

STERNAL BUILDCON PRIVATE LIMITED

Registered Office:

CIN: U70109DL2009PTC195052

13th Floor, Dr. Gopal Das Bhawan 28 Barakhamba Road New Delhi - 110001

Financial Statements

2023-24

Walker Chandiook & Co LLP
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Independent Auditor's Report

To the Members of Sternal Buildcon Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Sternal Buildcon Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. 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 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') 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 opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information 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.



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Independent Auditor's report to the members of Sternal Buildcon Private Limited, on the financial statements for the year ended 31 March 2024 (cont'd)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

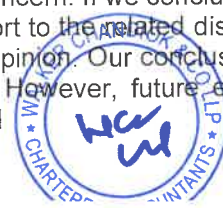
The Director Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and



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Independent Auditor's report to the members of Sternal Buildcon Private Limited, on the financial statements for the year ended 31 March 2024 (cont'd)

- 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.
10. 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.

Report on Other Legal and Regulatory Requirements

11. As required by section 197(16) of the Act based on our audit we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying financial statements;
 - 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 for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended),
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B, wherein we have expressed an unmodified opinion; and
 - h) 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, as detailed in note 41 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;



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Independent Auditor's report to the members of Sternal Buildcon Private Limited, on the financial statements for the year ended 31 March 2024 (cont'd)

iv.

- a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 46A to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the 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, as disclosed in note 46B to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the 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 as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2024; and

vi. As stated in note 44 to the financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software, except for instance mentioned below:

The accounting software used for maintaining accounting records and customer and channel partner masters of the Company are operated by third-party software service providers. The 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information)' were available for part of the year. These reports do not provide sufficient audit evidence on audit trail (edit logs) for any direct changes made at the database level. Accordingly, we are unable to comment on whether audit trail feature with respect to the database of the said software were enabled and operated throughout the year.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of the accounting software where such feature is enabled.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Deepak Mittal

Partner

Membership No.: 503843



UDIN: 24503843BKFAOV4171

Place: Gurugram

Date: 14 May 2024

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Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Sternal Buildcon Private Limited on the financial statements for the year ended 31 March 2024

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 report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has adopted cost model for its property, plant and equipment. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) 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 procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made investments in or granted any advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year. The Company has also not provided any guarantees or security or granted any loans to firms, limited liability partnership during the year. Further, the Company has provided guarantee, security and granted loans to companies during the year, in respect of which:
- (a) The Company has provided loans, or guarantee, or security to Others during the year as per details given below:

Particulars	Guarantees* (Amount in INR million)	Security* (Amount in INR million)	Loans (Amount in INR million)
Aggregate amount provided/granted during the year: - Others**	5,750.00	5,311.55	100.00
Balance outstanding as at balance sheet date in respect of above cases: - Others**	3,724.72	4,786.27	100.00

* Aggregate amount provided/granted during the year and the respective balance outstanding at the balance sheet date, represents the amounts of funds disbursed by the lender to others in respect of the borrowings for which guarantees/securities have been provided by the Company during the year.

**Others includes the Holding Company, Signatureglobal (India) Limited and fellow Subsidiary Companies, Indeed Fincap Private Limited, Signatureglobal Developers Private Limited, Signatureglobal Business Park Private Limited and Forever Buildtech Private Limited.

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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Sternal Buildcon Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

- (b) The Company has not made any investment or granted any advances in the nature of loan during the year. In our opinion, and according to the information and explanations given to us, the, guarantees provided, security given and terms and conditions of the grant of all loans are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and the payment of the interest has not been stipulated and accordingly, we are unable to comment as to whether the repayments/receipts of principal interest are regular.
- (d) There is no overdue amount in respect of loans granted to such companies, firms, LLPs or other parties.
- (e) In respect of loans granted by the Company, the schedule of repayment of principal and interest has not been stipulated. According to the information and explanation given to us, such loans have not been demanded for repayment as on date.
- (f) The Company has granted loans which are repayable on demand or without specifying any terms or period of repayment, as per details below:

Particulars	All Parties (In INR Million)	Promoters (In INR Million)	Related Parties (In INR Million)
Aggregate of loans in nature of loan			
- Repayable on demand (A)	100.00	-	100.00
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	100.00	-	100.00
Percentage of loans in nature of loan to the total loans	100%	-	100%

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 185 of the Act in respect of loans granted and guarantees and securities provided by it, as applicable. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 of the Act in respect of investments, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products/services/business activities of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were

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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Sternal Buildcon Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (Rs. In millions)	Amount paid under Protest (Rs.in millions)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	1.61	Nil	Assessment year 2017-18	Commission of Income tax (Appeals)
Income Tax Act, 1961	Income tax	8.65	Nil	Assessment year 2020-21	Assessment Officer (Assessment unit- Income tax Department)

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, loans amounting to Rs. 15.11 million are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Further, such loans and interest thereon have not been demanded for repayment as on date. Further, the Company has not defaulted in repayment of its loan or borrowings or in the payment of interest thereon to any other lender.
(b) According to the information and explanations given to us including confirmations received from banks and other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money received by way of term loan are applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Sternal Buildcon Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has incurred cash losses amounting to Rs. 153.07 millions in the current financial year but had not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the 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.



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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Sternal Buildcon Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

- (xx) According to the information and explanations given to us, the Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Deepak Mittal

Deepak Mittal

Partner

Membership No.: 503843



UDIN: 24503843BKFAOV4171

Place: Gurugram

Date: 14 May 2024

Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Sternal Buildcon Private Limited on the Financial Statements for the year ended 31 March 2024 (cont'd)

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Sternal Buildcon Private Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal controls over the 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 ("the Guidance Note") 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 the Company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the 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 financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
5. 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 financial statements .

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.



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Annexure B to the Independent Auditor's Report of even date to the members of Sternal Buildcon Private Limited on the Financial Statements for the year ended 31 March 2024 (cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. 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 controls 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

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

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Deepak Mittal

Deepak Mittal

Partner

Membership No.: 503843



UDIN: 24503843BKFAOV4171

Place: Gurugram

Date: 14 May 2024

Sternal Buildcon Private Limited
Balance Sheet as at 31 March 2024

(All amounts are Rs. in millions, unless otherwise specified)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	32.01	21.31
Financial assets			
Investments [^]	5	0.00	0.00
Other financial assets	6	15.92	6.02
Deferred tax assets (net)	7	93.29	53.38
Income tax assets (net)	8	19.65	11.04
Other non-current assets	9	1.04	1.18
Total non-current assets		161.91	92.93
Current assets			
Inventories	10	8,405.57	6,493.20
Financial assets			
Trade receivables	11	85.57	134.05
Cash and cash equivalents	12	861.72	823.22
Bank balances other than cash and cash equivalents	13	12.68	17.23
Loans	14	103.02	-
Other financial assets	15	52.84	313.08
Other current assets	16	1,770.07	941.52
Total current assets		11,291.47	8,722.30
TOTAL ASSETS		11,453.38	8,815.23
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	70.00	70.00
Other equity	18	(472.42)	(329.29)
Total equity		(402.42)	(259.29)
Non current liabilities			
Financial liabilities			
Borrowings	19	13.29	245.16
Other non current liabilities	20	14.21	-
Provisions	21	12.89	7.76
Total non current liabilities		40.39	252.92
Current liabilities			
Financial liabilities			
Borrowings	19	77.56	686.54
Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		14.73	8.70
Total outstanding dues of creditors other than micro enterprises and small enterprises		797.01	1,282.89
Other financial liabilities	23	59.75	134.07
Other current liabilities	24	10,865.49	6,709.03
Provisions	25	0.87	0.37
Total current liabilities		11,815.41	8,821.60
TOTAL EQUITY AND LIABILITIES		11,453.38	8,815.23

[^] Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

The accompanying notes form an integral part of these Financial Statements.

