VR DAKSHIN PRIVATE LIMITED

ANNUAL REPORT

FY 2023-24

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CORPORATE INFORMATION

VR DAKSHIN PRIVATE LIMITED

(Formerly known as Sugam Vanijya Holdings Private Limited)

Corporate Identification Number: U74899KA1987PTC070519

BOARD OF DIRECTOR

Non-Executive, Nominee Directors
Mr. Tariq Chinoy (Chairman)
Mr. Pradeep Banerjee

Non-Executive, Independent Directors
Ms. Sumi Gupta
Mr. Sanjeev Jain

Executive Director
Mr. Rohan Anand
Mr. Jay Dayani

Company Secretary
Ms. Rashmi Sharma

REGISTERED OFFICE
VR Bengaluru, No. 11b, Sy No. 40/9, Devasandra Industrial Area, 2 Stage, Kr. Puram, Hobli, Bangalore – 560 048, Karnataka
Email: cs_vrb@vrbharat.com
Website: www.vrdakshin.com

STATUTORY AUDITORS
S.R. Batliboi & Associates LLP
12th Floor, UB City Canberra Block No. 24, Vittal Mallya Road, Bengaluru – 560 001, Karnataka

DEBENTURE TRUSTEE
Catalyst Trusteeship Limited
GDA House, First Floor, Plot No. 85, S. No. 94 & 95, Bhusari Colony (Right), Kothrud, Pune - 411038, Maharashtra
Contact No.: 022-49220555
Email: compliancectl-mumbai@ctltrustee.com
Website: www.catalysttrustee.com

IDBI Trusteeship Services Limited
Asian Building, Ground Floor, 17, R. Kamani Marg Ballard Estate, Fort Mumbai
Contact No.: 91 22 40807000
Email: itsl@idbitrustee.com
Website: www.idbitrustee.com

REGISTRAR & TRANSFER AGENTS
Integrated Registry Management Services Private Limited
2nd Floor Kences Towers 1 Ramakrishna Street North Usman Road T Nagar Chennai 600017, Tamil Nadu
Contact No.: 080 23460819
Email: alpha123information@gmail.com
Website: www.integratedindia.in

NOTICE OF 37TH ANNUAL GENERAL MEETING

Notice is hereby given that the **37th** (**Thirty-Seventh) Annual General Meeting** of the Members of VR Dakshin Private Limited will be held at a shorter notice on Friday, September 27, 2024, at 4:30 P.M through Video Conferencing (VC)/Other Audio-Visual Means (OAVM). The venue of the meeting shall be deemed to be the Registered Office of the Company situated at VR Bengaluru, No. 11b, Sy No. 40/9, Devasandra Industrial Area, 2 Stage, Kr. Puram, Hobli, Bangalore – 560048, Karnataka, to transact the following business:

ORDINARY BUSINESS:

1. **To consider and adopt the Audited Annual Financial Statements of the Company for the financial year ended March 31, 2024 together with the Report of the Board of Directors and Auditors thereon.**

   To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the annual financial statements comprising of Balance Sheet as at March 31, 2024 and the Statement of Profit and Loss Account along with Cash Flow Statement of the Company for the year ended on March 31, 2024 including with the schedules and notes attached thereto, together with the report of the Auditors and the Board of Directors thereon, placed before the meeting, be and are hereby approved and adopted."

By Order of the Board of Directors
For **VR Dakshin Private Limited**

Sd/-
Rashmi Sharma
Company Secretary
Membership no.: A42988

Date: September 27, 2024
Place: Gurugram

NOTES:

1. The Ministry of Corporate Affairs ("MCA") inter-alia vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars") has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") or through other audio-visual means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The proceedings of the AGM are deemed to be conducted at the Registered Office of the Company.

2. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company situated at VR Bengaluru, No. 11b, Sy No. 40/9, Devasandra Industrial Area, 2 Stage, Kr. Puram, Hobli, Bangalore – 560048, Karnataka, which shall be the deemed Venue of the AGM. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.

3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Shareholders will not be available for the AGM and hence the Proxy Form is not annexed to this Notice. Any Body Corporate is entitled to appoint an authorized representative to attend the AGM through VC/OAVM, participate thereat, and cast their votes through e-voting.

4. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of the Members has been dispensed with. Accordingly, Attendance Slip is not annexed to this Notice.

5. Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.

6. Members seeking any information or clarification on the Financial Statements are requested to send written queries to the Company before the Meeting to enable the management to keep the required information available at the Meeting.

7. In compliance with the aforesaid MCA Circulars, Notice of the AGM is being sent only through electronic mode to those Shareholders whose email addresses are registered with the Company.

8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. The Annual Report for the financial year ended March 31,2024 comprising of the Financial Statement together with the Report of the Board of Directors and Auditors thereon, is annexed hereto.

10. The Company will provide facility for audio visual participation in AGM Weblink/recording etc.

11. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM:

- The Members will be provided with a facility to attend the AGM through VC/OAVM through the Microsoft Teams/Zoom platform and they may access the same from the link sent at their registered email address. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM.

- The facility for joining the meeting shall be kept open for at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.

- The confidentiality of the password and other privacy issues associated with the designated email address shall be strictly maintained by the Company at all times. Due safeguards with regard to authenticity or email address(es) and other details of the members shall also be taken by the Company.

- Members may join the AGM through Laptops, Smartphones, Tablets and iPads for better experience. Further, Members will be required to allow camera and to use Internet with a good speed to avoid any disturbance during the AGM. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

- The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, for all those Members who are present during the AGM through VC/OAVM.

- Only those Members who will be present at the AGM through VC/OAVM facility and are otherwise not barred from doing so, shall be eligible to vote at the AGM.

- Members who need assistance before or during the AGM may contact by e-mailing at cs_vrb@vrbharat.com.

12. The Chairman may decide to conduct voting by show of hands as the number of members is less than 50, unless a demand for poll is made by any member, in accordance with section 109 of the Companies Act, 2013 and the rules made thereunder. In case of a poll on any resolution at the AGM, members are requested to convey their vote at cs_vrb@vrbharat.com.

13. The Company ensures that all other compliances associated with the provisions relating to general meetings viz. making of disclosures, inspection of related documents and registers, by members, including Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice, or authorizations for voting by bodies corporate, etc. as provided in the Act and the Articles of Association of the Company are made available for inspection through electronic mode.

14. Members who wish to inspect the relevant documents referred to in the Notice can send an email to cs_vrb@vrbharat.com up to the conclusion of this Meeting.

15. As per Section 118 of the Companies Act, 2013 read with the Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, "No gifts, gift coupons or cash in lieu of gifts shall be distributed to the members in connection with the meeting".

16. Disclosures with regard to the manner in which framework available for use by the members and clear instructions on how to access and participate in the meeting are clearly mentioned in this AGM Notice.

BOARD'S REPORT

Dear Members,

The Board of Directors ("Board") are pleased to present the 37th Annual Report of VR Dakshin Private Limited *(formerly Sugam Vanijya Holdings Private Limited)* together with Audited Financial Statement of the Company for the financial year ended on 31st March 2024 ("FY 2023-24").

1. FINANCIAL SUMMARY OR HIGHLIGHTS

(INR in Millions)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Revenue from Operations	2,210.52	1,982.06
Other Income	201.61	57.89
Total Income	**2,412.13**	**2,039.95**
Total Expenditure	3,188.18	2,966.01
Profit / (Loss) before tax	**(776.05)**	**(926.06)**
Less: Tax Expenses	41.91	9.06
Profit / (Loss) after tax	**(817.96)**	**(935.11)**
Other Comprehensive Income	0.02	0.97
Total Comprehensive Income for the year	**(817.94)**	**(934.14)**
Earning per share (EPS) Basic and Diluted	**(37,363)**	**(42,714)**

The Company does not have any subsidiaries, associates and joint venture; therefore, the Company was not required to prepare a consolidated financial statement.

2. STATE OF COMPANY'S AFFAIRS

The present state of the Company's affairs is progressive enough viz-a-viz the industry and there are no developments which could result in an adverse situation for the Company in the near future. There is no change in the nature of business of the Company and no significant or material orders were passed by any regulator or court or tribunal impacting the going concern status of the Company's future operations.

3. CHANGE IN NATURE OF BUSINESS

During the FY 2023-24, there was no change in the nature of business of the Company.

4. MATERIAL CHANGES AND COMMITMENTS

There were no material changes/commitments affecting the financial position of the Company have been occurred between the end of the financial year ended on March 31, 2024, and the date of the report.

5. SHARE CAPITAL & DEBENTURE

a. Share Capital

There has been no change in the capital structure of the Company. As on 31st March 2024, the Authorised Share Capital of the Company stand at INR 15,00,000/- and Issued & Paid-up Share Capital of the Company stand at INR 1,99,900/-.

b. Non-Convertible Debentures/Bonds

As on 31st March 2024, following are the Debentures/Bonds which were outstanding:

i. 448 Unsecured, Listed, Redeemable Non-Convertible Debentures of face value of INR 1,00,00,000/- issued to Robusta Holdings Pte. Ltd;
ii. 1300 Unsecured, Unlisted, Redeemable, Non-Convertible Debentures having the Face Value of Rs. 1,00,000/- each in two tranches issued to Robusta Holdings Pte. Ltd.;
iii. 190,227,500 Unsecured, Fully Compulsory Convertible Debentures having the Face Value of Rs. 10/- each issued to Moribus Holdings Pte. Ltd.
iv. 26800 Secured Rated Listed Redeemable Non-Convertible Bond having the Face Value of Rs. 1,00,000/- each issued to Deutsche Bank AG.
v. 19100 Secured Rated Listed Redeemable Non-Convertible Bond having the Face Value of Rs. 1,00,000/- each issued to DB International Asia Limited.
vi. 29100 Secured Rated Listed Redeemable Non-Convertible Bond having the Face Value of Rs. 1,00,000/- each issued to Standard Chartered Bank.

6. DEBENTURE TRUSTEE

The details of Debenture Trustee for the above mentioned NCDs are as under:

i. Catalyst Trusteeship Limited
Address: GDA House, First Floor, Plot No. 85, S. No. 94 & 95, Bhusari Colony (Right), Kothrud, Pune- 411038, Maharashtra
Contact No.: 022-49220555 | Fax No.: 022-49220505
Email Id: ComplianceCTL-Mumbai@ctltrustee.com | Website: www.catalysttrustee.com

ii. IDBI Trusteeship Services Limited
Address: Asian Building, Ground Floor, 17, R. Kamani Marg Ballard Estate, Fort Mumbai
Contact No.: +91 22 40807000 | Fax No.: 022 66311776
Email Id itsl@idbitrustee.com | Website: www.idbitrustee.com

7. CREDIT RATING

The Company had the following credit rating for its borrowing instruments:

Instruments	Agencies	Rating	Outlook	Date
448 Unsecured, Listed, Redeemable Non-Convertible Debentures	Crisil Ratings Limited	BBB	Stable	5th April 2024
75000 Secured, Fully Compulsory Convertible Debentures	ICRA Limited	BBB	Stable	1st March 2024

8. DIVIDEND

In view of losses, the Board of Directors of the Company has not recommended any dividend on the equity shares for the financial year ended 31st March 2024.

9. RESERVES

The Company has incurred a loss therefore no amount has been transferred to reserve.

10. DEPOSITS

During the FY 2023-24, the Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

11. HOLDING/SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

M/s. Moribus Holdings Pte. Ltd. is the Holding Company. The Company doesn't have any Subsidiary, Associate and Joint Venture for the financial year ended on 31st March 2024.

12. DIRECTORS & KEY MANAGERIAL PERSONNEL

a. Board Composition

The composition of the Board of Directors as on 31st March 2024, are as follows:

i. Mr. Tariq Chinoy, Nominee Director (Chairman)
ii. Mr. Pradeep Banerjee, Nominee Director
iii. Ms. Sumi Gupta, Independent Director
iv. Mr. Sanjeev Jain, Independent Director
v. Mr. Rohan Anand, Executive Director
vi. Mr. Jay Dayani, Executive Director

No changes occurred in the composition of the Board during the FY 2023-24.

b. Key Managerial Personnel

The following are the Key Managerial Personnel of the Company as on 31st March 2024:

i. Mr. Rajendra Pai, Manager & Chief Financial Offer
ii. Ms. Rashmi Sharma, Company Secretary & Compliance Officer

Additionally, Mr. Rajendra Pai, who was appointed as the Manager and Chief Financial Officer of the Company, resigned from the position on May 29, 2024.

13. <u>DECLARATION BY INDEPENDENT DIRECTOR</u>

Ms. Sumi Gupta and Mr. Sanjeev Jain, Independent Directors of the Company, have confirmed their independency under Section 149(6) of the Companies Act, 2013.

Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs. Therefore, the Board is of the opinion that the Independent Directors are persons of integrity, possess relevant expertise, experience, proficiency, fulfil the conditions of independence specified in the Companies Act, 2013 and SEBI Listing Regulations.

14. <u>MEETINGS OF BOARD OF DIRECTORS</u>

During the FY 2023-24, the Board of Directors met nine (9) times, viz. May 3, 2023, May 30, 2023, August 9, 2023, November 14, 2023, November 28, 2023, February 8, 2024, February 15, 2024, February 29, 2024, and March 26, 2024, and the requisite quorum was present in all the meeting. The gap between two meetings did not exceed one hundred twenty days.

15. <u>BOARD EVALUATION</u>

The annual evaluation of the performance of the Board, its committee pursuant to the provision of Section 134(3)(p) of the Companies Act, 2013 are not applicable to the Company. However, the Board expressed satisfaction on overall functioning of the Board, and the performance of the individual Directors.

16. <u>BOARD COMMITTEES</u>

a. Audit Committee

Pursuant to Regulation 18 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the Audit Committee, comprising three non-executive directors, i.e. Ms. Sumi Gupta (Chairperson), Mr. Sanjeev Jain and Mr. Tariq Chinoy.

The Audit Committee has met six (6) times, viz. May 30, 2023, August 8, 2023, November 10, 2023, February 7, 2024, February 28, 2024, and March 26, 2024, and the requisite quorum was present in all the meeting. The gap between two meetings did not exceed one hundred twenty days.

b. Nomination & Remuneration Committee

Pursuant to Regulation 19 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the Nomination and Remuneration Committee, comprising three non-executive directors, i.e. Ms. Sumi Gupta (Chairperson), Mr. Sanjeev Jain and Mr. Tariq Chinoy.

The Nomination & Remuneration Committee has met one (1) time, viz. July 10, 2023, and the requisite quorum was present in the meeting.

