(2,334.58)

NOTES TO ACCOUNTS

XV

Notes referred to above and notes attached thereto form an integral part of Statement of Profit & Loss
This is the Balance Sheet referred to in our Report of even date.


FOR YANKADARI ASSOCIATES
CHARTERED ACCOUNTANTS



V. Dwarakanath
Proprietor
Membership No. : 025629
Firm Number : 0045075
UDIN:



Date: 28.09.2023
Place: Bangalore

For and on behalf of the Board of Directors of
FOR M/s VARIN INFRA PROJECTS PRIVATE LIMITED


B.M. JAYESHANKAR
DIRECTOR
DIN:00745118


B.M. KARUNESH
DIRECTOR
DIN:00693174



Cash Flow Statement for the Year ended March 31st, 2023

PARTICULARS	(Rs. in Lakhs)	
	31-Mar-23	31-Mar-22
A. Cash Flow From Operating Activities		
Net Profit Before Tax and extraordinary items	(726.35)	(933.83)
Adjustments For :		
Depreciation / Amortisation	-	-
(Profit) / Loss on sale of investments	-	-
(Profit) / Loss on sale of fixed assets	-	-
Interest Paid	-	-
	-	-
Cash Operating Profit before working capital changes	(726.35)	(933.83)
Adjustments For :		
Increase/(Decrease) in Short Term Borrowings	-	-
Increase/(Decrease) in Trade Payables	(106.29)	128.50
Increase/(Decrease) in Short Term Provisions	-	-
(Increase) /Decrease in Trade Receivables	-	730.69
(Increase) /Decrease in Inventories	(1,161.99)	(2,986.81)
(Increase) /Decrease in Short term Loans and Advances	(5,257.61)	(3,660.07)
	(6,525.89)	(5,787.69)
Cash Generated from Operating Activities	(7,252.23)	(6,721.52)
Interest Paid	-	-
Direct Taxes Paid	-	-
Net Cash From Operating Activities	(7,252.23)	(6,721.52)
B. Cash Flow From Investing Activities		
Purchase of Fixed Assets	-	-
Investment in Long Term Loans, advances and Deposits	(573.83)	165.17
Sale of Fixed Assets	-	-
Purchase of Investments	-	-
Sale of investments	-	-
Interest Received	-	-
Dividend Received	-	-
	-	-
Net Cash Used In Investing Activities	(573.83)	165.17
C. Cash Flow From Financing Activities		
Warrants	-	-
Proceeds from Borrowings	9,824.17	6,718.43
Proceeds from securities premium	-	-
Equity Share Capital	-	-
Foreign currency Transaction Reserve	-	-
Dividend Paid (Including tax on dividend)	-	-
	-	-
Net Cash from Financing Activities	9,824.17	6,718.43
Net Change in cash and cash equivalents (A+B+C)	1,998.11	162.07
Net cash and cash equivalent at the beginning of the year	232.93	70.85
Net cash and cash equivalent at the closing of the year	2,231.04	232.93

FOR VANKADARI ASSOCIATES
CHARTERED ACCOUNTANTS



(V. Dwarakanath)
Proprietor
Membership No. : 025629
Firm Number : 0045075
UDIN:

Date: 28.09.2023
Place: Bangalore

For and on behalf of the Board of Directors of
FOR M/s VARIN INFRA PROJECTS PRIVATE LIMITED

B.M. JAYESHANKAR
DIRECTOR
DIN:00745118

B.M. KARUNESH
DIRECTOR
DIN:00693174



M/s VARIN INFRA PROJECTS PRIVATE LIMITED
CIN: U45200KA2011PTC059980
SCHEDULES TO BALANCE SHEET

Note II.i: SHARE CAPITAL

Particulars	As at 31st March, 2023		As at 31 March, 2022	
	Number of shares	Amount (Rs. in Lakhs)	Number of shares	Amount (Rs. in Lakhs)
(a) Authorised 50,000 Equity shares of Rs.10/- each having voting rights	1,00,000	10.00	1,00,000	10.00
(b) Issued 40,000 Equity shares of Rs.10/- each having voting rights	40,000	4.00	40,000	4.00
Total	40,000	4.00	40,000	4.00

The Company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the equity share holders 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 equity shareholders. The dividend proposed by the Board of Directors if any is subject to the approval of the shareholders in the ensuing annual general meeting except in the case of interim dividend.

The company has neither allotted any bonus shares nor allotted any shares against consideration other than cash till date.

The company has not bought back any shares till date.