This is the Balance Sheet referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Deepak Mittal

Deepak Mittal
Partner
Membership No.: 503843



Place: Gurugram
Date: 14 May 2024

For and on behalf of the Board of Directors of
Sternal Buildcon Private Limited
Corporate Identification Number: U70109DL2009PTC195052

Lalit Kumar Aggarwal
Lalit Kumar Aggarwal
Director
DIN: 00203664

Shivansh Aggarwal
Shivansh Aggarwal
Director
DIN: 10486984

Sternal Buildcon Private Limited

Statement of Profit and Loss for the year ended 31 March 2024

(All amounts are Rs. in millions, unless otherwise specified)

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue:			
Revenue from operations	26	27.11	367.79
Other income	27	95.86	97.97
Total income		122.97	465.76
Expenses:			
Cost of sales	28	10.14	179.85
Employee benefits expense	29	43.28	23.46
Finance costs	30	6.21	4.29
Depreciation expense	31	4.57	5.54
Other expenses	32	241.32	162.64
Total expenses		305.52	375.78
(Loss)/profit before tax		(182.55)	89.98
Tax expense:	33		
Current tax		-	0.16
Deferred tax credit		(39.77)	(6.22)
Total tax credit		(39.77)	(6.06)
(Loss)/profit for the year		(142.78)	96.04
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		(0.49)	0.57
Income tax effect		0.14	(0.17)
Other comprehensive income for the year		(0.35)	0.40
Total comprehensive income for the year		(143.13)	96.44
Loss/(earnings) per equity share	34		
Basic		(20.40)	13.72
Diluted		(20.40)	13.72

The accompanying notes form an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Deepak Mittal

Deepak Mittal
Partner
Membership No.: 503843

Place: Gurugram
Date: 14 May 2024



For and on behalf of the Board of Directors of
Sternal Buildcon Private Limited
Corporate Identification Number: U70109DL2009PTC195052

Lalit Kumar Aggarwal
Lalit Kumar Aggarwal
Director
DIN: 00203664

Shivansh Aggarwal
Shivansh Aggarwal
Director
DIN: 10486984

Sternal Buildcon Private Limited
Statement of Cash Flows for the year ended 31 March 2024
(All amounts are Rs. in millions, unless otherwise specified)

	For the year ended 31 March 2024	For the year ended 31 March 2023
A Cash flow from operating activities		
Profit/(loss) before tax	(182.55)	89.98
Adjustments for:		
Depreciation expense	4.57	5.54
Interest income	(36.87)	(38.20)
Profit on sale of property, plant and equipment	(0.84)	-
Interest income on financial assets measured at amortised cost	(19.57)	(26.07)
Gain on fair remeasurement of financial assets/liabilities	-	(12.04)
Amounts/provisions no longer required, written back	(28.62)	-
Finance costs	6.21	4.29
Advances written off	-	1.50
Interest income on income-tax refund	(0.52)	(0.83)
Impairment loss of assets	2.60	-
Loss on modification of financial assets	70.50	-
Operating (loss)/profit before working capital changes	(185.10)	24.17
Movement in working capital		
Inventories	(1,779.21)	(1,307.20)
Trade receivables	(2.45)	73.21
Other financial assets	260.26	(215.29)
Other Non current assets	0.14	(1.18)
Other current assets	(831.15)	(198.22)
Other financial liabilities	4.58	6.65
Other liabilities	4,170.67	3,116.64
Provisions	33.90	2.28
Trade payables	(539.50)	(1,237.39)
Cash flow from/(used in) operating activities post working capital changes	1,132.15	263.65
Income tax refund (net)	(8.75)	0.88
Net cash flows from operating activities (A)	1,123.40	264.52
B Cash flows from investing activities		
Purchase of property, plant and equipment	(21.42)	(1.29)
Proceeds from sale of property, plant and equipment	3.96	-
Invested in long term bank deposits	(7.46)	(1.03)
Proceeds from long term bank deposits	-	119.38
Movement in short term bank deposits (net)	6.45	(8.48)
Loans given	(100.00)	-
Interest received	29.98	38.00
Net cash (used in)/flows from investing activities (B)	(88.49)	146.58
C Cash flows from financing activities		
Proceeds from long-term borrowings	17.50	400.00
Repayment of long-term borrowings	(600.80)	(331.26)
Proceeds from short term borrowings	476.60	678.84
Repayment of short-term borrowings	(742.35)	(1,032.55)
Finance cost paid	(147.36)	(186.63)
Net cash used in financing activities (C)	(996.41)	(471.59)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	38.50	(60.49)
Cash and cash equivalents at the beginning of the year	823.22	883.71
Cash and cash equivalents at the end of the year	861.72	823.22
Cash and cash equivalent at the end of the year (refer note 12)	861.72	823.22
Cash on hand	1.45	1.45
Balances with banks	303.46	215.09
Fixed deposits with original maturity of less than three months	556.81	606.68
Total	861.72	823.22

Note : The above cash flow statement has been prepared under "indirect method" as set out in the Indian Accounting Standard (Ind AS-7) statement of cash flow.

The accompanying notes form an integral part of these Financial Statements.

This is Statement of Cash Flows referred to in our report of even date

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Deepak Mittal
Partner
Membership No.: 503843

Place: Gurugram
Date: 14 May 2024



For and on behalf of the Board of Directors of
Sternal Buildcon Private Limited
Corporate Identification Number: U70109DL2009PTC195

Lalit Kumar Aggarwal
Director
DIN: 00203664

Shivansh Aggarwal
Director
DIN: 10486984

Sternal Buildcon Private Limited
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts are Rs. in millions, unless otherwise specified)

A. Equity share capital*					
Particulars	Balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
Equity share capital	70.00	-	70.00	-	70.00

B. Other equity**		
Particulars	Retained earnings	Total
Balance as at 01 April 2022	(425.73)	(425.73)
Profit for the year	96.04	96.04
Re-measurements of the defined benefit plans	0.40	0.40
Total comprehensive income	96.44	96.44
Balance as at 31 March 2023	(329.29)	(329.29)
Loss for the year	(142.78)	(142.78)
Re-measurements of the defined benefit plans	(0.35)	(0.35)
Total comprehensive income	(143.13)	(143.13)
Balance as at 31 March 2024	(472.42)	(472.42)

*Refer note17 for details
**Refer note18 for details

The accompanying notes form an integral part of these financial statements.
This is the Statement of Changes in Equity referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076/N/500013

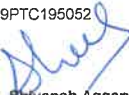

Deepak Mittal
Partner
Membership No.: 503843

Place: Gurugram
Date: 14 May 2024



For and on behalf of the Board of Directors of
Sternal Buildcon Private Limited
Corporate Identification Number: U70109DL2009PTC195052


Lalit Kumar Aggarwal
Director
DIN: 00203664


Shivansh Aggarwal
Director
DIN: 10486984

Sternal Buildcon Private Limited**Notes to the financial statements for the year ended 31 March 2024**

(All amounts in Rs. millions, unless stated otherwise)

1. Company information

Sternal Buildcon Private Limited (the 'Company') was incorporated on 9 October 2009. The Company is engaged in the business of real estate development. The Company is domiciled in India and the registered office is located at 13th Floor, Dr. Gopal Das Bhawan, 28 Barakhamba Road, Connaught Place, New Delhi – 110001.

2. Basis of preparation and statement of compliance with Ind AS

The financial statements ('financial statements') comply in all material aspects with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other relevant provisions of the Act. Accounts have been prepared using accrual basis of accounting and going concern basis.