The Remuneration policy covers the remuneration for the Directors and other employees (under senior management cadre and management cadre). The Policy has been formulated with the following key objectives:

i. To ensure that employee remuneration is in alignment with business strategy & objectives, organisation values and long-term interests of the organisation.
ii. To ensure objectivity, fairness and transparency in determination of employees' remuneration.
iii. To ensure the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate a high-performance workforce and are in compliance with all applicable laws.

It covers various heads of remuneration including benefits for Directors and employees. It also covers the process followed with respect to annual performance reviews and variables considered for revision in the remuneration.

17. CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall in any of the criteria laid down in section 135(1) of the Companies Act, 2013 and rules made thereunder and therefore the Company is not required to comply with the relevant provisions of the said section during the year under review.

18. STATUTORY AUDITOR

M/s. S R Batliboi & Associates LLP, Chartered Accountants (Firm Registration No.101049W/ E300004) were reappointed in the Annual General Meeting held on 23rd December 2022, as the Statutory Auditors of the Company for a period of 5 years i.e. from the Annual General Meeting conducted for the year ended 2022 until the conclusion of the Annual General Meeting to be held in 2027.

Also, the Company has obtained certificate from auditors to the effect that their appointment, is in accordance with the conditions prescribed under the Companies Act, 2013, and the Rules made thereunder.

19. SECRETARIAL AUDITOR

The Company has appointed M/s. Sourav & Associates, to conduct the Secretarial Audit of the Company for the FY 2023-24 in their Board Meeting held on 26th March 2024.

The Secretarial Audit Report for the financial year ended March 31, 2024 shall be annexed as **Annexure A**. The Secretarial Audit Report issued by Secretarial Auditor contains the following observation:

S. No.	Observation	Explanation
1.	The Company being a debt listed entity shall make necessary disclosures under the SEBI (LODR) Regulations, 2015 and other applicable circulars issued by the SEBI, however, the Company made delayed filing of disclosures under regulation 52 and half yearly disclosures of SEBI No. CIR/IMD/DF-1/67/2017 dated August 10, 2021. In this regard, BSE Limited imposed fines under regulation 52, which has been paid by the company in prescribed manner and within the provided timelines.	The Company has duly paid the fines within the stipulated time frame and in accordance with the prescribed methods. Subsequently, the necessary compliance and disclosures have been rectified and complied.

20. AUDITORS' REPORT

The Auditors' Report does not contain any qualification, reservation or adverse remark. The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further explanation and comments.

21. REPORTING OF FRAUDS BY AUDITORS

During the year under review, no instances of fraud were reported by the Statutory Auditors of the Company under Section 143(12) of the Companies Act, 2013.

22. MAINTENANCE OF COST RECORDS

The Company doesn't fall under the classes of companies as specified under Section 148(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014. Accordingly, the Company is not required to maintain Cost Records as specified by the Central Government.

23. INTERNAL FINANCIAL CONTROL

The Company has put in place internal financial control systems, commensurate with the size of the Company and nature of its business. Taking cognizance of the significance of the system & its impact on the growth & objectives of the Company, the Board & the Management of the Company are striving continuously for ensuring more stringent and effective internal financial control system for the Company.

During the year, such controls were tested and no reportable material weakness in the design or operation was noticed.

24. RISK MANAGEMENT

Risk is an integral part of any business and almost every decision requires the management to balance risk and reward. The Company is exposed to a variety of risks, including liquidity risk, interest rate risk, market risk, credit risk, operational risk, technology risk, operational risk, regulatory and compliance risk, reputational risk, business continuity risk, legal risk and competition risk. Risk Management is continuous process and Company is constantly monitoring its applicable risk and seek modern and scientific methods to mitigate the same.

25. ANNUAL RETURN

In accordance with the provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return for the financial year ended 31st March 2024 is available on the website of the Company at www.vrdakshin.com.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Conservation of Energy

The Company's operations are not energy-intensive and as such involve low energy consumption. However, adequate measures have been taken to conserve the consumption of energy.

b. Technology Absorption

Operations of the Company do not involve any kind of special technology and there was no expenditure on research & development during this financial year. However, the Company continues to upgrade its technology (computer te chnology and telecom infrastructure) in ensuring it is connected with its clients across the globe.

c. Foreign Exchange Earnings and outgo

The Foreign Exchange earnings and outgo for the FY 2023-24 are as follows.:

(INR in Millions)

Particulars	FY 2023-24	FY 2022-23
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

27. DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the financial year under review, the Company has the policy in lines with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Company has complied with the provisions relating to the constitution of Internal Complaints Committees to redress complaints, if any, received regarding sexual harassment.

During the financial year 2023-24, no complaints were received from any of the employees.

28. PARTICULARS OF LOANS, GUARANTEES, SECURITIES OR INVESTMENTS

The Company has issued two Inter-Corporate Deposits (ICDs) of ₹50 crore each to North Delhi Metro Mall Private Limited (NDMMPL). These ICDs were approved by the Members in their Extra-Ordinary General Meetings (EGM) held on September 30, 2023, and March 1, 2024, respectively. Of these ICDs total amount of Rs. 69.15 Crores has been disbursed to NDMMPL in various tranches.

Details of the loans, guarantees, and investments as on the financial year ending March 31, 2024, are provided in the financial statements annexed to this Annual Report.

29. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2023-24, all related party transactions entered into by the Company, were at arm's length and in the ordinary course of business. The Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable to the Company for FY2023-24 and hence does not form part of this report. Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the financial statements forming part of the Annual Report of the Company for FY 2023-24.

30. VIGIL MECHANISM

The Company has established a vigil mechanism and overseas the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns.

31. PARTICULARS OF EMPLOYEES

No employee, Directors and Key Managerial Personnel of the Company was in receipt of remuneration in excess of the amount specified in Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the year under review.

As the Company is not considered as a listed company (as only NCDs are listed and not the equity shares), the provisions of Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to disclosure of remuneration related details of the employees are not applicable to the Company and hence details thereof are not furnished in this report.

32. SECRETARIAL STANDARDS

The Company has complied with all the applicable secretarial standards issued by Institute of Company Secretaries of India (ICSI) on Meeting of the Board as well as General Meeting.

33. PROCEEDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, there were no proceedings initiated/pending by or against the Company under the Insolvency and Bankruptcy Code, 2016 which has materially impact the business of the Company.

34. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The provision related to the difference between the amounts of the valuation done at the time of one-time settlement and valuation done while taking loan from Bank(s) or Financial Institution(s) does not apply to the Company.

35. SIGNIFICANT AND MATERIAL ORDERS

During the FY 2023-24, the company applied under Section 441 of the Companies Act, 2013 to the Registrar of Companies, Karnataka for the compounding of an offence committed under Section 96 of the Companies Act, 2013.

The Regional Director, South East Region, ordered the compounding of the offence and disposed of the application by the order dated April 15, 2024.

Additionally, apart from the above, there were no significant and material orders passed by the regulators, courts, or tribunals that have an impact on the going concern status and the Company's operations in the future.

36. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. The Directors had prepared the annual accounts on a going concern basis; and

v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

37. <u>ACKNOWLEDGEMENTS</u>

The Directors of the Company would like to acknowledge and place on record their sincere appreciation to all Stakeholders, Clients, Business associates, Financial Institutions, Banks, Central and State Governments, the Company’s valued Investors and all other Business Partners, for their continued co-operation and support extended during the year.

The Directors of the Company recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to promote its development.

For and on behalf of the Board
VR Dakshin Private Limited

Sd/-	**Sd/-**
Rohan Anand	**Jay Dayani**
Director	**Director**
(DIN: 09539295)	**(DIN: 09663289)**
Date: September 27, 2024	**Date: September 27, 2024**
Place: Gurugram	**Place: Gurugram**

FORM MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
VR DAKSHIN PRIVATE LIMITED
Formerly known as Sugam Vanijya Holdings Private Limited
CIN: U74899KA1987PTC070519
VR Bengaluru, No. 11B, SY No. 40/9,
Devasandra Industrial Area, 2nd Stage,
Kr. Puram, Hobli, Bangalore -560048

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VR Dakshin Private Limited** (hereinafter called the 'Company') for the financial year ended 31st March, 2024. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the **audit period** covering the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. [Not Applicable to the Company during the Audit period under review except provisions related to annual return of Foreign Liabilities & Assets];

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations [Not Applicable to the Company during the Audit period under review];

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [Not Applicable to the Company during the Audit period under review];

d. The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021;

e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [Not Applicable to the Company during the Audit period under review];

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with clients to the extent of the securities issued [Not Applicable to the Company during the Audit period under review];

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 [Not Applicable to the Company during the Audit period under review]; and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [Not Applicable to the Company during the Audit period under review];

vi. Other laws applicable specifically to the Company namely: Not Applicable

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India on Meetings of the Board and General Meetings.

(ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have not examined Compliance with respect to applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except following:-

- *The Company being a debt listed entity shall make necessary disclosures under the SEBI (LODR) Regulations, 2015 and other applicable circulars issued by the SEBI, however, the Company made delayed filing of disclosures under regulations 50(1), 51, 52, 52(7), 60(2), 61(4) and half yearly disclosures of SEBI No. CIR/IMD/DF-1/67/2017 dated August 10, 2021. In this regard, BSE Limited imposed fines under regulations 52 and 60(2), which has been paid by the company in prescribed manner and within the provided timelines.*

We further report that:

Adequate notices were given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in accordance with the provisions of the Companies Act, 2013, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings were carried by the requisite majority and recorded in the minutes of the meetings of the Board of Directors.

As per the records, the Company has generally filed all the returns, documents and resolutions, forms, as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is generally in compliance with the Act.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: New Delhi
Date: 05-08-2024

for **M/s Sourav & Associates**
Company Secretaries

SOURAV Digitally signed by SOURAV Date: 2024.08.05 20:16:29 +05'30'

CS Sourav
(Proprietor)
Practicing Company Secretary
M. No. F12999; CP No. 21259
UDIN: F012999F000903691

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part if this report.

Annexure A

To
The Members
VR DAKSHIN PRIVATE LIMITED
Formerly known as Sugam Vanijya Holdings Private Limited
CIN: U74899KA1987PTC070519
VR Bengaluru, No. 11B, SY No. 40/9,
Devasandra Industrial Area, 2 Stage,
Kr. Puram Hobli Bangalore -560048

Our report of even date is to be read along with this letter.

(1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

(2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for my opinion.

(3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

(4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

(5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

(6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

(7) The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

Place: New Delhi
Date: 05-08-2024

for **Sourav & Associates**
Company Secretaries

SOURAV
Digitally signed by SOURAV
Date: 2024.08.05 20:17:15 +05'30'

CS Sourav
(Proprietor)
Practicing Company Secretary
M. No. F12999; CP No. 21259
UDIN: F012999F000903691

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor
"UB City" Canberra Block
No. 24, Vittal Mallya Road
Bengaluru - 560 001, India
Tel : +91 80 6648 9000

INDEPENDENT AUDITOR'S REPORT

To the Members of VR Dakshin Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of VR Dakshin Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material 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, as amended ("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, 2024, its loss including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 31(c)(i) to the financial statements which states that the Company is in legal dispute in relation to a portion of its land, alleged to be encroached land reserved for public purposes. Our opinion is not modified in respect of this matter.

We draw attention to Note 32(B) to the financial statements which states that the Company is carrying a recoverable amount of Rs.152.09 million from Ozone Projects Private Limited, classified under capital advance, against whom National Company Law Tribunal ('NCLT'), Chennai has ordered corporate insolvency resolution process. Pending resolution process, these advances are classified as good and recoverable by the Company. Our opinion is not modified in respect of this matter.

We draw attention to Note 31(c)(iv) to the financial statements in connection with the Company being subject to ongoing litigation. Pending resolution of the litigation and based on management assessment, no provision has been made towards the resulting impact of litigation on the Company in the financial statements. Our opinion is not modified in respect of this matter.

S.R. Batliboi & Associates LLP
Bengaluru

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 for the financial year ended March 31, 2024. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
<u>Accounting for lease rental income</u> *(as described in note 2.2(a)(i) of the financial statements)*	
Lease rental income amounted to Rs.1,322.54 million for the year ended March 31, 2024. Generally, lease revenue is recognized in accordance with the terms of lease contracts over the lease term on a straight line basis. Also, there are lease arrangements involving revenue share, where revenue recognition is not subject to straight line basis. However, revenue in these cases are based on management's estimate, depending on the nature of the lease arrangements and performance of the lease. There is an inherent risk around the accuracy of the revenue recorded given the volumes and impact of the terms of lease agreements to the revenue recognition.	Our audit procedures included, among others, the following: • We considered the appropriateness of the Company's revenue recognition accounting policies and assessed compliance with the policies in terms of the applicable accounting standards. • We identified and tested controls relating to revenue recognition with specific focus on whether lease income is recorded over the lease term on a straight-line basis or other applicable basis as per the terms of the lease contract. • We tested, on a sample basis, the contracts entered into with the customers to assess whether lease income recorded is as per the contract terms and also to identify any non-standard lease clauses and to assess the appropriateness of rental income accounting. • We assessed the completeness of lease rental income recorded during the year through matching the data used in the revenue recognition to the approved lease agreements with the customers on a sample basis. We also on a sample basis, tested the basis of management estimates i.e., tenants sales report obtained by management in relation to the revenue share arrangements. • We also performed analytical procedures of lease rental income and the timing of its recognition.

S.R. Batliboi & Associates LLP Bengaluru

Key audit matters	**How our audit addressed the key audit matter**
Assessing the recoverability of carrying value of Investment property and Property, plant and equipment (PPE) and capital work-in-progress (CWIP) *(as described in note 2.2(b), note 2.2(c), note 2.2(e) and note 3(b)(iii) of the financial statements)*	
As at March 31, 2024, the carrying value of the Investment property, PPE and CWIP is Rs. 11,333.37 million, Rs. 575.34 million and Rs.55.13 million respectively. The carrying value of the investment property, PPE and CWIP (collectively referred to as 'Assets') is calculated using land costs, construction costs, interest costs and other related costs. Management reviews on a periodical basis whether there are any indicators of impairment of such Assets i.e. ensuring that its Assets are carried at no more than their recoverable amount. We considered the valuation of Investment property, PPE and CWIP as a key audit matter given the value of the underlying Assets and the significant estimates and judgment involved in its impairment assessment.	Our audit procedures included, among others, the following: • We assessed the Company's valuation methodology and assumptions based on current economic and market conditions applied in determining the recoverable amount. • We obtained and read the management internal valuation or valuation report used by the management for determining the fair value ('recoverable amount') of the Investment property, PPE and CWIP. • We assessed the key assumptions used in the valuation including but not limited to discount rates, cash flows, etc. • We considered the independence, competence and objectivity of the management specialist involved in determination of valuation. • We assessed the Company's valuation methodology applied and compared key property related data used as input with historical actual data. • We compared the recoverable amount of the Investment property, PPE and CWIP to the carrying value in books. • We also assessed the adequacy of the disclosures made in 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 the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether 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.