Note II.ii :Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Buy Back	Closing Balance
Equity shares with voting rights				
Period ended 31st March, 2022				
- Number of shares	40,000	-	-	40,000
- Amount (Rs. in Lakhs)	4.00	-	-	4.00
Year ended 31 March, 2021				
- Number of shares	40,000	-	-	40,000
- Amount (Rs. in Lakhs)	4.00	-	-	4.00

Note II.iii:Shareholders holding more than 5% Shares:

Name of shareholders	As at 31st March, 2023		As at 31 March, 2022	
	Number of Shares	% holding	Number of Shares	% holding
Adarsh Developers rep. by B.M.Jayeshankar	30,000	75%	30,000	75%
B.M.Jayeshankar	9,999	25%	9,999	25%
	39,999	100%	39,999	100%

Note II.iv: Details of equity shares held by Promoters in the Company at the End of the Year:

Name of the Promoter	As at				% changes during year
	As at 31st March, 2023		As at 31 March, 2022		
	Number of Shares	% holding	Number of Shares	% holding	
Adarsh Developers rep. by B.M.Jayeshankar	30,000	75%	30,000	75%	-
B.M.Jayeshankar	9,999	25%	9,999	25%	-
B.M.Karunesh	1	0%	1	0%	-
	40,000	100%	40,000	100%	-

II.v: Aggregate number and class of shares allotted as fully paid pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date: Nil



M/s VARIN INFRA PROJECTS PRIVATE LIMITED			
CIN: U45200KA2011PTC059980			
No 2/4,Langford Garden,Richmond Town Bangalore 560025			
NOTES TO BALANCE SHEET AS AT 31st MARCH 2023			
		(Rs. in Lakhs)	(Rs. in Lakhs)
Note No	PARTICULARS	As at 31st March 2023	As at 31st March 2022
III	Reserves And Surplus		
	Opening Balance	(1,476.11)	(542.28)
	(+) Net Profit/(Net Loss) For the current year	(726.35)	(933.83)
	Total	(2,202.45)	(1,476.11)
IV	Long Term Borrowings		
	From Financial Institution (Secured)		
	HDFC Capital Affordable Real Estate Fund-2	27,546.91	29,601.96
	(Secured by land of the company at Chikkagubbi,Bangalore) Coupon Rate @15.25%-16.5% , Tenure 5 Years		
	Reliance Home Finance Ltd	-	148.12
	Loans & Advances From Related Parties (Unsecured)		
	Adarsh Developers	12,403.26	19,754.93
	Alekhya Property Developments Private Limited	1,225.03	1,026.85
	Adarsh Haven Private Limited	46.64	39.36
	Akarsh Residence Private Limited	0.44	0.44
	Shreshta Infra Projects Private Limited	1.10	1.10
	Akarshak Realty Private Limited	4,665.59	-
	Total	45,888.97	50,572.75
V	Trade Payables		
	Trade Payables	399.35	505.63
	Total	399.35	505.63
VI	Other Current Liabilities		
	Residential Customers Advances	18,179.27	3,551.09
	TDS Payable	13.58	43.87
	GST Payable	25.39	123.20
	Provision for Audit fees	0.30	0.15
	Provision Expenses	20.76	-
	Bank Balance		
	Indian Bank	74.03	87.05
	Total	18,313.33	3,805.38



M/s VARIN INFRA PROJECTS PRIVATE LIMITED			
CIN: U45200KA2011PTC059980			
No 2/4,Langford Garden,Richmond Town Bangalore 560025			
NOTES TO BALANCE SHEET AS AT 31st MARCH 2023			
		(Rs. in Lakhs)	(Rs. in Lakhs)
Note No	PARTICULARS	As at 31st March 2023	As at 31st March 2022
VII	Other Non Current Assets		
	Others:		
	Preliminary and Pre- operative Expenditure	-	249.42
	Total	-	249.42
VIII	Inventories		
	Stock on Hand	137.52	89.53
	Work-in-progress		
	Opening Balance	9,304.73	6,375.67
	Add: During the Period	1,113.99	2,929.05
	Closing Balance	10,418.72	9,304.73
	Total	10,556.24	9,394.25
X	Cash & Cash Equivalent		
	Cash-in-Hand		
	Cash Balance	13.63	5.82
	Total (A)	13.63	5.82
	Bank Balance		
	HDFC Bank CA-5000	73.00	25.43
	HDFC Bank Ltd Subscription Escrow A/c No-7550	-	-
	HDFC Bank Ltd Escrow A/c No-7563	-	-
	HDFC Bank Ltd Escrow A/c No-7817	-	-
	HDFC Bank Escrow-6611	-	10.43
	HDFC Bank Escrow-6882	-	10.00
	HDFC Bank Ltd Subscription Escrow A/c No	1.83	1.83
	HDFC-7563-PC 30% Main Account	724.39	18.12
	HDFC-7817-Tranq-30% Main Account	652.02	10.00
	HDFC-7804-Wist-30% Main Account	766.17	151.30
	Total (B)	2,217.41	25.43
	Total [A + B]	2,231.04	31.25
XI	Short Term Loans And Advances		
	Land Advances	1,942.50	1,707.04
	Other Advances - Sister concerns	35,551.85	30,543.17
	Advance to Contractor/Suppliers	367.18	353.72
	Total	37,861.54	32,603.93
XII	Other Current Assets		
	Land	3,661.35	3,610.43
	Land Related Expenses	7,843.14	7,063.32
	GST Account	51.79	183.09
	TDS Receivable	147.28	25.23
	TCS Receivables	0.49	0.11
	BDA Deposits	42.31	42.31
	BESCOM Deposits	8.01	6.65
	Total	11,754.37	10,931.12