The financial statements were authorized and approved for issue by the Board of Directors on 14 May 2024. The revision to financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

These financial statements are presented in Indian rupees (Rs.), which is also the Company's functional and presentation currency. All amounts have been rounded-off to the nearest millions upto two place of decimal, unless otherwise indicated.

3.1 Material accounting policy information

The financial statements have been prepared using the material accounting policies and measurement basis summarised below.

(a) Historical cost basis

The financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair value as explained in relevant accounting policies.

(b) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

(c) Recent pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules 2015, as issued from time to time. As at 31 March 2024, MCA has not notified any new standards or amendments to the existing standards, applicable to the Company.

(d) New and amended accounting standards adopted by the Company

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company has applied for these amendments, first-time.

Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.



Sternal Buildcon Private Limited**Notes to the financial statements for the year ended 31 March 2024**

(All amounts in Rs. millions, unless stated otherwise)

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

This amendments did not have any on these financial statements.

Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(e) Property, plant and equipment ('PPE')*Recognition, measurement and de-recognition*

PPE are stated at cost; net of tax or duty credits availed, less accumulated depreciation and impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance and cost of the item can be measured reliably. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognised.

Subsequent measurement (depreciation and useful lives)

Depreciation on PPE is provided on the written down value method, computed on the basis of useful life prescribed in Schedule II to the Act ('Schedule II').

De-recognition

An item of property, plant and equipment 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 de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in Statement of Profit and Loss when the asset is derecognised.

Considering the applicability of Schedule II as mentioned above, in respect of certain class of assets – the Management has assessed the useful lives (as mentioned in the table below) lower than as prescribed in the Schedule II, based on the technical assessment.

Assets category	Useful life estimated by the management (years)	Useful Life as per Schedule II (years)
Plant and machinery other than Mivon and electrical installations and fittings	15 years	15 years
Office equipment	5 years	5 years
Computers	3-6 years	3-6 years
Furniture and fixture	10 years	10 years
Vehicle	8 years	8 years

* Based on technical assessment carried out by the Company.

Leasehold improvements are amortized on over the period of lease.



(f) Impairment of non-financial assets

Other assets

At each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit (i.e. properties under a single license are treated as a project which is considered as a cash generating unit by the Company) to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. The Company treats individual projects (properties under a single license are treated as a project) or individual investment in subsidiaries as separate cash generating units for assessment of impairment. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and impairment loss is accordingly reversed in the Statement of Profit and Loss.

(g) Financial instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs that are directly attributable to the financial asset/liability, except for those carried at fair value through profit or loss which are measured initially at fair value and also trade receivable which are recorded initially at transaction price.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ('FVOCI').

Financial assets

Subsequent measurement

Financial assets carried at amortised cost – a financial asset is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Financial liabilities

Subsequent measurement

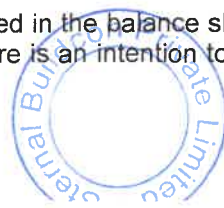
Subsequent to initial recognition, the measurement of financial liabilities depends on their classification, as described below:

De-recognition of financial liabilities

A financial liability is de-recognised 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 de-recognition 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 and loss.

Offsetting of financial instruments

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



Sternal Buildcon Private Limited**Notes to the financial statements for the year ended 31 March 2024**

(All amounts in Rs. millions, unless stated otherwise)

net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(h) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets and the impairment methodology depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

(i) Inventories

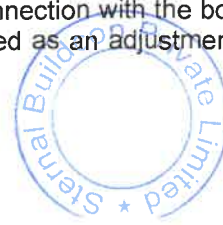
Inventories comprises of following: -

- i. Projects in progress represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects, where revenue is yet to be recognised. Such project in progress includes cost of land/development cost of land, internal development costs, external development charges, construction costs, development/construction materials, overheads, borrowing costs and other directly attributable expenses and is valued at cost or net realisable value ('NRV'), whichever is lower.
- ii. Land received under collaboration arrangements is measured at fair value of consideration in case of revenue sharing arrangements and fair value of the estimated construction service rendered to the land owner in case of area sharing arrangement and is recognised as inventory at the time of the launch of the project. The non-refundable security deposits paid by the Company under the collaboration arrangements is classified as security deposits and presented in the balance sheet under the heading "other current assets". These deposits is reclassified to inventory once letter of intent for granting license on said land is received from the authorities and at the time of the launch of the project, such deposit is adjusted with fair value of the consideration.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(j) Borrowing costs

Borrowing costs directly attributable to the acquisition and/or construction/production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are charged to the statement of profit and loss as incurred. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



Sternal Buildcon Private Limited

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

(All amounts in Rs. millions, unless stated otherwise)

(k) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services is 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 and services before transferring them to the customers.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from sale of properties

Revenue from sale of properties is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession (possession request letter) of properties have been issued to the customers and substantial sales consideration has been received from the customers.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised by the Company when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total estimated cost exceeds total expected revenues from the contracts, the loss is recognized immediately.

For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion to the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. Such consideration is received and utilized for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Company has concluded that such contracts with customers do not involve any significant financing element since the same arises for reasons explained above, which is other than for provision of finance to/ from the customer.

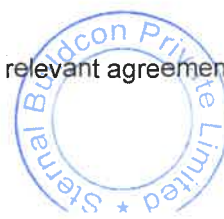
Revenue from joint development agreements with area share arrangement

For projects executed through joint development arrangements not being jointly controlled operations, wherein the land owner/possessor provides land and the company undertakes to develop properties on such land and in lieu of land owner providing land, the company has agreed to transfer certain constructed area, the revenue from the development and transfer of constructed area in exchange of such development rights/ land is accounted on gross basis from launch of the project. Revenue is recognised over time using input method, on the basis of the inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

The revenue is measured at the fair value of the land received, on the basis of fair value of the estimated construction service rendered to the land owner.

Business support service income

Such income is recognized on an accrual basis in accordance with the terms of the relevant agreements.



Sternal Buildcon Private Limited

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

(All amounts in Rs. millions, unless stated otherwise)

Scrap sale

Scrap sales are recognised when control of scrap goods are transferred i.e. on dispatch of goods and are accounted for net of returns and rebates.

Interest on Delayed payments, forfeiture income, transfer fees and holding charges

Revenue is recognized as and when the extent certainty of payment/realization is established in relation to such income.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

(l) Cost of sales in respect of properties

Cost of constructed properties includes cost of land (including development rights), estimated internal development costs, external development charges, other related government charges, borrowing costs, overheads construction costs and development/construction materials, which is charged to the Statement of Profit and Loss proportionate to the revenue recognised, as per accounting policy on revenue from sale of properties.

(m) Retirement and other employee benefits

i) Provident fund

The Company makes contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan. The Company's contributions paid/payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is determined by actuarial valuation as on the balance sheet date, using the projected unit credit method.

Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income in the period in which they occur and are not reclassified to profit or loss in subsequent periods.

iii) Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of profit and loss in the year in which such gains or losses are determined. This is done in line with the leave policy as employees do not have unconditional right to avail leave at any time within next one year.

iv) Other short-term benefits

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

(n) Brokerage

The brokerage cost incurred for obtaining the contract with customer is recognized as an asset as "Prepaid Expenses" under "Other current assets" and expensed off in the statement of profit and loss when the corresponding revenue for the contract is recognized and is presented under the head "Other Expenses".



Sternal Buildcon Private Limited**Notes to the financial statements for the year ended 31 March 2024**

(All amounts in Rs. millions, unless stated otherwise)

(o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(p) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of obligation can be made at the reporting date. Provisions are discounted to their present values, where the time value of money is material, 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.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

(q) Cash and cash equivalents

Cash and cash equivalents for the purposes of statement of cash flow comprise cash at bank and in hand and short-term bank deposits with an original maturity of three months or less.