S.R. Batliboi & Associates LLP Bengaluru

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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 the 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 charged with governance 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 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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

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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 for the financial year ended March 31, 2024 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 Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 except i) that the Company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode as described in note 42 to the financial statements, ii) for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g).

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

S. R. Batliboi & Associates LLP Bengaluru

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph i(vi) below on reporting under Rule 11(g).

(g) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;

(i) 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 – Refer Note 31(c) to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

S.R. Batliboi & Associates LLP
Bengaluru

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights, as described in note 42 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of other accounting software where audit trail has been enabled.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Adarsh Ranka
Partner
Membership Number: 209567
UDIN: 24209567BKCZRD1781

S. R. Batliboi & Associates LLP Bengaluru

Place of Signature: Bengaluru, India
Date: June 24, 2024

Annexure 1 Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: VR Dakshin Private Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of investment property and property, plant and equipment.

(a)(B) The Company has not capitalized any Intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) All property, plant and equipment and investment property have not been physically verified by the management during the year but there is a regular programme 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 on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in property, plant and equipment and investment property are held in the name of the Company and mortgaged with the lenders of the Company. There is a dispute on certain portion of immovable property at the Company's Bengaluru location. Also refer Note 31(c)(i).

(d) The Company has not revalued its property, plant and equipment (including Right of use assets) during the year ended March 31, 2024.

(e) As disclosed in Note 44(i) to financial statements, there are no proceedings initiated or are 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 management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification. There was no inventory lying with third parties.

(b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks/financial institutions during any point of time of the year on the basis of security of current assets of the Company. Based on representation given by the management, there were no requirements of filing quarterly returns or statements with such banks/financial institutions during the year. Hence, we are unable to comment on the agreement with the books of account of the Company.

S.R. Batliboi & Associates LLP
Bengaluru

(iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

	Investment (Non-convertible debentures)	Loans (Inter-corporate Deposits)
Aggregate amount granted/ provided during the year - Fellow subsidiaries	Rs. 493 million	Rs. 650 million
Balance outstanding as at balance sheet date in respect of above cases - Fellow subsidiaries	Rs. 493 million	Rs. 650 million

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to Limited Liability Partnerships or any other parties.

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies are not prejudicial to the Company's interest.

(c) The Company has granted loans or advance in the nature of loans during the year to companies, firms, limited liability partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans or advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

S.R. Batliboi & Associates LLP Bengaluru *

(vii) (a) Undisputed statutory dues including goods and services tax, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in remittance of tax deducted at source, provident fund, and employees' state insurance. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statue	Nature of dues	Amount # (Rs. In millions)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax credit including penalty	82.80	April 2011 to September 2015	Customs, Central Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income tax liability	16.20	FY 2014-15	CIT (Appeals)
Income Tax Act, 1961	Income tax liability	-	FY 2015-16	Income Tax Appellate Tribunal
Central Goods and services tax, 2017	Transitional credit	0.18	Transitional credit till July 2017	Commissioner (Appeals)
Central Goods and services tax, 2017	Goods and services tax	3.54	FY 2017-18	Commissioner (Appeals)
Central Goods and services tax, 2017	Goods and services tax	73.22	FY 2018-19 FY 2019-20 FY 2020-21 FY 2021-22	Commissioner (Appeals)

Net of Rs. 81.43 million paid/ adjusted under protest.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) In our opinion and according to the information and explanations given by the management and based on confirmations given by bank/ financial institutions, the Company has not defaulted in repayment of loans and borrowing to bank/ financial institutions, except the Company has defaulted in case of repayment of interest dues to the holders of Fully Compulsorily Convertible Debenture amounting to Rs. 1,426.70 million. The details are tabulated as under:

S. R. Batliboi & Associates LLP Bengaluru

Nature of borrowing including debt securities	Name of lender	Amount not paid on due date (Rs. In millions)	Whether principal or interest	No. of days delay	Remarks, if any
Fully Compulsorily Convertible Debentures	Moribus Holdings Pte Ltd	285.34	Interest	1,461 – 1,736 days	In relation to FY 2019-20
Fully Compulsorily Convertible Debentures	Moribus Holdings Pte Ltd	285.34	Interest	1,096 – 1,371 days	In relation to FY 2020-21
Fully Compulsorily Convertible Debentures	Moribus Holdings Pte Ltd	285.34	Interest	731 – 1,006 days	In relation to FY 2021-22
Fully Compulsorily Convertible Debentures	Moribus Holdings Pte Ltd	285.34	Interest	366 - 640 days	In relation to FY 2022-23
Fully Compulsorily Convertible Debentures	Moribus Holdings Pte Ltd	285.34	Interest	1 - 275 days	In relation to FY 2023-24

Also refer note 14 as regards interest on RNCD's and unlisted RNCD's.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short-term basis aggregating to Rs. 912.01 million for long-term purposes.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on 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 /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

S.R. Batliboi & Associates LLP Bengaluru

(xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) (a), (b) & (c) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has incurred cash losses in the current year amounting to Rs. 512.17 million. In the immediately preceding financial year, the Company had incurred cash losses amounting to Rs. 499.71 million.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

S. R. Batliboi & Associates LLP
Bengaluru

(xix) On the basis of the financial ratios disclosed in Note 43 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by Rs. 1,163.83 million, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date.

We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) & (b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Adarsh Ranka
Partner
Membership Number: 209567
UDIN: 24209567BKCZRD1781

S.R. Batliboi & Associates LLP
Bengaluru

Place of Signature: Bengaluru, India
Date: June 24, 2024

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of VR Dakshin Private Limited

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 with reference to financial statements of VR Dakshin Private Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance

S. R. Batliboi & Associates LLP
Bengaluru

with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S. R. Batliboi & Associates LLP
Bengaluru

per Adarsh Ranka
Partner
Membership Number: 209567
UDIN: 24209567BKCZRD1781

Place of Signature: Bengaluru, India
Date: June 24, 2024

VR Dakshin Private Limited
CIN - U74899KA1987PTC070519
Balance sheet as at March 31, 2024

(Rs. in millions)

	Notes	As at 31-Mar-24	As at 31-Mar-23
Assets			
Non-current assets			
Property, plant and equipment	4.1	575.34	596.00
Capital work-in-progress	4.3	55.13	8.38
Investment property	4.2	11,333.37	11,665.82
Financial assets			
Investments	6	493.01	0.01
Loans	5	650.00	-
Other financial assets	7	153.74	68.11
Assets for Income tax (net)		297.38	288.66
Other non-current assets	8	206.77	187.35
		13,764.74	**12,814.33**
Current assets			
Inventories	9	20.11	18.13
Financial assets			
Trade receivables	10	144.53	178.43
Cash and cash equivalents	11	140.75	77.18
Bank balance other than cash and cash equivalents	11	825.74	331.68
Other financial assets	7	121.09	127.99
Other current assets	8	45.87	43.55
		1,298.09	**776.96**
Total assets		**15,062.82**	**13,591.28**
Equity and liabilities			
Equity			
Equity share capital	12	0.20	0.20
Other equity	13	(5,250.72)	(4,432.78)
Total equity		**(5,250.52)**	**(4,432.58)**
Non-current liabilities			
Financial liabilities			
Borrowings	14	14,450.47	12,147.52
Lease Liabilities	31	41.73	41.91
Other financial liabilities	15	2,893.28	2,303.50
Deferred revenue	16	8.52	11.22
Provisions	18	2.44	1.72
Deferred tax liabilities (net)	19	454.96	413.04
		17,851.40	**14,918.90**

S.R. Batliboi & Associates LLP ★ Bengaluru

VR Dakshin Private Limited ★

VR Dakshin Private Limited
CIN - U74899KA1987PTC070519
Balance sheet as at March 31, 2024

	Notes	As at 31-Mar-24	As at 31-Mar-23
			(Rs. in millions)
Current liabilities			
Financial liabilities			
Borrowings	14	324.34	1,049.19
Lease Liabilities	31	3.85	4.12
Trade payables	20		
i) total outstanding dues of micro enterprises and small enterprises		13.76	14.41
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		419.38	424.20
Other financial liabilities	15	1,627.42	1,540.24
Other current liabilities	17	52.13	58.91
Deferred revenue	16	18.68	12.48
Provisions	18	2.35	1.41
		2,461.91	**3,104.96**
Total liabilities		**20,313.31**	**18,023.87**
Total equity and liabilities		**15,062.82**	**13,591.28**

Summary of material accounting policies 2.2

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

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bengaluru, India
Date: June 24, 2024

S.R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
VR Dakshin Private Limited

Rohan Anand
Director
DIN: 09539295

Place: Gurgaon, India
Date: June 24, 2024

Jay Viresh Dayani
Director
DIN: 09663289

Place: Mumbai, India
Date: June 24, 2024

VR Dakshin Private Limited

Rashmi Sharma
Company Secretary

Place: Gurgaon, India
Date: June 24, 2024

VR Dakshin Private Limited Company Secretary

VR Dakshin Private Limited
CIN - U74899KA1987PTC070519
Statement of profit and loss for the year ended March 31, 2024

(Rs. in millions)

	Notes	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Income			
Revenue from Operations	21	2,210.52	1,982.06
Other income	22	201.61	57.89
Total income		**2,412.13**	**2,039.95**
Expenses			
Employee benefits expense	23	78.92	56.96
Finance costs	26	1,796.71	1,594.04
Depreciation and Amortization expense	24	390.56	396.78
Other expenses	25	922.00	918.22
Total expenses		**3,188.18**	**2,966.01**
Loss before tax		**(776.05)**	**(926.06)**
Tax expenses			
Current tax	19	-	-
Deferred tax charge/ (credit)	19	41.91	9.06
Income tax expense		**41.91**	**9.06**
Loss for the year		**(817.96)**	**(935.11)**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plan		0.02	1.31
Income tax effect		(0.01)	(0.34)
Other comprehensive income for the year, net of tax		**0.02**	**0.97**
Total comprehensive income for the year, net of tax		**(817.94)**	**(934.14)**
Earnings per equity share (in Rs.) [nominal value of Rs. 10 (Previous year - Rs. 10)]	30		
Basic and Diluted		(37,363)	(42,714)
Summary of material accounting policies	2.2		

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

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bengaluru, India
Date: June 24, 2024

S.R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
VR Dakshin Private Limited

Rohan Anand
Director
DIN: 09539295

Place: Gurgaon, India
Date: June 24, 2024

Jay Viresh Dayani
Director
DIN: 09663289

Place: Mumbai, India
Date: June 24, 2024

VR Dakshin Private Limited

Rashmi Sharma
Company Secretary

Place: Gurgaon, India
Date: June 24, 2024

VR Dakshin Private Limited Company Secretary

VR Dakshin Private Limited
CIN - U74899KA1987PTC070519
Statement of Cash Flows for the year ended March 31, 2024

(Rs. in millions)

	31-Mar-24	31-Mar-23
Operating activities		
Loss before tax	**(776.05)**	**(926.06)**
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation on property, plant and equipment & investment property	390.56	396.78
Finance income (including fair value change in financial instruments)	(172.15)	(29.74)
Finance costs (including fair value change in financial instruments)	1,787.42	1,589.74
Impairment of trade receivables and contract asset	(126.68)	29.57
Re-measurement gains/ (losses) on defined benefit plan	0.02	0.97
Share of (profit)/ loss from investment in partnership firm	0.00	0.00
Working capital adjustments:		
(Increase)/ decrease in trade receivables	160.58	31.61
(Increase)/ decrease in inventories	(1.98)	0.23
(Increase)/ decrease in other financial assets	10.81	75.61
(Increase)/ decrease in other assets and loans	0.60	3.31
Increase/ (decrease) in trade payables and other financial liabilities	(18.34)	177.74
Increase/ (decrease) in provisions	5.16	(2.01)
Increase/ (decrease) in other liabilities	(6.77)	(5.83)
	1,253.17	1,341.93
Income tax paid (net of refund)	(8.72)	8.32
Net cash flows from/ (used in) operating activities (A)	**1,244.45**	**1,350.25**
Investing activities		
Purchase of property, plant and equipment & Investment Property (including capital work-in-progress and capital advances)	(89.53)	(114.52)
Investments in Non Convertible debentures	(493.00)	-
Inter Corporate Deposits granted	(650.00)	-
Investments in fixed deposits	(2,063.16)	(73.89)
Redemption of fixed deposits	1,579.23	67.36
Interest received	72.49	29.40
Net cash flows from/ (used in) investing activities (B)	**(1,643.98)**	**(91.64)**
Financing activities		
Proceeds from short term borrowings	-	94.86
Proceeds from issue of unlisted RNCDs	-	130.00
Proceeds from issue of non-convertible bonds issued to banks	7,500.00	-
Repayment of term loan from banks & financial institutions	(1,751.76)	(217.64)
Repayment of listed RNCDs issued to banks	(3,911.27)	(408.76)
Repayment of short-term borrowings	(258.86)	(59.00)
Interest paid (gross)	(1,115.02)	(812.88)
Net cash flows from/ (used in) financing activities (C)	**463.09**	**(1,273.42)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	63.57	(14.81)
Cash and cash equivalents at the beginning of the year (refer note 11)	77.18	91.99
Cash and cash equivalents at the end of the year (refer note 11)	**140.75**	**77.18**

Summary of material accounting policies 2.2

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

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bengaluru, India
Date: June 24, 2024

For and on behalf of the Board of Directors of
VR Dakshin Private Limited

Rohan Anand
Director
DIN: 09539295

Place: Gurgaon, India
Date: June 24, 2024

Jay Viresh Dayani
Director
DIN: 09663289

Place: Mumbai, India
Date: June 24, 2024

Rashmi Sharma
Company Secretary

Place: Gurgaon, India
Date: June 24, 2024

VR Dakshin Private Limited
CIN - U74899KA1987PTC070519
Statement of changes in equity for the year ended March 31, 2024

a. Equity share capital

	No of Shares in million	Amount in Rs. million
Equity shares of Rs. 10 each issued, subscribed and fully paid		
At April 1, 2022	0.02	0.20
At March 31, 2023	**0.02**	**0.20**
March 31, 2024	**0.02**	**0.20**

b. Other equity*
For the year ended March 31, 2024

(Rs. in millions)

	Attributable to equity holders of the Company			Total
	Reserves and Surplus			
	Equity component of convertible debentures	Securities premium account	Retained earnings	
As at April 1, 2023	**343.10**	**1,599.59**	**(6,375.46)**	**(4,432.78)**
Loss for the year	-	-	(817.96)	(817.96)
Other comprehensive income				
Re-measurement gains/ (losses) on defined benefit plans	-	-	0.02	0.02
At March 31, 2024	**343.10**	**1,599.59**	**(7,193.41)**	**(5,250.72)**

For the year ended March 31, 2023

(Rs. in millions)

	Attributable to equity holders of the Company			Total
	Reserves and Surplus			
	Equity component of convertible debentures	Securities premium account	Retained earnings	
As at April 1, 2022	**343.10**	**1,599.59**	**(5,441.31)**	**(3,498.63)**
Loss for the year	-	-	(935.11)	(935.11)
Other comprehensive income				
Re-measurement gains/ (losses) on defined benefit plans	-	-	0.97	0.97
At March 31, 2023	**343.10**	**1,599.59**	**(6,375.46)**	**(4,432.78)**

*Also refer note 13

Summary of material accounting policies 2.2

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

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bengaluru, India
Date: June 24, 2024

For and on behalf of the Board of Directors of
VR Dakshin Private Limited

Rohan Anand
Director
DIN: 09539295

Place: Gurgaon, India
Date: June 24, 2024

Jay Viresh Dayani
Director
DIN: 09663289

Place: Mumbai, India
Date: June 24, 2024

Rashmi Sharma
Company Secretary

Place: Gurgaon, India
Date: June 24, 2024

1 Corporate Information

VR Dakshin Private Limited ("the Company") was incorporated on September 8, 1987. The Company is engaged in carrying on the business of real estate development, leasing and hospitality and related services.