M/s VARIN INFRA PROJECTS PRIVATE LIMITED

Break-up of Items appearing in Notes to Balance Sheet as at 31st March, 2023

Sr No	Particulars	(Rs. in Lakhs)	(Rs. in Lakhs)
		As at 31st March 2023	As at 31st March 2022
	Preliminary and Pre-operative Expenditure		
1	Preliminary Expenses	-	0.32
2	Preoperative Expenses	-	249.10
	Total	-	249.42

Schedule : Other Non Current Assets

Sr. No	Particulars	As at 31st March 2023	As at 31st March 2022
	Land		
1	Land - Chikkagubbi	339.23	339.23
2	Land - JD/GPA- Chikkagubbi	94.92	94.92
3	Land - Kadaagrahara	33.93	33.93
4	Land - Siddapura	2,324.04	2,303.66
5	Land- GPA/Sale Agmt - Siddapura	207.83	207.83
6	Land-Nellurahalli	661.40	630.86
	Total	3,661.35	3,610.43

Schedule : Short Term Loans And Advances

Sr. No	Particulars	As at 31st March 2023	As at 31st March 2022
	Land Advance	-	-
1	Lubna Shah	316.00	316.00
2	Nusrath Unisa	111.67	111.67
3	Sajida Begum	100.00	100.00
4	Syed Faheem Shah	150.00	150.00
5	Syed Saleem Shah	1,029.37	1,029.37
6	Jayesh Kothari	117.73	-
7	Prakash Chand Kothari	117.73	-
	Total	1,942.50	1,707.04

Schedule : Other Advances

Sr. No	Particulars	As at 31st March 2023	As at 31st March 2022
	Other Advances		
	Adarsh Nivaas Private Limited	776.85	2.90
	Akarsha Realty Private Limited	18,652.17	17,479.68
	Shivakar Infra Private Limited	16,122.83	13,060.60
	Total	35,551.85	30,543.17



M/s VARIN INFRA PROJECTS PRIVATE LIMITED

CIN: U45200KA2011PTC059900

No 2/4, Langford Garden, Richmond Town, Bangalore 560025

Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2023

Note No.	Particulars	(Rs. in Lakhs)	
		For the year ended 31.03.2023	For the year ended 31.03.2022
XIII	Revenue from operations / Sale of Land and Sale Sales Realisation	2,045.27	150.00
	TOTAL	2,045.27	150.00
XIV	Other Income Interest Received Miscellaneous Income	1.53	0.00
	TOTAL	1.53	0.00
XV	Cost of materials Building Work Consumption Account	1,005.16 888.96	212.88 270.32
	TOTAL	1,094.12	443.20
XVI	Direct Expenses Labour Charges Land Cost Laying & Unloading Expenses	14.90 122.10 0.00	10.63 1,283.63 0.17
	TOTAL	136.81	1,294.43
XVII	Financial Cost Bank Charges Interest Paid	3.01 998.77	3.09 -
	TOTAL	998.77	0.09
XVIII	Other Administrative Expenses Advertisement AMC Charges Audit Fees Commissions Consultancy Charges Contingence Allowance Cost Reimbursement DOCUMENTS & OTHER EXPENSES Electricity Charges-FMS Electricity Charges-Project Insurance Charges Fuel Consumption GST Expenses Hire Charges House keeping charges INCIDENTAL CHARGES Internet Charges Medical Expenses Miscellaneous Expenses Office Expenses Petty Equip. Purchases Packing Charges Plan Approval & Conversion Charges Stamp Expense	37.76 0.57 0.15 115.20 0.88 0.07 498.11 0.14 0.39 16.41 0.03 - 5.35 0.26 3.57 0.06 0.14 10.1 2.43 0.02 2.48 0.02 0.11 0.25	8.50 0.12 12.86 - - 295.42 - - 8.12 - 0.00 - - 2.78 - 0.30 1.01 1.31 - - - 0.78

Postage & Courier	-	0.00
PRD(Price Differences)	0.02	-
Preliminary Expenses W/o	2.91	-
Printing & Stationery	1.32	1.33
Professional & Legal Fees	47.55	62.41
Property Tax	11.05	-
Rates & taxes	0.21	0.01
Registration Charges	6.65	0.02
Repair & Maintenance	0.97	0.62
Round Off	0.00	(0.00)
Security Charges	58.36	17.79
Staff Welfare	3.88	3.43
TDS Late Payment Interest	39.86	-
Telephone Charges	1.69	-
Testing Charges	0.08	0.00
Transportation Charges	0.41	2.34
Travelling Expenses	-	0.03
Vehicle Maintenance	0.09	0.39
Xerox Charges	0.75	0.48
Total	757.98	409.06