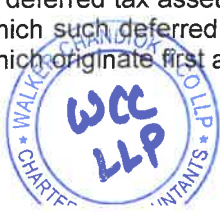
(r) Income taxes

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

The current income-tax charge is calculated on the basis of the tax laws enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.



Sternal Buildcon Private Limited**Notes to the financial statements for the year ended 31 March 2024**

(All amounts in Rs. millions, unless stated otherwise)

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the respective entity 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 entity recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

(s) Critical estimates and judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements*Impairment of non-financial assets*

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Impairment of financial assets

The Company estimates the recoverable amount of trade receivables and other financial assets where collection of the full amount is expected to be no longer probable. For individually significant amounts, this estimation is performed on an individual basis considering the length of time past due, financial condition of the counterparty, impending legal disputes, if any and other relevant factors.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Provisions

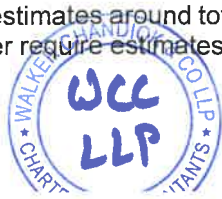
At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A tax provision is recognised when the Company has a present obligation as a result of a past event; it is probable that the Company will be required to settle that obligation. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. When considering the classification of a legal or tax cases as probable, possible or remote there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific tax law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to inform their decision. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

Estimates*Revenue and inventories*

The estimates around total budgeted cost i.e., outcomes of underlying construction and service contracts, which further require estimates to be made for changes in work scopes, claims (compensation, rebates, etc.), the cost



Sternal Buildcon Private Limited**Notes to the financial statements for the year ended 31 March 2024**

(All amounts in Rs. millions, unless stated otherwise)

of meeting other contractual obligations to the customers and other payments to the extent they are probable, and they are capable of being reliably measured. For the purpose of making these estimates, the Company used the available contractual and historical information and also its expectations of future costs. The estimates of the saleable area are also reviewed periodically and effect of any changes in such estimates is recognised in the period such changes are determined.

Estimation of net realisable value for inventory

Inventory is stated at the lower of cost and net realisable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment. NRV in respect of inventory under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

Accounting for revenue and land cost for projects executed through joint development arrangements with revenue sharing arrangement

For projects executed through joint development arrangements with revenue sharing arrangements, the Company has evaluated that land owners are engaged in the same line of business as the Company and such contracts are not contracts with customers, but a transaction for purchase of land/development rights.

The revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/ development rights received under joint development arrangement is measured at the fair value of the estimated consideration payable to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the joint development arrangement. Such assessment is carried out at the launch of the real estate project and is reassessed at each reporting period. The management is of the view that the fair value method and estimates are reflective of the current market condition.

Accounting for revenue and land cost for projects executed through joint development arrangements with area share arrangement

For projects executed through joint development arrangements with area share arrangement, the Company has evaluated that land owners are not engaged in the same line of business as the Company and hence, has concluded that such arrangements are contracts with customers. The revenue from the development and transfer of constructed area and the corresponding land/ development rights received under joint development arrangements is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted from launch of the project. The fair value is estimated with reference to the terms of the joint development arrangements and the related cost that is allocated to discharge the obligation of the Company under the joint development arrangements.

Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is reassessed at each reporting period. The management is of the view that the fair value method and estimates are reflective of the current market condition.

Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Fair value measurement

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.



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4 Property, plant and equipment

Particulars	Computer and software	Office equipment	Furniture and fixtures	Plant and machinery	Vehicle	Total
Gross block						
Balance as at 1 April 2022	0.02	8.90	0.67	5.84	31.49	46.92
Additions	-	0.42	0.28	0.59	-	1.29
Disposals	-	-	-	-	-	-
Balance as at 1 April 2023	0.02	9.32	0.95	6.43	31.49	48.21
Additions	-	1.17	0.18	-	20.42	21.77
Disposals	-	(1.45)	(0.06)	(5.06)	-	(6.57)
Balance as at 31 March 2024	0.02	9.04	1.07	1.37	51.91	63.41
Accumulated depreciation						
Balance as at 1 April 2022	0.01	2.43	0.15	1.18	13.35	17.12
Charge for the year	0.01	3.01	0.19	0.92	5.65	9.78
Disposals	-	-	-	-	-	-
Balance as at 1 April 2023	0.02	5.44	0.34	2.10	19.00	26.90
Charge for the year [^]	0.00	2.03	0.20	0.76	4.64	7.63
Disposals	-	1.16	0.03	1.94	-	3.13
Balance as at 31 March 2024	0.02	6.31	0.51	0.92	23.64	31.40
Net block as at 31 March 2023[^]	0.00	3.88	0.61	4.33	12.49	21.31
Net block as at 31 March 2024[^]	0.00	2.73	0.56	0.45	28.27	32.01

[^] Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

During the year ended 31 March 2024, depreciation amounting to Rs. 3.06 million (31 March 2023: Rs. 4.24 million) has been transferred to inventories.

For property, plant and equipment pledged as security against borrowings, refer note 19D.



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5 Investments

Others (at fair value through other comprehensive income) (refer note (i) and (ii) below)

Signatureglobal Foundation Trust[^]

Aggregate amount of unquoted investments

Notes:
(i) Book value is considered as the best estimate of fair value.
(ii) These investments are not held for trading. Accordingly, the Company has elected to present changes in the fair value of these investments in other comprehensive income.

[^] Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

	As at 31 March 2024	As at 31 March 2023
	0.00	0.00
	0.00	0.00
	0.00	0.00

6 Other financial assets (non current)

Fixed deposits having remaining maturity more than 12 months*

Security deposit

*As at 31 March 2024, deposits aggregating to Rs. 11.31 million (31 March 2023: Rs. 1.39 million) are with banks/financial institutions on account of debt service reserve account, as security for bank guarantees.

	As at 31 March 2024	As at 31 March 2023
	11.31	1.39
	4.61	4.63
	15.92	6.02

	As at 31 March 2024	As at 31 March 2023
7 Deferred tax assets (net)		
Deferred tax assets on account of:		
Carried forward business loss and unabsorbed depreciation	43.52	21.92
Employee benefits provisions	4.01	2.51
Allowance for expected credit losses	0.72	-
Property, plant and equipment	2.37	-
Expenditures to be claimed subsequently under Income tax act, 1961, on payment basis	2.98	0.03
Deferred tax liabilities on account of:		
Effect of expenditure not debited to statement of profit and loss account but allowed for tax purposes	(7.80)	(16.52)
Property, plant and equipment	-	(2.05)
Deferred tax assets (net)	45.80	5.89
Minimum alternative tax credit entitlement	47.49	47.49
	93.29	53.38

(i) Movement in deferred tax assets (net)

Particulars	1 April 2023	Recognised/ reversed through profit and loss	Recognised in other comprehensive income	31 March 2024
Assets				
Carried forward business loss and unabsorbed depreciation	21.92	21.60	-	43.52
Employee benefits provisions	2.51	1.36	0.14	4.01
Allowance for expected credit losses	-	0.72	-	0.72
Property, plant and equipment	-	2.37	-	2.37
Expenditures to be claimed subsequently under Income tax act, 1961, on payment basis	0.03	2.95	-	2.98
Deferred tax assets	24.46	29.00	0.14	53.60
Liabilities				
Effect of expenditure not debited to statement of profit and loss account but allowed for tax purposes	(16.52)	8.72	-	(7.80)
Property, plant and equipment	(2.05)	2.05	-	-
Deferred tax liabilities	(18.57)	10.77	-	(7.80)
Deferred tax assets (net)	5.89	39.77	0.14	45.80
Minimum alternative tax credit entitlement	47.49	-	-	47.49
Total	53.38	39.77	0.14	93.29