The Company is a private limited company incorporated and domiciled in India and has its registered office at Bengaluru, Karnataka, India. Its debentures and bonds are listed on BSE Limited (BSE).

The financial statements have been authorised for issuance by the Company's Board of Directors on June 24, 2024.

2 Material accounting policies

2.1 Statement of compliance and basis of preparation

These financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

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

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

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

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.
The financial statements provide comparative information in respect of the previous period.

2.2 Summary of material accounting policies

a) Revenue recognition

i Rental income from operating leases
Rental income receivable under operating leases (excluding variable rental income) is recognized in the statement of profit and loss on a straight-line basis over the term of the lease including lease income on fair value of refundable security deposits. Rental income under operating leases having variable rental income is recognized as per the terms of the contract. Revenue in excess of billings on rental contracts is recorded as unbilled receivables and is included in other current financial assets.

Also refer note 2.2(t) below.

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

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

S.R. Batliboi & Associates LLP Bengaluru

VR Dakshin Private Limited

<u>Recognition of revenue from operational and facility management charges</u>

For investment property held primarily to earn rental income, the Company enters as a lessor into lease agreements that fall within the scope of Ind-AS 116. These agreements include certain services offered to tenants (i.e., customers) including common area maintenance services as well as other support services. The consideration charged to tenants for these services includes fees charged based on the terms of lease agreement and reimbursement of certain expenses incurred. These services are specified in the lease agreements and separately invoiced.

The Company has determined that these services constitute distinct non-lease components (transferred separately from the right to use the underlying asset) and are within the scope of Ind-AS 115. The Company allocates the consideration in the contract to the separate lease and revenue (non-lease) components on a relative stand-alone selling price basis.

In respect of the maintenance and marketing services, these services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Company. The Company applies the time elapsed method to measure progress. Operation, maintenance, utilities, parking fees and other fees receivable for services rendered are recognized on a gross basis as and when the services are rendered as per the terms of the contract, except utilities which have been netted off against the expenses.

<u>Recognition of revenue from hotel operations</u>

Revenue from hotel operations comprise of revenue from rooms, restaurants, banquets and other allied services, including telecommunication, laundry, etc. Revenue is recognized as and when the services are rendered and is disclosed net of discounts and rebates.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

iii Share in profit/ (loss) of Limited liability partnership (LLP)

The Company's share in profits/ (loss) from a LLP where the Company is a partner, is recognised on the basis of such LLP's audited accounts, as per terms of the partnership deed.

iv Interest income

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

v. Dividend income

Revenue is recognised when the shareholders' or unit holders' right to receive payment is established, which is generally when shareholders approve the dividend.

b) Property, plant and equipment

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

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

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

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

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

Cost of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

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

c) Investment properties

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

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

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

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

d) Depreciation on Property, plant and equipment and Investment property

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

Particulars	Useful lives estimated by the management (in years)
Buildings	60
Leasehold land	Lease term (99)
Leasehold improvements	Lease term (4)
Plant and machinery	
i. General plant and machinery	15
ii. Plant and Machinery - Electrical installations	10
Furniture and fixtures *	4 to 10
Computers	3 to 6
Office equipment's *	4 to 5

*For these class of assets, based on Management's internal technical assessment, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Act.

Freehold land is not depreciated.

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

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e) Impairment of non financial assets

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

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

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

f) Impairment of financial assets

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

g) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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h) Financial instruments

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Debt instruments at amortised cost

Debt instruments at fair value through other comprehensive income (FVTOCI)

Debt instruments and equity instruments at fair value through profit or loss (FVTPL)

Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instruments' is measured at the amortised cost if both the following conditions are met:

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

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at fair value through OCI (FVTOCI)

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments 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).

Debt instruments at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

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Derecognition

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

► The rights to receive cash flows from the asset have expired, or

► The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Trade and other payables

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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i) Fair value measurement

The Company measures financial instruments, such as investments at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or
► In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

j) Convertible debentures

Convertible debentures are separated into liability and equity components based on the terms of the contract. On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.
The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

k) Borrowing costs

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

l) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less , which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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m) Retirement and other employee benefits

Short term employee benefits :
All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, short term compensated absences, performance incentives, etc. and are recognised as expense in the period in which the employee renders the related service.

Defined-contribution plans :
The Company has defined contribution plans (where Company pays pre-defined amounts and does not have any legal or informal obligation to pay additional sums) for post employment benefits (viz., provident fund), and the Company's contributions thereto are charged to the statement of profit and loss every year.

Defined-benefit plans :
The Company has a defined benefit plan (viz., Gratuity) for employees, the liability for which is determined on the basis of valuation carried out by an independent actuary (under projected unit credit method) at the balance sheet date.

Other long term employee benefits :
Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit or loss in subsequent periods.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Actuarial gains/ losses are immediately taken to statement of profit and loss and are not deferred.

n) Provisions

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

o) Contingent liabilities

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

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p) Earnings per share

Basic earnings / (loss) per share is computed by dividing the net profit / (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings / (loss) per share comprises the weighted average shares considered for deriving basic earning / (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduce earning per share or increase loss per share are included.

q) Inventory

Inventories are valued at cost which is based on weighted average method or net realizable value, whichever is lower. Unserviceable / damaged / discarded stocks and shortages are charged to the Statement of Profit and Loss.

r) Taxes

Tax expense comprises of current and deferred tax.

Current income tax
Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are recognised for all taxable temporary differences, except:

> When the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

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s) Foreign currency translation

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

t) Leases

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

Company as a lessee

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

i) Right-of-use assets

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

ii) Lease liabilities

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

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

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

The Company applies the short-term lease recognition exemption to its short-term leases of certain assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of certain assets 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.

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Company as a lessor

The Company earns revenue from acting as a lessor in operating leases which do not transfer substantially all of the risks and rewards incidental to ownership of an investment property.

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit and loss due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Rental income under operating leases having variable rental income is recognised as per the term of the contract.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Company is reasonably certain that the tenant will exercise that option.

The initial direct costs and tenant lease incentives are presented as other assets in the line item 'Prepaid expenses' in the Balance sheet.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the statement of profit or loss when the right to receive them arises.

u) Cash dividend to equity holders of the Company

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

3 Significant accounting judgements, estimates and assumptions

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

a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

The Company has entered into commercial property leases on its investment properties. The Company has determined, based on an evaluation of the terms and conditions of the arrangements such as the lease term not constituting a substantial portion of the economic life of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

b) Estimates and assumptions

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

i) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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ii) 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 judgement is required in establishing fair values. Judgements 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. See Note 33 for further disclosures.

iii) Valuation of Investment property

Impairment exists when the carrying value of investment property exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value of investment property is determined by an independent valuation specialist using recognised valuation techniques and the principles of Ind AS 113 Fair Value Measurement. The fair value of investment property is based on discounted cash flows. The fair value 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. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The significant methods used by the specialist in estimating the fair value of investment property are set out in Note 4.2.

iv) Lease rental income

Lease revenue is recognized, in accordance with the terms of lease contracts over the lease term on a straight line basis. With regard to lease agreements based on the revenue share which are not subject to straight lining, the Company recognises the rental income based on the estimated sales of the customers based on past trends and expectations. Any changes in the estimated sales of the customers could affect the revenue recognised in profit and loss account.

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Notes to the financial statements for the year ended March 31, 2024

4.1 Property, plant and equipment

(Rs. in millions)

	Office equipment	Freehold land	Buildings	Leasehold Improvement	Computers	Plant and machinery	Electrical Installation	Furniture and fixtures	Total
Cost or valuation									
At 01 April 2022	75.13	86.13	587.12	0.26	24.34	147.10	69.96	115.10	1,105.15
Additions	0.01	-	13.92	-	0.56	17.93	0.72	1.07	34.19
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2023	**75.14**	**86.13**	**601.04**	**0.26**	**24.90**	**165.03**	**70.67**	**116.17**	**1,139.35**
Additions	-	-	8.67	-	1.85	10.20	0.95	0.36	22.03
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2024	**75.14**	**86.13**	**609.71**	**0.26**	**26.75**	**175.23**	**71.62**	**116.53**	**1,161.38**
Depreciation and impairment									
At 01 April 2022	**73.92**	-	**265.72**	**0.26**	**21.94**	**47.02**	**27.51**	**63.11**	**499.48**
Depreciation charge for the year	0.98	-	9.93	-	1.45	10.22	7.04	14.24	43.86
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2023	**74.90**	-	**275.65**	**0.26**	**23.39**	**57.25**	**34.55**	**77.35**	**543.34**
Depreciation charge for the year	0.10	-	9.96	-	0.92	11.13	7.00	13.59	42.70
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2024	**75.00**	-	**285.61**	**0.26**	**24.31**	**68.38**	**41.55**	**90.94**	**586.04**
Net Book value									
At 01 April 2022	**1.21**	**86.13**	**321.40**	**0.00**	**2.41**	**100.08**	**42.45**	**52.00**	**605.69**
At 31 March 2023	**0.24**	**86.13**	**325.39**	**0.00**	**1.51**	**107.78**	**36.12**	**38.82**	**596.00**
At 31 March 2024	**0.14**	**86.13**	**324.10**	**0.00**	**2.44**	**106.85**	**30.07**	**25.59**	**575.34**

Note:

a) Property, plant and equipment with a carrying amount of Rs. 575.34 million (March 31, 2023 - Rs. 596 million) are subject to a first charge to secure the Company's bank loans.

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VR DAKSHIN PRIVATE LIMITED *

VR Dakshin Private Limited
CIN - U74899KA1987PTC070519
Notes to the financial statements for the year ended March 31, 2024

4.2 Investment property

(Rs. in millions)

	Freehold land	Buildings	Leasehold land	Other assets forming part of Building: Computers	Plant and machinery	Electrical Installation	Furniture and fixtures	Right- of- use asset (Leasehold land) (refer note 31(a)(ii))	Total
Cost or valuation									
At 01 April 2022	3,137.29	7,540.74	10.51	36.02	1,688.38	806.22	253.92	46.24	13,519.32
Additions	-	79.17	-	-	-	-	-	-	79.17
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2023	3,137.29	7,619.90	10.51	36.02	1,688.38	806.22	253.92	46.24	13,598.49
Additions	-	15.42	-	-	-	-	-	-	15.42
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2024	3,137.29	7,635.32	10.51	36.02	1,688.38	806.22	253.92	46.24	13,613.91
Depreciation and impairment									
At 01 April 2022	-	558.06	0.65	31.16	499.93	359.62	125.49	4.83	1,579.75
Charge for the year	-	126.67	0.11	2.02	113.56	81.19	26.15	3.22	352.92
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2023	-	684.72	0.76	33.18	613.49	440.81	151.65	8.05	1,932.67
Charge for the year	-	125.27	0.11	1.89	111.69	79.97	25.73	3.22	347.87
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2024	-	809.99	0.87	35.07	725.18	520.77	177.37	11.28	2,280.54
Net Book value									
At 01 April 2022	3,137.29	6,982.68	9.86	4.86	1,188.46	446.60	128.42	41.41	11,939.57
At 31 March 2023	3,137.29	6,935.18	9.75	2.84	1,074.89	365.41	102.27	38.19	11,665.82
At 31 March 2024	3,137.29	6,825.33	9.64	0.96	963.21	285.44	76.54	34.96	11,333.37

Note:

a) Investment property with a carrying amount of Rs.11,333.37 million (March 31, 2023 - Rs. 11,665.82 million) are subject to a first charge to secure the Company's bank
b) No revaluation of PPE & Intangible assets has been performed during the year.

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Information regarding income and expenditure of investment property

(Rs. in millions)

	31-Mar-24	31-Mar-23
Income derived from investment properties	1,995.58	1,857.84
Direct operating expenses (including repairs and maintenance) generating rental income	(626.93)	(515.14)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(164.57)	(164.96)
Profit arising from investment properties before depreciation and indirect expenses	**1,204.09**	**1,177.74**
Less:- Depreciation	(347.87)	(352.92)
Profit arising from investment properties before indirect expenses	**856.22**	**824.82**

The management has determined that the investment properties consist of two classes of assets – office and retail- based on the nature, characteristics and risks of each property.

As at June 30, 2023 and December 31, 2022, the fair values of the properties are Rs. 24,033 million and Rs. 23,648 million respectively. These valuations are based on valuations performed by Cushman & Wakefield (India) Pvt Ltd, an accredited independent valuer. As at March 31, 2024 the management doesn't foresee any material change in the fair values which was determined as at June 30, 2023.

The fair value of investment property is based on discounted cash flows and classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs. Fair value hierarchy for investment property has been provided in Note 33.