Particulars	1 April 2022	Recognised/ reversed through profit and loss	Recognised in other comprehensive income	31 March 2023
Assets				
Carried forward business loss and unabsorbed depreciation	23.57	(1.65)	-	21.92
Employee benefits provisions	-	2.51	-	2.51
Expenditures to be claimed subsequently under Income tax act, 1961, on payment basis	-	0.03	-	0.03
Deferred tax assets	23.57	0.90	-	24.46
Liabilities				
Effect of expenditure not debited to statement of profit and loss account but allowed for tax purposes	(23.57)	7.05	-	(16.52)
Property, plant and equipment	-	(1.89)	(0.17)	(2.05)
Deferred tax liabilities	(23.57)	5.16	(0.17)	(18.57)
Deferred tax assets (net)	-	6.06	(0.17)	5.89
Minimum alternative tax credit entitlement	47.33	0.16	-	47.49
Net deferred tax assets	47.33	6.22	(0.17)	53.38

(a) During the year ended 31 March 2024, the Company has recognised deferred tax asset of Rs. 39.91 million based on business projections of taxable earnings in the near future. While making such adjustments, the Company has been cognizant enough to consider the history of losses they have, uncertainties of business in place and rising input costs. Carrying value of the deferred tax assets (net) is Rs. 93.29 millions as at 31 March 2024. The Company is eligible for deduction under section 80IBA of Income-tax Act, 1961 (subject to compliance of conditions mentioned under that section) in respect of its profits and gains derived from the business of developing and building housing projects which meet the criteria for such deduction as per the provisions of the Income-tax Act, 1961. Hence, the Company has not created the deferred tax assets in respect of carry forward losses, unabsorbed depreciation and other timing differences with respect to such projects. The Company has created deferred tax assets on carry forward losses, unabsorbed depreciation and other timing differences from housing projects which do not meet the criteria for above deduction.

(b) Details of unused tax losses on which no deferred tax has been created, along with their expiry is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Unabsorbed depreciation (never expire)		
Gross amount	10.74	8.32
Unrecognised tax impact	2.99	2.31
Unused tax losses (expiry in assessment year from 2029-30 to 2031-32)		
Gross amount	91.34	29.65
Unrecognised tax impact	25.41	8.25

8 Income tax assets

Advance income tax (net of provision for taxation)

	As at 31 March 2024	As at 31 March 2023
	19.65	11.04
	19.65	11.04



	As at 31 March 2024	As at 31 March 2023
9 Other non current assets		
Prepaid expenses	1.04	1.18
	1.04	1.18
10 Inventories (valued at lower of cost and net realizable value)		
Projects-in-progress*	8,405.57	6,493.20
	8,405.57	6,493.20

* For inventories pledged as borrowings, refer note 19D.

11 Trade receivables

Unsecured, considered good

From related party (refer note 37)	85.03	131.93
From others	0.54	2.12
	85.57	134.05

Trade receivable ageing

Particulars	Outstanding for following year from due date of invoice						
31 March 2024	Unbilled	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	49.80	35.77	-	-	-	-	85.57
Total	49.80	35.77	-	-	-	-	85.57

Particulars	Outstanding for following year from due date of invoice						
31 March 2023	Unbilled	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables, considered good	116.47	17.58	-	-	-	-	134.05
	116.47	17.58	-	-	-	-	134.05

12 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Cash on hand	1.45	1.45
Balances with banks (refer note (i) below)	303.46	215.09
Fixed deposits with original maturity of less than three months*	556.81	606.68
	861.72	823.22

Notes;

(i) Cash at banks include Rs. 122.25 millions (31 March 2023: Rs. 89.43 millions) held in escrow account for project under Real Estate (Regulation and Development) Act, 2016 ("RERA"). The money can be utilised for payments of the specified projects.
(ii) Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earns interest at the respective short-term deposit rates.

	As at 31 March 2024	As at 31 March 2023
13 Bank balances other than cash and cash equivalents		
Fixed deposits with maturity more than 3 months but less than 12 months*	12.68	17.23
	12.68	17.23

* As at 31 March 2024, deposits aggregating to Rs. 14.68 millions (31 March 2023: Rs. 35.01 millions) are with banks/ financial institutions on account of debt service reserve account and as security for bank

	As at 31 March 2024	As at 31 March 2023
14 Loans (current)		
Unsecured, considered good		
Loans to related parties (refer note 37)*	103.02	-
	103.02	-
15 Other financial assets (current)		
Unsecured, considered good		
Refundable security deposits	38.20	298.00
Other recoverable	14.64	14.88
Unbilled revenue^	0.00	0.20
	52.84	313.08

^ Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"

16 Other current assets

Prepaid expenses		
Brokerage	798.47	400.84
Others	5.53	0.46
Advances to contractors and material suppliers		
To related party (refer note 37)	808.70	452.29
To others	14.42	11.04
Non-refundable security deposit		
Considered good	113.90	60.10
Considered doubtful	2.60	-
Balances with government authorities	29.05	16.79
	1,772.67	941.52
Less : Allowance for impairment (net)	(2.60)	-
	1,770.07	941.52

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17 Share capital

Authorized

Equity shares of Rs. 10 each fully paid up

As at 31 March 2024		As at 31 March 2023	
Number	Amount	Number	Amount
70,00,000	70.00	70,00,000	70.00
70,00,000	70.00	70,00,000	70.00

Issued, subscribed and paid up shares

Equity shares of Rs. 10 each fully paid up

70,00,000	70.00	70,00,000	70.00
70,00,000	70.00	70,00,000	70.00

a. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Balance as at 1 April 2023/ 1 April 2022

Issued during the year

Balance at the end of the year

As at 31 March 2024		As at 31 March 2023	
Number	Amount	Number	Amount
70,00,000	70.00	70,00,000	70.00
-	-	-	-
70,00,000	70.00	70,00,000	70.00

The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash nor has allotted any paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets.

c. Details of shares held by Holding Company and shareholders holding more than 5% shares in the Company

Name of the equity shareholder

Signatureglobal (India) Limited

As at 31 March 2024		As at 31 March 2023	
Number	%	Number	%
70,00,000	100.00%	70,00,000	100.00%

d. There are no equity shares have been issued for consideration other than cash also there are no equity shares which are reserve for issue under any option.

e. Shareholding of promoters

As at 31 March 2024

S.No.	Promoter name	Number of shares	% of total shares	% of change during the year
1	Signatureglobal (India) Limited	69,99,999	100.00%	-
2	Mr. Ravi Aggarwal as a nominee shareholder of Signatureglobal (India) Limited	1	0.00%	-

As at 31 March 2023

S.No.	Promoter name	Number of shares	% of total shares	% of change during the year
1	Signatureglobal (India) Limited	69,99,999	100.00%	-
2	Mr. Ravi Aggarwal as a nominee shareholder of Signatureglobal (India) Limited	1	0.00%	-

100% equity shares are held by holding company as disclosed above, there is no change during the year ended 31 March 2024.

18 Other equity

Retained earnings

As at 31 March 2024	As at 31 March 2023
(472.42)	(329.29)
(472.42)	(329.29)

Nature and purpose of other reserves

Retained earnings

Retained earnings is used to record balance of statement of profit and loss and other equity adjustments.

19A Borrowings

Term loans

From banks (refer notes 19D.1 to 19D.3)

From financial institutions (refer notes 19D.4 to 19D.5)

Non-current As at 31 March 2024	Non-current As at 31 March 2023	Current As at 31 March 2024	Current As at 31 March 2023
-	112.44	58.32	202.78
-	132.47	-	202.51
13.29	-	3.84	-
-	0.25	0.29	0.39
13.29	245.16	62.45	405.68
-	-	(62.45)	(405.68)
13.29	245.16	-	-

Less: Amount disclosed under current borrowings as "current maturities of long-term borrowings"

Non-current borrowings guaranteed by directors and others

Term loans from banks and financial institutions

244.91 58.32 405.29

19B Borrowings - current

Secured

Current maturities of non-current borrowings (refer note 19A)

Short-term loan from bank (refer note 19D.8)

Unsecured

Loan from related parties (refer note 19D.9)

As at 31 March 2024	As at 31 March 2023
62.45	405.68
-	1.00
15.11	279.86
77.56	686.54

Current borrowings guaranteed by directors and others

Short term loan from bank

- 1.00



19C Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be summarised below:

Particulars	Current borrowings	Non-current borrowings
Balance as at 1 April 2022	634.57	576.65
Cash flows:		
- Proceeds	678.84	400.00
- Repayment	(1,032.55)	(331.26)
Non cash:		
- Ancillary cost adjustment	-	(4.72)
- Interest expense adjustment	-	10.16
Balance as at 31 March 2023	280.86	650.84
Cash flows:		
- Proceeds	476.60	17.50
- Repayment	(742.35)	(600.80)
Non cash:		
- Ancillary cost adjustment	-	8.20
Balance as at 31 March 2024	15.11	75.74

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19D Borrowings securities

9D. Borrowings securities			Outstanding amount	
S. No.	Facility details	Security	As at 31 March 2024	As at 31 March 2023
A. Long term borrowings				
1	During the year ended 31 March 2021, the Company had taken term loan facility of Rs. 260.00 million from State Bank of Mauritius for a period of 4 years, carrying the floating interest rate of 11.90% per annum linked to State Bank of Mauritius 12 months Marginal cost of funds based lending rate (MCLR). The said loan has been fully repaid during the current year.	The loan facility was secured by way of following: 1)Charge by way of equitable mortgage over land building, and structures thereon on the affordable housing project at sector-95 Gurugram 2)Charge by way of equitable mortgage over land building, and structures thereon on the proxima affordable housing project at sector-89 Gurugram 3)Charge by way of hypothecation over receivables (both present and future) including escrow account pertaining to the project 4)Demand promissory note from the Company 5)3 months interest reserve account (ISRA) to be created upfront 6)Post dated cheques for principal repayment and 1 month interest payment to be submitted upfront 7)Personal guarantee from directors and their relatives.	-	71.87
2	During the year ended 31 March 2022, the Company had taken term loan facility of Rs. 80.00 million from State Bank of Mauritius for a period of 4 years, carrying the floating interest rate of 12.85% per annum linked to State Bank of Mauritius 12 months Marginal cost of funds based lending rate (MCLR). The said loan has been fully repaid during the current year.	The loan facility was secured by way of following: 1)Charge by way of equitable mortgage over land building, and structures thereon on the Signatureglobal park 1 and park 3 Ext residential project at sector -36 sohna, Gurugram 2)Charge by way of hypothecation over receivables (both present and future) including escrow account pertaining to the project 3)Charge over escrow account to be created by the Company 4)Demand promissory note 5)Charge over interest reserve account (ISRA) 6)Post dated cheques for principal repayment and 1 month interest payment 7)Personal guarantee from directors and their relatives. 8)25% share pledge of fellow subsidiary company (Signatureglobal Homes Private Limited) in favour of State Bank of Mauritius Bank/other lender (post release by HDFC capital)	-	53.33
3	During the year ended 31 March 2021, the Company had taken term loan facility of Rs. 200.00 million from Indusind Bank for a period of 4 years, carrying the floating interest rate of 10.75% per annum payable monthly (linked to 1 year Indusind bank Limited Marginal cost of funds based lending rate (MCLR) + applicable spread).	The loan facility is secured by way of following: 1)First Exclusive charge by way of equitable mortgage on the land and building of the retail mall,sohna gurugram being developed by the company 2)First Exclusive charge by way of hypothecation the sold and unsold receivables corresponding to the retail mall,sohna gurugram being developed by the company 3)First Exclusive charge by way of hypothecation on the sold and unsold receivables corresponding to Deen Dayal Jan Awas Yojana project being developed in Joint Development Agreement model in sector 37-D gurugram 4)Cross collateralization of the karnal project 5)Post dated cheques for the term loan facility 6)Corporate guarantee from holding company (Signatureglobal (India) Limited) and from fellow subsidiary companies, Fantabulous Town Developers Private Limited and Msa Vaishno Net-Tech Private Limited. 7)Personal guarantee of directors and their relatives.	59.39	195.95
4	During the year ended 31 March 2021, the Company had taken term loan facility of Rs. 260.00 million from Arka Fincap Limited for a period of 3 years, carrying the fixed interest rate of 12.25% per annum payable monthly. The said loan has been fully repaid during the current year.	The loan facility was secured by way of following: 1)Exclusive charge by way of equitable/registered mortgage over land and buildings, and structures thereon on the affordable housing project at sector-85 gurugram 2)Exclusive charge by way of hypothecation over receivables (both present and future) including escrow account pertaining to the project 3)Charge by way of equitable mortgage over land building, and structures thereon on the proxima affordable housing project at sector-89 Gurugram 4)Exclusive charge over escrow account to be created by the company 5) First and exclusive charge over interest reserve account (ISRA) 6)Demand promissory note 7)Post dated cheques for principal repayment and interest payment 8)Corporate guarantee from holding company (Signatureglobal (India) Limited) 9)Personal guarantee from directors and their relatives.	-	71.87
5	During the year ended 31 March 2022, the Company had taken term loan facility of Rs. 400.00 million from Arka Fincap Limited for a period of 3 years, carrying the fixed interest rate of 13.30% per annum payable monthly. The said loan has been fully repaid during the current year.	The loan facility was secured by way of following: a)First pari passu charge by way of mortgage over land and buildings, admeasuring 5.89 acres and structure thereon on the Signature Global Milennia IV residential project at Sector -37D, Gurgaon. (b)First pari passu charge by way of Hypothecation over receivables (both present and future) including escrow account pertaining to project (c)Demand promissory note form borrower. (d)3 months Interest Reserve Account (ISRA) to be created upfront. (e)UDC for principal repayment and 1 month interest payment to be submitted upfront (f)Personal guarantee of promoters (h)Corporate Guarantee from Signatureglobal (India) Limited. (i)Revenue share belonging to landowners (pertaining to the project) shall be subordinated to the facility.	-	266.44
6	The vehicle loan taken by the Company from Axis Bank Limited and carries interest rate of 9.05% p.a. This loan is repayable within four years from the date of disbursement.	These vehicles loans are secured by way of hypothecation of vehicles	17.13	-
7	The vehicle loan taken by the Company from Kotak Mahindra Prime Limited and carries interest rate of 8.86% p.a. This loan is repayable within five years from the date of disbursement.		0.29	0.64
		Total borrowings	76.81	660.10
		Less: Unamortised processing fees	(1.07)	(9.26)
		Less: Current maturities	(62.45)	(405.68)
		Total long term borrowings	13.29	245.16
B. Short term borrowings				
Secured Borrowing				
8	During the year ended 31 March 2023, the Company had taken a working capital facility from Kotak Mahindra Bank amounting to Rs. 1.00 million carrying a fixed rate of interest of 6.50% per annum for a tenure of 1 year. The said facility has been fully repaid during the current year.	Lien over fixed deposits (upto Rs. 1.00 million). 100% FD for outstanding facility amount. Lien shall be marked on FD till such time as the obligation under overdraft facility fully satisfied	-	1.00
Unsecured Borrowing				
9	The Company had taken loan amount of Rs. 1,000.00 millions from Signatureglobal (India) Limited , repayable on demand, carrying a fixed rate of interest of 14.50% per annum (31 March 2023: 16.00% per annum)		15.11	279.86
		Total short term borrowings (excluding current maturities of long-term borrowings)	15.11	280.86
		Add: Current maturities of long-term borrowings	62.45	405.68
		Total short term borrowings	77.56	686.54
Grand Total			90.85	931.70

19E The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date, though idle funds which were not required for immediate utilisation were invested in readily realisable liquid investments



20 Other non-current liabilities

Unearned Income

As at 31 March 2024	As at 31 March 2023
14.21	-
14.21	-

21 Provisions - non-current

Provision for employee benefits

Gratuity (refer note 39)

Compensated absences (refer note 39)

7.06	4.28
5.83	3.48
12.89	7.76

22 Trade payables

Due to micro enterprises and small enterprises

Due to others*

14.73	8.70
797.01	1,282.89
811.74	1,291.59

*Due to others includes

a) Obligation of the Company towards provision of constructed area to the land owners for the project under collaboration.

b) Deferred payment liabilities represents the external development charges payable and infrastructure development charges payable to the government authorities after the year ended 31 March 2024 and 31 March 2023.