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4.3 Capital work in progress (including investment property under construction) (Rs. in millions)

	Total
As at 01 April 2022	**1.82**
- Additions (subsequent expenditure)	6.62
- Capitalised during the year	(0.06)
As at 31 March 2023	**8.38**
- Additions (subsequent expenditure)	53.25
- Capitalised during the year	(6.50)
As at 31 March 2024	**55.13**

As at 31 March 2024

Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1- 2 years	2 - 3 years	More than 3 years	
Projects in progress	53.24	0.12	0.19	1.58	55.13
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023

Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1- 2 years	2 - 3 years	More than 3 years	
Projects in progress	6.56	0.24	-	1.58	8.38
Projects temporarily suspended	-	-	-	-	-

Note:

a) Capital work-in progress represents property, plant and equipment and investment properties under construction amounting to Rs. 55.13 million as at March 31, 2024 (March 31, 2023 - Rs. 8.38 million)

b) Capital work-in progress with carrying amount of Rs. 55.13 million (March 31, 2023 - Rs. 8.38 million) are subject to a first charge to secure the Company's bank loans.

c) There is no Capital work in progress whose completion is overdue or has exceeded its cost compare to its original plan.

5 Loans

(Rs. in millions)

	Non-current	
	31-Mar-24	**31-Mar-23**
Inter Corporate Deposits (ICD)		
Unsecured, considered good (refer note 27)	650.00	-
	650.00	-

(Rs. in millions)

	Non-current	
	31-Mar-24	**31-Mar-23**
Dues from North Delhi Metro Mall Private Limited in which Company's director is a director	650.00	-

Disclosure required under Section 186(4) of The Companies Act, 2013

Included in loans are certain intercorporate deposits the particulars of which are disclosed below as required by Section 186(4) of The Companies Act, 2013

Name of the loanee	Rate of Interest	Due date	Secured/ Unsecured	31-Mar-24	31-Mar-23
North Delhi Metro Mall Private Limited (NDMMPL)	15%	October 6, 2029	Unsecured	500.00	-
North Delhi Metro Mall Private Limited (NDMMPL)	15%	March 1, 2030	Unsecured	150.00	-

The above ICD's carry a coupon rate of 15% p.a. and receivable on yearly basis or on a pay-as-able basis based on sufficiency of funds available with the Company. Due to insufficiency of funds in NDMMPL for the year ended March 31, 2024, the Company has classified the interest receivable for the year under non-current financial assets.

The management is of the view that the investments made and the terms and conditions of the grant of loans and advances in the nature of loans are not prejudicial to the Company's interest considering the economic interest and/or furtherance of the business objectives of the Company.

6 Investments

(Rs. in millions)

	31-Mar-24	31-Mar-23
Non-current investments:		
Investment in Debentures carried at amortised cost		
Non Convertible Debentures invested in NDMMPL (refer note 27)	493.00	-
Total investments carried at fair value through profit and loss		
Investment in the capital of partnership firm		
0.01% (March 31, 2023 - 0.01%) share in the profits of partnership firm:		
Virtuous Retail Property Services LLP - Capital account	0.00	0.00
Virtuous Retail Property Services LLP - Current account	0.01	0.01
Unquoted equity shares		
1 (March 31, 2023- 1) equity share of VR Vidarbha Limited	0.00	0.00
1 (March 31, 2023- 1) equity share of VR Majha Limited	0.00	0.00
	493.01	**0.01**
Aggregate amount of unquoted investments	493.01	0.01
Aggregate amount of impairment in value of investments	-	-

Details of investments in NDMMPL

(Rs. in millions)

	Non-current	
	31-Mar-24	31-Mar-23
Investment in debentures of NDMMPL in which Company's director is a director	493.00	-

Disclosure required under Section 186(4) of The Companies Act, 2013

Included in investments are certain debenture the particulars of which are disclosed below as required by Section 186(4) of The Companies Act, 2013

Particulars	Rate of Interest	Due date	Secured/ Unsecured	31-Mar-24	31-Mar-23
North Delhi Metro Mall Private Limited (NDMMPL) *	15%	June 01, 2033	Unsecured	493.00	-

* These debentures's carry a coupon rate of 15% p.a. and receivable on yearly basis or on a pay-as-able basis based on sufficiency of funds available with the Company. Due to insufficiency of funds in NDMMPL for the year ended March 31, 2024, the Company has classified the interest receivable for the year under non-current financial assets.

The management is of the view that the investments made and the terms and conditions of the grant of loans and advances in the nature of loans are not prejudicial to the Company's interest considering the economic interest and/or furtherance of the business objectives of the Company.

Details of investments in partnership firms

Investment in Virtuous Retail Property Services LLP

Name of Partner	Share of partner in profits (%)	
	31-Mar-24	31-Mar-23
VR Dakshin Private Limited	0.01	0.01
Moribus Holdings Pte.Ltd	99.99	99.99
Total capital of the firm (Rs. in million)	**0.20**	**0.20**

7 Other financial assets

(Rs. in millions)

	Current		Non-current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Others				
Security deposits	1.45	1.90	55.55	45.81
Unbilled revenue	98.38	118.48	-	-
Non-current bank balances (refer note 11)	-	-	12.17	22.29
Interest accrued -				
on fixed deposit	21.26	7.61	-	-
on Inter Corporate Deposits- NDMMPL (refer note 27)	-	-	31.04	-
on Non Convertible Debentures- NDMMPL(refer note 27)	-	-	54.98	-
	121.09	**127.99**	**153.74**	**68.11**

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VR DAKSHIN PRIVATE LIMITED

8 Other assets

(Rs. in millions)

	Current		Non-current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Capital advances				
Unsecured, considered good (refer note 32(B))	-	-	160.87	158.42
Advances receivable in cash or				
Unsecured, considered good	15.91	19.32	-	-
Others				
Prepaid expenses	29.96	24.23	42.67	25.71
Balances with statutory/ government authorities	-	-	3.23	3.23
	45.87	**43.55**	**206.77**	**187.35**

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

(Rs. in millions)

	31-Mar-24	31-Mar-23
Food and beverages	4.48	3.83
Hotel consumables	15.63	14.30
	20.11	**18.13**

10 Trade receivables

(Rs. in millions)

	Current	
	31-Mar-24	31-Mar-23
Trade receivables	144.46	178.35
Receivables from related parties (refer note 27)	0.07	0.08
Total Trade receivables	**144.53**	**178.43**
Trade receivables		
Secured, considered good	97.29	122.76
Unsecured, considered good	47.25	55.67
Trade Receivables - credit impaired	360.87	495.76
	505.40	674.20
Impairment Allowance (allowance for bad and doubtful debts)		
Trade Receivables - credit impaired	(360.87)	(495.76)
	144.53	**178.43**
Total Trade receivables	**144.53**	**178.43**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.
Trade receivables are interest bearing and are generally on terms of 7 to 30 days.

Trade Receivables Aging Schedule
As at 31 March 2024

(Rs. in millions)

Particulars	Outstanding for following periods from due date of payments*						Total
	Current but not due	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
Undisputed trade-receivables - considered good	-	33.11	11.83	16.04	17.03	18.39	96.40
Undisputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade-receivables - credit impaired	4.34	5.59	30.49	40.27	36.48	107.67	224.84
Disputed trade-receivables - considered good	-	14.35	1.12	6.79	17.31	8.57	48.13
Disputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-	
Disputed trade-receivables - credit impaired	5.00	8.22	14.11	10.24	36.18	62.28	136.03
Total	**9.34**	**61.27**	**57.55**	**73.34**	**107.00**	**196.91**	**505.40**

* Similar information where no due date of payment is specified in that case disclosure is made from the date of the transaction.

As at 31 March 2023

(Rs. in millions)

Particulars	Outstanding for following periods from due date of payments*						Total
	Current but not due	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
Undisputed trade-receivables - considered good	-	81.46	11.77	23.81	(3.97)	0.54	113.61
Undisputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade-receivables - credit impaired	1.97	35.85	72.73	67.74	51.65	103.80	333.74
Disputed trade-receivables - considered good	-	2.76	5.88	27.29	18.78	10.11	64.82
Disputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade-receivables - credit impaired	-	5.34	21.76	52.60	36.40	45.93	162.03
Total	**1.97**	**125.41**	**112.14**	**171.44**	**102.86**	**160.38**	**674.20**

* similar information where no due date of payment is specified in that case disclosure is made from the date of the transaction.

11 Cash and bank balances

(Rs. in millions)

	Current		Non-current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Cash and cash equivalents				
Balances with banks:				
– On current accounts	137.87	76.10	-	-
Cash on hand	2.88	1.07	-	-
	140.75	**77.18**	-	-
Bank balance other than cash and cash equivalents				
– Deposits with maturity for less than 12 months	157.01	-	-	-
– Margin money deposit	668.73	331.68	12.17	22.29
	825.74	**331.68**	**12.17**	**22.29**
Less: Amount disclosed under non-current financial assets (refer note 7)			(12.17)	(22.29)
	966.48	**408.85**	-	-

Margin money deposits given as security

Margin money deposits with a carrying amount of Rs. 680.90 million (March 31, 2023 - Rs. 353.97 million) are subject to first charge to secure the Company's bank loans and has been pledged against certain bank guarantees.

Short-term deposits are made for varying periods of between seven day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

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

(Rs. in millions)

	31-Mar-24	31-Mar-23
Balances with banks:		
– On current accounts	137.87	76.10
Cash on hand	2.88	1.07
	140.75	**77.18**

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VR DAKSHIN PRIVATE LIMITED

Changes in liabilities arising from financing activities :

(Rs. in millions)

Particulars	Non-current borrowings	Current borrowings (including current maturities)	Total
Balance as at April 1, 2022	**12,731.56**	**925.68**	**13,657.24**
Cash inflows	130.00	94.87	224.87
Cash Outflows	(626.40)	(59.00)	(685.40)
Others*	(87.65)	87.65	-
Net debt as at March 31, 2023	**12,147.52**	**1,049.19**	**13,196.71**
Cash inflows	7,500.00	-	7,500.00
Cash Outflows	(5,663.03)	(258.86)	(5,921.89)
Others*	466.00	(466.00)	-
Net debt as at March 31, 2024	**14,450.47**	**324.34**	**14,774.81**

* Others indicate the effect of movement in reclassification of current portion of long-term borrowings to other financial liabilities basis the balance repayment period.

Break up of financial assets carried at amortised cost

(Rs. in millions)

	31-Mar-24	31-Mar-23
Investments (refer note 6)	493.00	-
Loans (refer note 5)	650.00	-
Trade receivables (refer note 10)	144.53	178.43
Other financial assets (refer note 7)	274.83	196.10
Cash and bank balances (refer note 11)	966.48	408.85
Total financial assets carried at amortised cost	**2,528.84**	**783.38**

Note: Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

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VR Dakshin Private Limited

12 Share Capital

	(Rs. in millions)	
	31-Mar-24	31-Mar-23
Authorised shares		
150,000 (March 31, 2023 - 150,000) equity shares of Rs.10 each	1.50	1.50
Issued, subscribed and fully paid-up shares		
19,990 (March 31, 2023 - 19,990) equity shares of Rs.10 each	0.20	0.20
Total issued, subscribed and fully paid-up share capital	0.20	0.20

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

	31-Mar-24		31-Mar-23	
	No of Shares	Rs. in million	No of Shares	Rs. in million
Equity shares				
At the beginning of the year	19,990	0.20	19,990	0.20
Outstanding at the end of the year	19,990	0.20	19,990	0.20

(b) Terms/ rights attached to equity shares

All equity shares rank equally with regard to share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

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

	31-Mar-24		31-Mar-23	
	No of Shares	Rs. in million	No of Shares	Rs. in million
Equity shares of Rs.10 each fully paid up				
Moribus Holdings Pte Limited, Singapore	19,989	0.20	19,989	0.20

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

	31-Mar-24		31-Mar-23	
	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of Rs.10 each fully paid up				
Moribus Holdings Pte Limited, Singapore	19,989	99.99%	19,989	99.99%

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

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VR Dakshin Private Limited

(e) Details of Shares held by promoters

As at March 31, 2024

Promoter name	No. of Shares at the beginning of the year	Change during the year	No. of shares at the end of year	% of total shares	% Change during the year
Equity shares of Rs.10 each fully paid up					
Moribus Holdings Pte Limited, Singapore	19,989	-	19,989	99.99%	-
Total	**19,989**	**-**	**19,989**	**99.99%**	**-**

As at March 31, 2023

Promoter name	No. of Shares at the beginning of the year	Change during the year	No. of shares at the end of year	% of total shares	% Change during the year
Equity shares of Rs.10 each fully paid up					
Moribus Holdings Pte Limited, Singapore	19,989	-	19,989	99.99%	-
Total	**19,989**	**-**	**19,989**	**99.99%**	**-**

13 Other equity

(Rs. in millions)

	31-Mar-24	31-Mar-23
Equity component of convertible debentures		
Balance at the beginning of the year	343.10	343.10
Closing balance	**343.10**	**343.10**
Securities premium account		
Balance at the beginning of the year	1,599.59	1,599.59
Closing balance	**1,599.59**	**1,599.59**
Deficit in the statement of profit and loss		
Balance at the beginning of the year	(6,375.47)	(5,441.31)
Loss for the year	(817.96)	(935.11)
Other comprehensive income		
Re-measurement gains/ (losses) on defined benefit plans	0.02	0.97
Net deficit in the statement of profit and loss	**(7,193.42)**	**(6,375.47)**
Total other equity	**(5,250.72)**	**(4,432.78)**

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VR DAKSHIN PRIVATE LIMITED

14 Borrowings

(Rs. in millions)

	31-Mar-24	31-Mar-23
Non-current borrowings		
Unsecured debentures		
448 (March 31, 2023 - 448) Listed & tradable redeemable non-convertible debentures [RNCD] of Rs.10 million each *	4,480.00	4,480.00
1,300 (March 31, 2023 -1,300) Unlisted redeemable non-convertible debentures [Unlisted RNCD] of Rs. 0.1 million each #	130.00	130.00
190,227,500 (March 31, 2023 - 190,227,500) Fully compulsorily convertible debentures [FCCD] of Rs.10 each**	638.63	638.63
Secured loans		
Term loans from banks	2,028.65	3,780.41
4,725 Listed & tradable redeemable non- convertible bonds of Rs. 1.00 million each	-	3,836.27
75,000 (March 31, 2023 -Nil) Listed & tradable redeemable non- convertible bonds of Rs. 0.1 million each	7,425.00	-
	9,453.65	7,616.68
Current maturities of long term borrowings	(251.81)	(717.80)
Net amount	9,201.84	6,898.88
Total non-current borrowings	**14,450.47**	**12,147.52**
Current borrowings		
Secured loans		
Cash credit from banks	72.53	331.39
Term loans from banks	251.81	717.80
	324.34	1,049.19
Total current borrowings	**324.34**	**1,049.19**

*448 RNCD's (March 31, 2023: 448) of face value Rs. 10,000,000 issued on February 04, 2015 to Argos Holdings Pte Ltd, Singapore, will be redeemed on February 03, 2035. RNCDs shall carry a coupon rate of 12% p.a. with effect from the date of issuance upto the date of redemption. On November 07, 2016, these 448 RNCDs of Rs. 10,000,000 each aggregating to Rs. 4,480,000,000 were transferred from Argos Holding Pte Ltd, Singapore to Robusta Holdings Pte Ltd, Singapore. These RNCD's carry a coupon rate of 12% p.a. and payable on a quarterly basis or on a pay-as-able basis based on sufficiency of funds available with the Company.