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

Particulars

As at 31 March 2024	As at 31 March 2023
14.73	8.70
-	-
-	-
-	-
-	-
14.73	8.70

i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;

ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;

iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;

iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and

v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23

Ageing Schedule

As at 31 March 2024

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	2.70	12.03	-	-	-	14.73
Others	459.58	333.48	1.63	2.09	0.23	797.01

As at 31 March 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	1.61	6.32	0.77	-	-	8.70
Others	483.58	631.15	167.91	0.01	0.24	1,282.89

23 Other financial liabilities (current)

Interest accrued on borrowings

Interest free maintenance security deposits received from customers

Security deposits

Bank overdraft

Payable to employees

As at 31 March 2024	As at 31 March 2023
0.67	79.57
49.95	38.26
0.97	7.77
0.83	3.09
7.33	5.38
59.75	134.07

24 Other current liabilities

Advance received from customers (refer note 42)

Statutory dues payable

Unearned revenue

10,841.51	6,671.36
18.53	37.67
5.45	-
10,865.49	6,709.03

25 Provisions - current

Provision for employee benefits

Gratuity (refer note 39)

Compensated absences (refer note 39)

0.35	0.15
0.52	0.22
0.87	0.37

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26 Revenue from operations

Operating revenue

Revenue from real estate projects

Other operating revenue

Forfeiture income

Business support services

Other charges

27 Other income

Interest income on (measured at fair value through profit and loss):

Deposits

Loans

Delay in payment by customers

Financial asset measured at amortised cost

Income tax refunds

Other non operating revenue:

Modification gain on financial instruments

Amounts/provisions no longer required, written back

Profit on sale of property, plant and equipment

Miscellaneous income

28 Cost of revenue

Project expense incurred during the year (A)

Change in inventory of project work in progress

Project inventory at the beginning of the year (B)

Less: Cost against revenue recognised (C)

Less: Inventory at the end of the year (D)

Change in inventories of project work in progress (E=B+C+D)

Total cost of revenue (A-C+E)

29 Employee benefits expense

Salaries, wages and bonus

Contribution to provident and other funds

Staff welfare expenses

Less : Amount transferred to projects in progress

30 Finance costs

Interest expense

Other borrowing costs

Less : Amount transferred to projects in progress*

* Weighted average cost of capitalization is ranging from 14.41% to 16.00%.

31 Depreciation expense

Depreciation expense

Less : Amount transferred to projects in progress

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from real estate projects	16.35	358.32
	16.35	358.32
Forfeiture income	3.19	9.39
Business support services	4.11	-
Other charges	3.46	0.08
	10.76	9.47
	27.11	367.79
Deposits	32.63	38.20
Loans	4.24	-
Delay in payment by customers	9.44	19.50
Financial asset measured at amortised cost	19.57	26.07
Income tax refunds	0.52	0.83
Modification gain on financial instruments	-	12.04
Amounts/provisions no longer required, written back	28.62	-
Profit on sale of property, plant and equipment	0.84	-
Miscellaneous income	-	1.33
	95.86	97.97
Project expense incurred during the year (A)	1,922.51	1,790.33
Project inventory at the beginning of the year (B)	6,493.20	4,882.72
Less: Cost against revenue recognised (C)	(10.14)	(179.85)
Less: Inventory at the end of the year (D)	(8,405.57)	(6,493.20)
Change in inventories of project work in progress (E=B+C+D)	(1,922.51)	(1,790.33)
Total cost of revenue (A-C+E)	10.14	179.85
Salaries, wages and bonus	83.84	54.65
Contribution to provident and other funds	1.67	1.16
Staff welfare expenses	7.13	3.78
	92.64	59.59
Less : Amount transferred to projects in progress	(49.36)	(36.13)
	43.28	23.46
Interest expense	133.65	301.04
Other borrowing costs	2.66	2.29
	136.31	303.33
Less : Amount transferred to projects in progress*	(130.10)	(299.04)
	6.21	4.29
Depreciation expense	7.63	9.78
	7.63	9.78
Less : Amount transferred to projects in progress	(3.06)	(4.24)
	4.57	5.54

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32 Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Rates and taxes	0.60	21.40
Repair and maintenance	7.58	1.55
Advertisement and publicity	16.38	24.00
Business promotion	9.77	2.30
Commission and brokerage	11.50	28.82
Donation and charity	5.64	6.19
Project management cost	11.30	11.30
Branding expenses	46.48	46.48
Advances written off	-	1.50
Travelling and conveyance	0.41	0.79
Loss on modification of financial assets	70.50	-
Business support services	48.66	8.99
Impairment loss of assets	2.60	-
Legal and professional fees	6.71	6.49
Auditor's remuneration*	0.63	0.64
Insurance expense	0.36	0.78
Bank charges	0.16	0.27
Printing and stationery	0.50	0.57
Miscellaneous expenses	1.54	0.57
	241.32	162.64

*Auditor's remuneration comprises of:

Audit fees^	0.59	0.59
Remimbursement of expenses for audit fees	0.04	0.05
	0.63	0.64

^inclusive of goods and services tax.

33 Income tax

Tax expense comprises of:

Current tax	-	0.16
Deferred tax credit	(39.77)	(6.22)
Income tax expense reported in the statement of profit and loss account	(39.77)	(6.06)

Tax impact of items taken to other comprehensive income

	0.14	(0.17)
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Income tax expense reported in other comprehensive income

	0.14	(0.17)
--	-------------	---------------

Total income tax

	(39.91)	(6.23)
--	----------------	---------------

Accounting profit before income tax (including other comprehensive income)

	(183.04)	90.55
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At India's statutory income tax rate of 27.82%

	(50.92)	25.19
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Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Impact of deferred tax not recorded/ (now recorded) (net)	9.76	(32.49)
Tax impact of expenses which will never be allowed	1.63	1.75
Others	1.10	(0.68)
Income tax credit	(38.43)	(6.23)

34 Earnings per share

	For the year ended 31 March 2024	For the year ended 31 March 2023
Net (loss)/profit attributable to equity shareholders	(142.78)	96.04
Nominal value of equity share in Rs.	10.00	10.00
Weighted average number of equity shares	70,00,000	70,00,000
Basic	(20.40)	13.72
Diluted	(20.40)	13.72



35 Financial instruments

i) Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
	Amortised cost	Amortised cost
Financial assets		
Investments ^A	0.00	0.00
Trade receivables	85.57	134.05
Loans	103.02	-
Cash and cash equivalents	861.72	823.22
Bank balances other than cash and cash equivalents	12.68	17.23
Other financial assets	68.76	319.10
Total financial assets	1,131.75	1,293.60
Financial liabilities		
Borrowings	90.85	931.70
Trade payables	811.74	1,291.59
Other financial liabilities	59.75	134.07
Total financial liabilities	962.34	2,357.36

^A Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

ii) Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). The input factors considered are Estimated cash flows and other assumptions.

iii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying value	Fair value*	Carrying value	Fair value*
Financial assets				
Trade receivables	85.57	85.57	134.05	134.05
Loans	103.02	103.02	-	-
Cash and cash equivalents	861.72	861.72	823.22	823.22
Bank balances other than cash and cash equivalents	12.68	12.68	17.23	17.23
Other financial assets	68.76	68.76	319.10	319.10
Total financial assets	1,131.75	1,131.75	1,293.60	1,293.60
Financial liabilities				
Borrowings	90.85	90.85	931.70	931.70
Trade payables	811.74	811.74	1,291.59	1,291.59
Other financial liabilities	59.75	59.75	134.07	134.07
Total financial liabilities	962.34	962.34	2,357.36	2,357.36

*Carrying value of these financial assets and financial liabilities represents the best estimated values.