#1,300 Unlisted RNCD's (March 31, 2023: 1,300) of face value Rs. 1,00,000 issued as (i) Tranche I on June 21, 2022 and (ii) Tranche II on July 07, 2022 to Robusta Holding Pte Ltd, having a maturity of 15 years. These unlisted RNCD's carry a coupon rate of 12% p.a. and payable on an annual basis or on a pay-as-able basis based on sufficiency of funds available with the Company.

The Board of the Company, in its board meeting dated June 14, 2024 has evaluated and concluded that the cumulative interest payable on above RNCD's and unlisted RNCD's would not be due as at March 31, 2024 due to absence of sufficiency of funds available with the Company and accordingly classified the interest payable for the year under non-current financial liabilities as interest accrued but not due on borrowings. Also, refer note 15.

**190,227,500 FCCDs (March 31, 2023 : 190,227,500) of face value Rs. 10 each were issued to Vassam Limited during the year ended March 31, 2012 which were subsequently transferred to Virtuous Retail Pte Limited during the year ended March 31, 2014. These debentures will be converted into equity shares in the first board meeting to be held after March 2024. The conversion ratio shall be one equity share against each 100,000 FCCD. The conversion price shall be Rs. 1,000,000 per equity share. These FCCDs carried a coupon rate of 15% p.a. with effect from date of issuance upto March 31, 2012 and 12% p.a. thereafter upto March 31, 2014 and 15% p.a. for rest of the period till the conversion. Interest shall be paid on a quarterly basis and the dates for payment of interest shall be March 31, June 30, September 30, and December 31 of each year. The Board of Directors in their meeting held on November 04, 2016 approved the transfer of 190,227,500 fully compulsorily convertible debentures of Rs. 10 each aggregating to Rs. 1,902,275,000 as at September 30, 2016 from Virtuous Retail Pte Limited, Singapore to Moribus Holdings Pte. Limited, Singapore.

During the year, Board has proposed to convert the unpaid interest in relation to these FCCD's in equity shares of the Company and the same is subject to approval from shareholder.

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The above mentioned FCCDs, RNCDs and unlisted RNCDs and the interest thereon ("subordinated liabilities") have been subordinated to the LRDL facilities provided by the creditors banks. Accordingly, the subordinated liabilities cannot be repaid / settled until after the final settlement of the LRDL outstanding balances provided, however that the Company may undertakes repayment permitted by the creditor banks subject to the terms and conditions of the subordination deed .

VR Dakshin Private Limited ('the Company') had issued 448 redeemable non-convertible debentures ('NCD') of Rs.10,000,000 each on February 04, 2015, which were listed on BSE Limited ('BSE') on February 04, 2015. Further, the Company had issued 4,725 secured redeemable non-convertible bonds of Rs.1,000,000 each on December 20, 2018, which were listed on BSE Limited ('BSE') on January 09, 2019. During the year ended March 31, 2024, the Company has redeemed and delisted 4,725 secured redeemable non-convertible bonds which were issued on December 20, 2018. During the year ended March 31, 2024 , the Company has further issued 75,000 secured redeemable non-convertible bonds of Rs.100,000 each on April 18, 2023 ,which were listed on BSE Limited ('BSE') on April 19, 2023

(A) Non-current borrowings

(i) Unsecured debentures

Particulars	Amount outstanding (Rs. in million)		Effective Interest rate	Security details	Repayment terms
	31-Mar-24	31-Mar-23			
Redeemable Non Convertible Debentures (RNCD)	4,480.00	4,480.00	12%	No securities against the debentures.	Repayable on February 03, 2035.
Redeemable Non Convertible Debentures (Unlisted RNCD)	130.00	130.00	12%	No securities against the debentures.	(i) Tranche I - June 21, 2037 (ii) Tranche II - July 07, 2037
Fully Compulsorily Convertible Debentures (FCCD)	638.63	638.63	14.40%	No securities against the debentures.	Convertible iinto equity shares in the first board meeting to be held after March 2024.

(ii) Secured loans

Particulars	Amount outstanding (Rs. in million)		Effective Interest rate	Security details	Repayment terms
	31-Mar-24	31-Mar-23			
Term loans from banks	1,892.39	2,307.70	9% - 12%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and forty one instalments from the date of first utilisation.
Term loans from banks	66.26	90.21	9% - 12%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and forty four instalments from the date of first utilisation.
Term loans from banks	70.00	92.93	9% - 12%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and forty one instalments from the date of first utilisation.

Particulars	Amount outstanding (Rs. in million) 31-Mar-24	31-Mar-23	Effective Interest rate	Security details	Repayment terms
Term loans from banks	-	1,289.56	7% - 10%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and thirty instalments from the date of first utilisation. However, the same has been prepaid as on March 31, 2024.
Redeemable Non Convertible Bonds	-	3,836.27	7% - 11%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and twenty three instalments from the date of first utilisation.However, the same has been prepaid as on March 31, 2024.
Redeemable Non Convertible Bonds	7,425.00	-	9% - 11%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and forty four instalments from the date of first utilisation.

(B) Current borrowings

(i) Secured loans

Particulars	Amount outstanding (Rs. in million) 31-Mar-24	31-Mar-23	Effective Interest rate	Security details	Repayment terms
Cash credit	72.53	92.33	9% - 12%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	Repayable on demand.
Cash credit	-	239.06	9% - 10%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	Repayable on demand.

The Company has borrowings from banks on the basis of security of current assets during any point of time of the year. There are no requirements of filing Quarterly returns or statements with banks as per the terms of the borrowing in this regard.

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15 Other financial liabilities

(Rs. in millions)

	31-Mar-24	31-Mar-23
Financial liabilities at amortised cost		
Non-current		
Security deposits	160.86	123.07
Interest accrued but not due on borrowings (refer note 27)	2,715.34	2,162.14
Payable to capital creditors	17.08	18.29
Total non-current other financial liabilities	**2,893.28**	**2,303.50**
Current		
Interest accrued and due on borrowings	788.12	649.07
Others		
Security deposit	821.05	871.76
Payable to capital creditors	4.90	6.56
Unearned income	13.35	12.84
Total other current financial liabilities	**1,627.42**	**1,540.24**
Total other financial liabilities	**4,520.70**	**3,843.74**

16 Deferred revenue

(Rs. in millions)

	Current		Non-current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Deferred revenue	18.68	12.48	8.52	11.22
	18.68	**12.48**	**8.52**	**11.22**

17 Other Liabilities

(Rs. in millions)

	Current		Non-current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Payable towards statutory dues	24.53	11.03	-	-
Advance from customers	21.74	43.36	-	-
Payable to employees	5.86	4.51	-	-
	52.13	**58.91**	-	-

18 Provisions

(Rs. in millions)

	Short term		Long term	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Provision for employee benefits				
Provision for gratuity (refer note 29)	0.48	0.27	2.44	1.72
Provision for leave benefits*	1.87	1.15	-	-
	2.35	**1.41**	**2.44**	**1.72**

* Compensated absences is calculated in respect of leave obligation based on number of leave days outstanding at the end of the reporting period. During the year ended March 31, 2023, there are no actuarial assumptions being used in assessing the estimated liability, like, attrition rate, discount rate, salary escalation rate, etc. which otherwise may be required as per Ind AS 19, as applicable. The management has not determined the defined benefit obligation towards Compensated absence actuarially, using Projected Unit Credit Method as required under Ind AS 19 - Employee Benefits for the year ended March 31, 2023. The impact of deviation from the requirement of Accounting Standard 15, if any, is not expected to be material on the financial statements for the year ended March 31, 2023.

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19 Income tax

a) Tax expenses

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:

Statement of profit and loss:
Profit or loss section (Rs. in millions)

	31-Mar-24	31-Mar-23
Current income tax:		
Current income tax charge	-	-
	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Deferred tax impact on accounting for compound financial instruments	37.83	11.85
Deferred tax impact on fair valuation of financial assets and financial liabilities	(0.02)	(0.38)
Deferred tax impact on other adjustments	4.83	(1.41)
Deferred tax impact on Right- of- use asset	(0.72)	(1.00)
	41.91	9.06
Income tax expense reported in the statement of profit or loss	**41.91**	**9.06**

OCI section
Deferred tax related to items recognised in OCI during the year:

	31-Mar-24	31-Mar-23
Net loss/(gain) on remeasurements of defined benefit plans	0.01	0.34
Income tax charge to OCI	0.01	0.34

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023:

(Rs. in millions)

	31-Mar-24	31-Mar-23
Accounting loss before income tax	(776.05)	(926.06)
Tax on accounting loss at statutory income tax rate 26% (March 31, 2023: 26%)	-	-
Deferred tax on other adjustments	41.91	9.06
Relating to origination and reversal of temporary differences	-	-
At the effective income tax rate of Nil (March 31, 2023: Nil)	41.91	9.06
Tax expense reported in the Statement of profit or loss	**41.91**	**9.06**

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b) Deferred tax

(Rs. in millions)

	31-Mar-24	31-Mar-23
Deferred tax liabilities		
Difference between carrying amounts of property, plant and equipment & investment property in financial statement and the income tax return	927.03	858.06
On account of straight lining of rental income	9.95	16.36
On accounting for compound financial instruments	443.03	405.21
On fair valuation of financial assets and financial liabilities	1.28	1.31
On account of remeasurements of defined benefit plans	0.01	0.34
On account of right- of- use asset	9.09	9.93
On account of other adjustments	13.40	8.25
Gross deferred tax liabilities	**1,403.79**	**1,299.46**
Deferred tax assets		
On account of provision for gratuity & leave encashment	1.25	0.81
On account of impairment of financial assets	93.83	128.90
On account of impairment loss on property, plant and equipment	57.25	57.25
On account of carried forward unabsorbed depreciation *	781.19	684.13
On account of lease liabilities	11.85	11.97
On account of other adjustments	3.47	3.36
Gross deferred tax assets	**948.83**	**886.41**
Net deferred tax liabilities	**454.96**	**413.04**

* The Company has carried forward unabsorbed depreciation amounting to Rs. 4,202.04 million. The management has recognised deferred tax asset on the same amounting to Rs. 781.19 million

Reconciliation of deferred tax liabilities (net):

(Rs. in millions)

	31-Mar-24	31-Mar-23
Balance at the beginning of the year	413.04	403.98
Tax expense during the year recognised in profit or loss	41.91	9.06
Tax expense during the year recognised in OCI	0.01	-
Closing balance	**454.96**	**413.04**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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20 Trade payables

(Rs. in millions)

	31-Mar-24	31-Mar-23
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	13.76	14.41
- Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 27)	419.38	424.20
	433.14	**438.61**

Trade Payable Aging Schedule
As at 31 March 2024

Particulars	Outstanding for following periods from due date of payments *				Total
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	12.71	0.33	0.49	0.23	13.76
Total outstanding dues of creditors other than micro enterprises and small enterprises	389.75	8.84	2.49	16.34	417.41
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	0.06	1.91	1.97
Total	**402.45**	**9.17**	**3.03**	**18.49**	**433.14**

* similar information where no due date of payment is specified in that case disclosure is made from the date of the transaction.

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payments *				Total
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	10.23	1.92	2.22	0.04	14.41
Total outstanding dues of creditors other than micro enterprises and small enterprises	284.98	33.63	71.30	34.28	424.20
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**295.21**	**35.55**	**73.52**	**34.33**	**438.61**

* similar information where no due date of payment is specified in that case disclosure is made from the date of the transaction.

Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are normally settled on 30 to 60 day terms.
For explanations on the Company's credit risk management processes, refer to note 34B.

Breakup of financial liabilities carried at amortised cost

(Rs. in millions)

	31-Mar-24	31-Mar-23
Borrowings (refer note 14)	14,774.80	13,196.71
Lease Liabilities	45.58	46.03
Other financial liabilities (refer note 15)	4,520.70	3,843.74
Trade payables (refer note 20)	433.14	438.61
Total financial liabilities carried at amortised cost	**19,774.22**	**17,525.09**

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21 Revenue from operations

(Rs. in millions)

	31-Mar-24	31-Mar-23
Rental income from operating leases	1,332.54	1,267.45
Revenue from contract with customers		
Operational and facility management charges		
Maintenance and marketing income	518.87	449.22
Revenue from car parking	144.17	141.17
Revenue from hotel operations	214.94	124.22
Other operating revenue		
Share in profit/(loss) of Limited liability partnership from investments (post tax)	0.00	0.00
	2,210.52	1,982.06

21.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue (other than rental income) from contracts with customers by timing of transfer of goods or services.

Timing of transfer of goods or services

(Rs. in millions)

	31-Mar-24	31-Mar-23
Revenue from goods or services transferred to customers at a point in time	359.11	265.38
Revenue from goods or services transferred over time	518.87	449.22
	877.98	714.60

21.2 Contract balances and performance obligations

(Rs. in millions)

	31-Mar-24	31-Mar-23
Trade receivables	149.96	92.74
Contract liabilities	13.35	12.84
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	12.84	1.39
Revenue recognised in the reporting period from performance obligations satisfied in previous periods	Nil	Nil
Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period	Nil	Nil

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22 Other income

(Rs. in millions)

	31-Mar-24	31-Mar-23
Interest income		
- On bank deposits	69.23	16.63
-Investment in non-convertible debentures	54.98	-
-Inter-corporate deposit	31.04	-
- On Income tax refund	16.90	13.11
Other non-operating income	29.46	28.16
	201.61	**57.89**

23 Employee benefits expense

(Rs. in millions)

	31-Mar-24	31-Mar-23
Salaries, wages and bonus	74.11	54.41
Contribution to provident and other funds	1.06	0.99
Gratuity expense (refer note 29)	1.02	0.73
Compensated absence	0.98	(0.32)
Staff welfare expenses	1.75	1.14
	78.92	**56.96**

24 Depreciation and Amortization expense

(Rs. in millions)

	31-Mar-24	31-Mar-23
Depreciation on property, plant and equipment	42.69	43.86
Depreciation on investment properties	347.87	352.92
	390.56	**396.78**

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25 Other expenses

(Rs. in millions)

	31-Mar-24	31-Mar-23
Marketing expenses	46.28	21.36
Brokerage expenses	1.62	1.63
Operations and management fees	117.66	100.53
Housekeeping and security service	110.75	93.06
Power, fuel and water	209.35	187.00
Consumption	42.96	28.98
Parking expenses	77.13	72.37
Rent	1.70	1.37
Repairs and maintenance		
Buildings	68.75	48.98
Plant and equipment	41.21	33.18
Insurance	21.24	20.75
Rates and taxes	88.14	104.52
Travelling and conveyance expenses	3.45	4.83
Communication expenses	0.94	0.74
Legal and professional fees (includes payment to auditor)*	156.03	136.08
Sitting Fee	17.70	6.63
Printing and stationery	0.52	0.25
Expected credit loss for trade receivables and contract assets (net of write off)	(126.68)	29.58
Software expenses	8.82	14.78
Miscellaneous expenses #	34.44	11.61
	922.00	**918.22**

Includes loss of revenue amounting to Rs. 35.79 million billed by Xpandr Ventures India Private Limited.

*** Payment to auditor (net of taxes)**

(Rs. in millions)

	31-Mar-24	31-Mar-23
As auditor:		
Audit fee [including for Limited review Rs. 1.80 million (Previous year - Rs. 1.77 million)]	5.35	5.09
In other capacity:		
Other services	1.00	1.43
Reimbursement of expenses	0.09	0.08
	6.44	**6.60**

26 Finance costs

(Rs. in millions)

	31-Mar-24	31-Mar-23
Interest		
- On borrowings	1,767.64	1,565.21
- Interest on lease liabilities	5.51	5.54
- Others	0.35	0.12
Notional interest on lease deposit	12.24	18.99
Bank charges	10.96	4.18
Total finance costs	**1,796.71**	**1,594.04**

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Notes to the financial statements for the year ended March 31, 2024

27 Related party transactions

a) The following table provides the name of the related party and the nature of its relationship with the Company:

Ultimate Holding Company
Virtuous Retail South Asia Pte Ltd, Singapore

Holding Company
Moribus Holdings Pte. Ltd

Fellow Subsidiaries
Robusta Holdings Pte Ltd, Singapore
VR Malwa Private Limited
Virtuous Retail Property Services LLP
VR Vidarbha Limited
VR Majha Limited
VR Konkan Private Limited
VR South Asia Private Limited
VR Surat Private Limited
North Delhi Metro Mall Private Limited

Key Management Personnel (KMP)
Rajendra Pai (Chief Financial Officer & Manager) (from November 13, 2019)
Rashmi Sharma (Company Secretary) (from October 18, 2022)
Sumi Gupta (Director) (from April 20, 2021)
Tariq Maqbool Chinoy (Nominee Director) (from April 20, 2021)
Jay Dayani (Director) (from July 06, 2022)
Rohan Anand (Director) (from October 18, 2022)
Pradeep Jyoti Banerjee (Nominee Director) (from March 10, 2023)
Sanjeev Kumar Jain (Director) (from March 31, 2023)

b) Details of the transactions with the related parties:

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
I. Transactions with related parties		
Interest expense on Fully compulsorily convertible debentures (FCCD's)		
Moribus Holdings Pte. Ltd *	139.85	239.77
Interest expense on Non-convertible debentures (RNCD's)		
Robusta Holdings Pte Ltd, Singapore *	553.20	549.36
Inter corporate deposits (ICD) taken from related party		
VR Surat Private Limited	-	40.00
Inter corporate deposits (ICD) repaid to related party		
VR Surat Private Limited	-	40.00
VR South Asia Private Limited	-	19.00
Inter corporate deposits (ICD) granted to related party		
North Delhi Metro Mall Private Limited	650.00	-
Investment in Non Convertible Debentures(NCD)		
North Delhi Metro Mall Private Limited	493.00	-
Interest Expense on Inter corporate deposits (ICD)		
VR Surat Private Limited	-	0.38
VR South Asia Private Limited	-	4.09
Interest Income on Non Convertible Debentures(NCD)		
North Delhi Metro Mall Private Limited	54.98	-
Interest Income on Inter corporate deposits (ICD)		
North Delhi Metro Mall Private Limited	31.04	-
Mall management fee expense		
Virtuous Retail Property Services LLP	117.66	100.53
Lease rental income		
Virtuous Retail Property Services LLP	0.04	0.02
VR South Asia Private Limited	0.02	-
Legal and professional fees (Manpower Services)		
VR South Asia Private Limited	40.77	11.58
Payments made by related party on behalf of the Company		
Virtuous Retail Property Services LLP	16.09	7.92

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II. Transaction with key managerial personnel

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
Salary (including perquisites)		
Mr. Rajendra Pai	1.41	1.17
Ms. Rashmi Sharma	1.05	0.60
Mr. Jay Dayani	-	1.80
Sitting Fees		
-Director Sitting Fees		
Mr. Tariq Chinoy	0.40	0.40
Mr. Sumi Gupta	0.40	0.40
Pradeep Jyoti Banerjee	0.40	-
Sanjeev Kumar Jain	0.40	-
-Other Committee Sitting Fees		
Mr. Tariq Chinoy	8.62	2.66
Mr. Sumi Gupta	6.64	3.16
Pradeep Jyoti Banerjee	0.40	-
Sanjeev Kumar Jain	0.44	-
Reimbursement of Expenses		
Mr. Tariq Chinoy	0.10	0.04
Ms. Sumi Gupta	-	-

c) Details of balances receivable from and payable to related parties are as follows:

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
I. Balances receivable from and payable to related parties		
Fully compulsorily convertible debentures (FCCD's)		
Moribus Holdings Pte. Ltd	638.63	638.63
Listed & tradable redeemable non-convertible debentures (RNCD's)		
Robusta Holdings Pte Ltd, Singapore	4,480.00	4,480.00
Unlisted & redeemable non-convertible debentures (Unlisted RNCD's)		
Robusta Holdings Pte Ltd, Singapore	130.00	130.00
Interest accrued and due on borrowings		
Moribus Holdings Pte. Ltd *	788.12	648.23
Interest accrued but not due on borrowings		
Robusta Holdings Pte Ltd, Singapore *	2,715.34	2,162.14
Investment in partnership - Capital account		
Virtuous Retail Property Services LLP	0.00	0.00
Investment in partnership - Current account		
Virtuous Retail Property Services LLP	0.01	0.01
Investment in unquoted equity shares		
VR Vidarbha Limited	0.00	0.00
VR Majha Limited	0.00	0.00

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(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
Investment - Non Convertible Debentures(NCD)		
North Delhi Metro Mall Private Limited	493.00	-
Loan - Inter corporate deposits (ICD)		
North Delhi Metro Mall Private Limited	650.00	-
Interest receivable on Non Convertible Debentures(NCD)		
North Delhi Metro Mall Private Limited	54.98	-
Interest receivable on Inter corporate deposits (ICD)		
North Delhi Metro Mall Private Limited	31.04	-
Trade payables		
Virtuous Retail Property Services LLP	64.10	108.86
VR South Asia Private Limited	14.43	11.58
Trade receivable		
Virtuous Retail Property Services LLP	-	0.08
VR South Asia Private Limited	0.05	-
VR Malwa Private Limited	0.02	0.02
Security deposits		
Virtuous Retail Property Services LLP	0.45	0.45

* The interest expense on FCCD's RNCDs and unlisted RNCD's mentioned above are payable to existing debenture holders as on March 31, 2024 and March 31, 2023, however the actual beneficiary of the receipt of these amounts could be different at the time of actual payment.

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Notes to the financial statements for the year ended March 31, 2024

28 Segment Information

The Company is engaged in the business of real estate development w.r.t. mall development and management. As such, the Company operates in single business and geographical segment and hence disclosing information as per requirements of Ind AS 108 "Operating Segments" is not required.

29 Gratuity and other post-employment benefit plans

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
Defined benefit plan	2.93	1.98
Non-current	2.44	1.72
Current	0.48	0.27

Employees are entitled to a benefit equivalent to fifteen days' last drawn salary for each completed year of service in line with the Payment of Gratuity Act, 1972 subject to a maximum of Rs. 2 million. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company has not funded the liability as on March 31, 2024.

Following figures are as per the actuarial valuation carried out by an independent actuary as at the Balance Sheet date:

Changes in the projected benefit obligation and fair value of plan assets:

(Rs. in millions)

	31-Mar-24	31-Mar-23
Change in projected benefit obligation		
Obligation at beginning of the year	1.98	3.18
Service cost	0.88	0.54
Interest cost	0.15	0.19
Benefits directly paid	(0.06)	(0.61)
Liability transfer		
Actuarial (gain)/loss (through OCI)	(0.02)	(1.31)
Obligation at end of the year	**2.93**	**1.98**
Present value of projected benefit obligation at the end of the year	2.93	1.98
Net liability recognised in the balance sheet	**2.93**	**1.98**
Expenses recognised in statement of profit and loss		
Service cost	0.88	0.54
Interest cost (net)	0.15	0.19
Gratuity cost	1.02	0.73
Net gratuity cost	**1.02**	**0.73**
Re-measurement (gains)/ losses in OCI		
Actuarial (gain) / loss due to financial assumption changes	0.02	(0.13)
Actuarial (gain) / loss due to experience adjustments	(0.05)	(1.18)
Actuarial (gain) / loss due to demographic assumption changes	-	-
Total expenses routed through OCI	**(0.02)**	**(1.31)**

Assumptions

Particulars	31-Mar-24	31-Mar-23
Discount rate	7.15%	7.30%
Future salary increases	8.00%	8.00%
Employee turnover	20.00%	20.00%
Estimated rate of return on plan assets	NA	NA

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A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
Effect of + 1% change in rate of discounting	(0.15)	(0.10)
Effect of - 1% change in rate of discounting	0.16	0.11
Effect of + 1% change in rate of salary increase	0.15	0.10
Effect of - 1% change in rate of salary increase	(0.14)	(0.10)
Effect of + 1% change in rate of employee turnover	(0.23)	(0.14)
Effect of - 1% change in rate of employee turnover	0.34	0.19

The sensitivity analyses above have been determined based on a method that extrapolates the impact on projected benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the projected benefit plan in future years (From Employer):

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
Within the next 12 months	0.48	0.27
Between 2 and 5 years	1.64	1.23
Between 6 and 10 years	1.35	0.87
Beyond 10 years	1.05	0.71
Total expected payments	4.52	3.08
Contributions likely to be made for next one year	0.48	0.27

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30 Earnings per share ['EPS']

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

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

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

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
Loss after tax attributable to equity shareholders	(817.96)	(935.11)
Effect of dilution	-	-
Loss attributable to equity holders adjusted for the effect of dilution	(817.96)	(935.11)
Weighted average number of equity shares for basic and diluted EPS (No. of shares 21,892) *	0.00	0.00
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution (No.)	0.00	0.00

* includes 1,902 shares to be issued on conversion of Fully and Compulsorily Convertible Debentures [FCCD] as at March 31, 2024 and March 31, 2023.

Note: Since the convertible debentures are anti dilutive, they have been ignored in the computation of diluted EPS.

31 Commitments and contingencies

a. Leases

(i) Operating lease commitments - Company as lessor

The Company is primarily engaged in the business of leasing mall and office space. The Company has entered into non-cancellable operating lease agreements with its lessees. The rental income under non cancellable operating lease for the year ended March 31, 2024 amounts to Rs. 505.00 million (March 31, 2023: Rs. 454.99 million). The rental income under cancellable operating leases for the year amounts to Rs. 827.54 million (March 31, 2023: Rs.812.47 million)

Future minimum rentals receivable under non-cancellable operating lease are as follows:

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
Within one year	380.83	279.45
After one year but not more than five years	148.80	272.63
More than five years		-
	529.63	**552.08**

(ii) Operating lease commitments - Company as lessee

The Company has entered into a lease agreement towards land with Chennai Metropolitan Development Authority for a period of 15 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

(Rs. in millions)

	Amount
Balance as at April 01, 2022	**41.41**
Add: Additions	-
Less: Depreciation charge	(3.22)
Balance as at March 31, 2023	**38.19**
Add: Additions	-
Less: Depreciation charge	(3.22)
Balance as at March 31, 2024	**34.96**

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Set out below are the carrying amounts of lease liabilities and the movements during the year:

	(Rs. in millions) Amount
Balance as at April 1, 2022	**46.17**
Add: Additions	-
Add: Interest accrued	5.54
Less: Payments made	(5.68)
Balance as at March 31, 2023	**46.03**
Current	4.12
Non-current	41.91
Balance as at April 1, 2023	46.03
Add: Additions	-
Add: Interest accrued	5.51
Less: Payments made	(5.96)
Balance as at March 31, 2024	**45.58**
Current	3.85
Non-current	41.73

The effective interest rate for lease liabilities is 12%, with maturity on January 30, 2035

The following are the amounts recognised in profit or loss:

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
Depreciation charge on right-of-use asset	3.22	3.22
Interest expense on lease liabilities	5.54	5.54
Expense relating to short-term leases (included in other expenses)	1.70	1.37
Total amount recognised in profit or loss	**10.46**	**10.12**

The amount of lease rentals towards cancellable lease agreement as lessee is Rs. 1.70 million (March 31, 2023 : Rs. 1.37 million).

b. Commitments

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
Capital commitments		
The estimated amount of contracts, net of advances remaining to be executed on capital account and not provided for	12.29	12.06

c. Contingent liabilities (to the extent not provided for)

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
Guarantees given by the Company *	186.21	183.96
Income tax matters in dispute (refer note (ii) below)	92.39	79.97
Service tax & GST matters in dispute (refer note (ii) below)	163.19	86.02
	441.78	**349.95**

* Includes Bank Guarantee amounting to Rs. 96.73 million given on behalf of Ozone projects private limited pursuant to agreement as detailed in note 32(B).

The Company does not expect any reimbursement in respect of the above contingent liability and it is not practicable to estimate the timings of the cash outflows, if any, in respect of matters above pending resolution of the arbitration/ appellate proceedings and it is not probable that an outflow of resources will be required to settle the above obligations/claims.

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Other litigations

(i) In March 2014, the Tehsildar of East Taluk, K.R. Puram, Bengaluru, had issued a notice to the Company to stop the construction of the VR Mall, Bengaluru at Dyvasandra Village, Bengaluru East Taluk, citing inaccurate allegations against the Company when the mall was under construction. The Tehsildar was of the contention that the Company had build the compound area in the encroached land ("the disputed land").

The Company filed a writ petition in Honourable High Court of Karnataka ("the High Court") against the said notice issued by the Tehsildar. A stay was granted by the High Court vide its order dated March 15, 2014 and also directed the Government of Karnataka to file its reply. The Government of Karnataka had filed its reply thereon. The High Court of Karnataka in its judgement dated February 16, 2016 had vacated the stay granted earlier and stated that the Government will take into consideration all the documents produced by the Company and would proceed further only after looking at all the documents. The High Court has also stated that the Company shall not be dispossessed of the disputed land otherwise other than under the process of law. On September 03, 2015, the Company had obtained final occupancy certificate for the Mall.

A new order was passed by the Assistant Commissioner, Bengaluru North, sub-division dated March 08, 2017 stating that the disputed land possessed by the Company was encroached Government land reserved for public purpose. The Commissioner ordered to evict the Company from an extent of 4046.86 square meters of land and directed the Tehsildar, Bengaluru East Taluk to take action to evict the Company from the said land, resume it to Government and safeguard the same as 'Government Property'. The Company had challenged the said order in the High Court of Karnataka. The High Court of Karnataka admitted the writ petition, granted a stay vide its order dated March 24, 2017 and has also directed the Government of Karnataka to file its reply. The Government of Karnataka and other respondents have not filed their objection till date. The Company has also filed a contempt petition on March 20, 2017 stating that new order issued by the Assistant Commissioner was against the earlier order issued by the High Court of Karnataka.

During the year ended March 31, 2018, a Special court, had initiated a suo moto proceedings against the Company. On February 27, 2018, the said Court has dismissed the proceedings and released the Company from the said proceedings.

In order to safeguard its interest, Company has kept the writ petition open and the management of the Company does not expect any bearing on the matter whatsoever.

(ii) In relation to certain income tax and service tax matters under dispute, the management of the Company is confident that the matters would be decided in their favour. Accordingly no provision has been made in the books in relation to such matters.

(iii) During the year ended March 31, 2019, the Company and a tenant had entered into lease agreement for the premise in VR Chennai where in tenant had paid security deposit of Rs. 7.60 million, however tenant had backed out before occupying the retail space. Subsequently the management had filed a claim and the arbitrator has given the order in the Company's favour in line with the clauses of the lease agreement. Claim amounting to Rs. 132 million along with 25% Interest from the date of claim has been awarded on March 22, 2021. The Company has not recognised any income during the year ended March 31, 2021 and the same will be recognised upon receipt and complete settlement of the litigation.

(iv) During the year ended March 31, 2023, the Company had terminated Agreement to Lease (ATL) with a party due to refusal by the party to adhere to certain clauses in the ATL. During the year ended March 31, 2024, the party has initiated arbitration proceedings against the Company for the alleged breach of ATL and has made claims amounting to Rs. 1,124 million along with interest. The Company has disputed the said claims. Pending resolution of the arbitration proceedings and based on management's internal assessment as regards the ultimate outcome of the proceedings, no provision has been made towards any claim in the financial statements.

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32 Capital work-in-progress

A) The Company has incurred expenditure which has been being capitalised from Capital work-in-progress ("CWIP") are as follows:

VR Chennai Project:

(Rs. in millions)

Particulars	April 1, 2023	Additions during the	Total	Capitalised *	March 31, 2024
Construction cost	8.38	53.25	61.63	(6.50)	55.13
Total	**8.38**	**53.25**	**61.63**	**(6.50)**	**55.13**

*During the year assets have been capitalised from CWIP to the following blocks

(Rs. in millions)

Block	Transfer from CWIP
Buildings	6.50
Total	**6.50**

B) The Metrozone ("Chennai project") is a mixed use of residential cum commercial project being developed by Ozone Projects Private Limited (OPPL) and VR Dakshin Private Limited ("VR Dakshin" or "the Company"). The residential portion is to be developed by OPPL and the commercial portion is to be developed by VR Dakshin. As per the agreement executed between OPPL and VR Dakshin, OPPL was required to construct a retention wall in order to facilitate the commercial development undertaken by VR Dakshin. OPPL expressed its inability to construct the said retention wall and further OPPL requested VR Dakshin to bear the costs of construction of retention wall along with any incidental expenses and the same is refundable by OPPL. In view of above arrangement, the Company had incurred expenditure towards the construction of retention wall amounting to Rs. 152.09 million and the Company has further given bank guarantee of Rs. 96.73 million in favour of Chennai Metropolitan Development Authority on behalf of OPPL. The Company had demanded for the payment of the said amount during the year ended March 31, 2019.

The Company was finalising a plan to recover the above amount through transfer of certain units in the residential project of OPPL by OPPL and accordingly the Company, during the year ended March 31, 2021 had obtained possession of certain units pending for registration. During the year ended March 31, 2023, the Company has issued notice for execution of registration and possession of remaining units. Based on Company's future plans the said amount has been classified under capital advances.

During the year ended March 31, 2024, National Company Law Tribunal ('NCLT'), Chennai has ordered corporate insolvency resolution process against OPPL and accordingly the Company has filed its claims in the capacity of financial creditor and is confident of recovering their claims. Pending resolution process, these advances are classified as good and recoverable in the financial statement by the Company.

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33 Fair value measurements

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

(Rs. in millions)

Particulars	31-Mar-24			31-Mar-23		
	At Cost	Fair value through profit or loss	At Amortised Cost	At Cost	Fair value through profit or loss	At Amortised Cost
Financial assets						
Investments	-	0.01	493.00	-	0.01	-
Loans	-	-	650.00	-	-	-
Trade receivables	-	-	144.53	-	-	178.43
Cash and cash equivalents	-	-	140.75	-	-	77.18
Bank balance other than cash and cash equivalents	-	-	825.74	-	-	331.68
Other financials assets	-	-	274.83	-	-	196.10
Total	**-**	**0.01**	**2,528.84**	**-**	**0.01**	**783.39**
Financial liabilities						
Borrowings	-	-	14,774.80	-	-	13,196.71
Lease Liability	-	-	45.58	-	-	46.03
Trade payables	-	-	433.14	-	-	438.61
Other financial liabilities	-	-	4,520.70	-	-	3,843.74
Total	**-**	**-**	**19,774.22**	**-**	**-**	**17,525.09**

Fair value hierarchy

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

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(Rs. in millions)

Particulars	31-Mar-24				31-Mar-23			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
Measured at cost/ amortised cost/fair value through profit and loss								
Investments	493.01	-	-	493.01	0.01	-	-	0.01
Loans	650.00	-	-	650.00	-	-	-	-
Trade receivables	144.53	-	-	144.53	178.43	-	-	178.43
Cash and cash equivalents	140.75	-	-	140.75	77.18	-	-	77.18
Bank balance other than cash and cash equivalents	825.74	-	-	825.74	331.68	-	-	331.68
Other financials assets	274.83	-	-	274.83	196.10	-	-	196.10
	2,528.86	**-**	**-**	**2,528.86**	**783.40**	**-**	**-**	**783.40**
Assets for which fair value are disclosed								
Investment properties	11,333.37	-	-	24,033.00	11,665.83	-	-	23,648.00
	11,333.37	**-**	**-**	**24,033.00**	**11,665.83**	**-**	**-**	**23,648.00**
Financial liabilities								
Measured at amortised cost								
Borrowings	14,774.80	-	-	14,774.80	13,196.71	-	-	13,196.71
Lease Liabilities	45.58			45.58	46.03			46.03
Trade payables	433.14	-	-	433.14	438.61	-	-	438.61
Other financial liabilities	4,520.70	-	-	4,520.70	3,843.74	-	-	3,843.74
	19,774.22	**-**	**-**	**19,774.22**	**17,525.10**	**-**	**-**	**17,525.10**

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.
Financial instruments carried at amortised cost such as trade receivables, other financial assets, borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to short term nature.

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

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34 Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and security deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are all constant.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations and provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023.

a. Interest rate risk

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

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

Interest rate sensitivity

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

(Rs. in millions)

	Increase/ decrease in interest rate	Effect on loss before tax
March 31, 2024		
INR	+1%	98.93
INR	-1%	(98.93)
March 31, 2023		
INR	+1%	82.18
INR	-1%	(82.18)

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B Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities (short term bank deposits). Credit appraisal is performed by the management before lease agreements are entered into with customers. The risk is also mitigated due to customers placing significant amount of security deposits for lease and fit-out rentals.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at March 31, 2024 and March 31, 2023 is the carrying amounts.

C Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Rs. in millions)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2024						
Borrowings	72.53	676.13	214.31	2,256.02	11,555.80	14,774.80
Interest payable on borrowings	-	138.30	414.90	2,212.80	3,278.07	6,044.07
Trade payables	-	359.90	73.24	-	-	433.14
Lease Liabilities	-	0.17	0.66	8.36	36.39	45.58
Other financial liabilities	1,588.00	17.11	36.19	2,877.67	1.73	4,520.70
	1,660.53	**1,191.61**	**739.29**	**7,354.85**	**14,871.99**	**25,818.28**
Year ended March 31, 2023						
Borrowings	331.39	179.07	538.73	4,842.39	7,305.13	13,196.71
Interest payable on borrowings	-	71.34	767.21	2,212.80	3,831.27	6,882.61
Trade payables	-	295.21	-	143.40	-	438.61
Lease Liabilities	-	0.08	0.37	6.17	39.40	46.03
Other financial liabilities	1,422.72	77.09	20.11	2,308.10	15.72	3,843.73
	1,754.11	**622.78**	**1,326.41**	**9,512.86**	**11,191.52**	**24,407.69**

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35 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Rs. in millions)

	31-Mar-24	31-Mar-23
Borrowings (long-term and short-term, including current maturities of long term borrowings) (Note 14)	14,774.80	13,196.71
Trade payables (Note 20)	433.14	438.61
Other payables (current and non-current, excluding current maturities of long term borrowings) (Note 15 & 17)	4,618.41	3,948.68
Less: Cash and cash equivalents (Note 11)	(140.75)	(77.18)
Net debt	19,685.61	17,506.83
Equity share capital (Note 12)	0.20	0.20
Other equity (Note 13)	(5,250.72)	(4,432.78)
Total capital	(5,250.52)	(4,432.59)
Capital and net debt	**14,435.08**	**13,074.24**
Gearing ratio	136.37%	133.90%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

36 Going concern

The accumulated losses of the Company as of March 31, 2024 have exceeded its paid up capital and reserves. The Company has incurred net loss for the year ended March 31, 2024 and the Company's current liabilities exceeded its current assets as at that date indicating uncertainty about company's ability to continue as going concern. However, the Company has obtained a support letter from its Parent indicating that the Parent will take necessary actions to organize for any shortfall in liquidity during the period of 12 months from the balance sheet date. Based on the above, the Company is confident of its ability to meet the funds requirement and to continue its business as a going concern and accordingly, the financial statements have been prepared on that basis.

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37 Standards issued but not effective

There are no standards that are notified and not yet effective as on the date.

38 Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(Rs. in millions)

Particulars	31-Mar-24	31-Mar-23
(i) Principal amount remaining unpaid to any supplier as at the end of accounting year.	13.76	14.41
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

39 Forward contracts entered for the purpose of hedging, which were outstanding as on March 31, 2024 is Nil (March 31, 2023 - Nil). Unhedged foreign currency exposure as on March 31, 2024 is Nil (March 31, 2023 -Nil).

40 Transfer pricing

As per the transfer pricing rules prescribed under the Income-tax Act, 1961, the Company is examining the domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment with regard to the transactions involved.

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VR DAKSHIN PRIVATE LIMITED

41 Code of Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

42 The books of accounts along with other relevant records and papers of the Company are currently maintained in electronic mode. These are readily accessible in India at all times. The backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis.

Further, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except for audit trail feature is not enabled for certain changes made using privileged/ administrative access rights to the WinHMS and Yardi Voyager applications and their respective underlying databases. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

The management is taking steps to ensure that the books of account are maintained as required under the applicable statute.

43 Ratio Analysis and its elements

Sl.No	Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	%change
1	Current ratio	Current Assets	Current Liabilities	0.53	0.25	111% Refer Note (a)
2	Debt- Equity Ratio	Total Debt	Shareholder's Equity	(2.81)	(2.98)	-5%
3	Debt Service Coverage ratio	Profit/(Loss) before tax + Depreciation and amortization + Finance cost	Finance cost + Principal repayment	0.14	0.30	-55% Refer Note (b)
4	Return on Equity ratio	Net profit/(loss)	Average Shareholder's Equity	0.17	0.24	-28% Refer Note (c)
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	2.25	1.59	41% Refer Note (d)
6	Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivable	13.69	9.47	45% Refer Note (e)
7	Trade Payable Turnover Ratio	Other expenses - Expected credit loss for trade receivables and contract assets	Average Trade Payables	2.41	2.54	-5%
8	Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets – Current liabilities	(1.90)	(0.85)	123% Refer Note (a)
9	Net Profit ratio	Net profit/(loss)	Revenue from operations	(0.37)	(0.47)	-22%
10	Return on Capital Employed	Profit/(Loss) before tax + Finance cost	Shareholder's equity + Total debt + Deferred tax liability	10%	7%	41% Refer Note (c)
11	Return on Investment	Interest (Finance Income)	Investment	Not applicable		

Notes

(a) Variance is mainly due to increase fixed deposit and decrease in short term borrowing due to refinancing of bonds done in current year

(b) Variance is mainly due to increase in finance cost and prepayment done for term loans

(c) Variance is mainly due to continued losses in current year.

(d) Consumption has increased due to increase in Hotel operations.

(e) Variance is mainly due to decrease in Trade receivable and increase in revenue from operation.

S.R. Batliboi & Associates LLP Bengaluru

VR Dakshin Private Limited
CIN - U74899KA1987PTC070519
Notes to the financial statements for the year ended March 31, 2024

44 Other statutory informations

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

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

(viii) The Company is not a declared wilful defaulter by any bank or financial institution or any other lender.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bengaluru, India
Date: June 24, 2024

S.R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
VR Dakshin Private Limited

Rohan Anand
Director
DIN: 09539295

Place: Gurgaon, India
Date: June 24, 2024

Jay Viresh Dayani
Director
DIN: 09663289

Place: Mumbai, India
Date: June 24, 2024

VR Dakshin Private Limited

Rashmi Sharma
Company Secretary

Place: Gurgaon, India
Date: June 24, 2024

VR Dakshin Private Limited Company Secretary