36 Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, loans and other financial assets	Ageing analysis	Diversification of bank deposits and regular monitoring.
Liquidity risk	Borrowings and other financial liabilities	Cash flow forecasts	Availability of funds and credit facilities.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Diversification of borrowings

A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial asset fails to meet its contractual obligations. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each financial asset. The carrying amounts of financial assets represent the maximum credit risk exposure. The Company monitors its exposure to credit risk on an ongoing basis.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: Low credit risk
B: Moderate credit risk
C: High credit risk

The Company provides for expected credit loss based on the following:

Asset groups	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, loans and other financial assets	12 months or life time expected credit loss
High credit risk	Trade receivables or loans	Life time expected credit loss or fully provided for trade receivables

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Credit rating	Particulars	As at 31 March 2024	As at 31 March 2023
Low credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, loans and other financial assets	1,131.75	1,293.60

Cash and cash equivalents and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only diversifying bank deposits and accounts in different banks. Credit risk is considered low because the Company deals with reputed banks.



Loans and other financial assets

Loans and other financial assets measured at amortized cost includes security deposits and other receivables. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously. Credit risk is considered low because the Company is in possession of the underlying asset. Further, the Company creates provision by assessing individual financial asset for expectation of any credit loss based on expected credit loss model.

Trade receivables

The Company closely monitors the credit-worthiness of customers, thereby, limiting the credit risk. The Company uses a simplified approach (lifetime expected credit loss model) for the purpose of computation of expected credit loss for trade receivables.

ii) Concentration of financial assets

The Company carries on the business as a real estate developer. Loans and other financial assets majorly represents loans to related parties and deposits given for business purposes.

b) Credit risk exposure

i) Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets:

As at 31 March 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	861.72	-	861.72
Bank balances other than cash and cash equivalents	12.68	-	12.68
Trade receivables	85.57	-	85.57
Loans	103.02	-	103.02
Other financial assets	68.76	-	68.76

As at 31 March 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	823.22	-	823.22
Bank balances other than cash and cash equivalents	17.23	-	17.23
Trade receivables	134.05	-	134.05
Other financial assets	319.10	-	319.10

The credit risk for cash and cash equivalents and other bank balances is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Loans are given to related parties. Accordingly, credit risk for loan is considered negligible. Other financial assets includes fixed deposits, other recoverable, unbilled receivables and security deposits receivable for which credit risk is considered negligible considering the Company is already in possession of the property against which the deposit is given.

Expected credit loss for trade receivables under simplified approach

As at 31 March 2024 and 31 March 2023, the Company considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events other than mentioned above are considered to be possible within the 12 months after the reporting date. In respect of trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on the actual credit loss experience and past trends. Based on historical data, loss of collection on receivables is not material. Hence, no additional required.

Particulars	Unbilled	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
As at 31 March 2024							
Gross carrying amount	49.80	35.77	-	-	-	-	85.57
% of expected credit losses	-	-	-	-	-	-	-
Allowance for expected credit losses	-	-	-	-	-	-	-
Net carrying amount after impairment provision	49.80	35.77	-	-	-	-	85.57
As at 31 March 2023							
Gross carrying amount	116.47	17.58	-	-	-	-	134.05
% of expected credit losses	-	-	-	-	-	-	-
Allowance for expected credit losses	-	-	-	-	-	-	-
Net carrying amount after impairment provision	116.47	17.58	-	-	-	-	134.05

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Maturities of financial liabilities

31 March 2024	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Non-derivatives					
Borrowings (including interest accrued)	79.29	4.20	4.60	4.50	92.59
Trade payable	825.91	7.55	-	-	833.46
Other financial liabilities	59.08	-	-	-	59.08
Total	964.28	11.75	4.60	4.50	985.13

31 March 2023	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Non-derivatives					
Borrowings (including interest accrued)	773.43	247.12	-	-	1,020.55
Trade payable	1,122.58	306.48	3.67	-	1,432.73
Other financial liabilities	54.50	-	-	-	54.50
Total	1,950.51	553.60	3.67	-	2,507.78

The Company had access to following funding facilities :

Funding facilities	Total facility	Drawn	Undrawn
As at 31 March 2024	200.00	200.00	-
As at 31 March 2023	1,200.00	1,200.00	-

C) Market risk

Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on financing. At 31 March 2024, the Company is not exposed to changes in market interest rates as Company has borrowed unsecured loan from related parties at fixed interest rates.

The Company's variable rate borrowings is subject to interest rate. Below is the overall exposure of the borrowings:

Particulars	31 March 2024	31 March 2023
Variable rate borrowings	59.39	321.15
Fixed rate borrowings	31.46	610.55
Total borrowings	90.85	931.70

Sensitivity

Profit or loss and equity are sensitive to higher/lower interest expense from variable borrowings as a result of changes in interest rates (net of tax)

Particulars	31 March 2024	31 March 2023
Interest rates – increase by 100 basis points	(0.43)	(2.32)
Interest rates – decrease by 100 basis points	0.43	2.32

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.



iii) Price Risk

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Particulars	31 March 2024	31 March 2023
Unquoted investments (carried at fair value through other comprehensive income)^	0.00	0.00

Sensitivity

Profit or loss and equity is sensitive to change in fair value of investments (net of tax)

Particulars	Currency	Strengthening		Weakening	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
5% movement	INR	-	-	-	-

^ Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"



37 Related party transactions

In accordance with the requirements of Ind AS 24, 'Related Party Disclosures' and the Companies Act, 2013, the names of the related party along with the transactions and year-end balances with them as identified and certified by the management are given below:

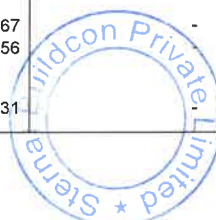
a) Details of related parties:

Description of relationship	Names of related parties
I. Holding company	Signatureglobal (India) Limited
II. Key management personnel (KMP)	
Director	Ravi Aggarwal (till 31 January 2024)
Director	Lalit Kumar Aggarwal
Director	Devender Aggarwal
Director	Kundan Mal Aggarwal (from 20 June 2022)
Director	Bharti Aggarwal (from 20 June 2022)
Additional Director	Shivansh Aggarwal (from 2 February 2024)
Company Secretary	Gaurav Srivastava (till 31 October 2022)
CFO of holding Company	Manish Garg (from 31 May 2022)
III. Key management personnel (KMP) of Holding company	
CFO of Holding Company	Manish Garg (from 31 May 2022)
IV. Entities with whom there are transactions during the year	
a) Fellow subsidiaries	Signature Builders Private Limited Signatureglobal Developers Private Limited Indeed Fincap Private Limited Signatureglobal Homes Private Limited Maa-Vaishno Net-tech Private Limited Signatureglobal Infrabuild Private Limited Forever Buildtech Private Limited Fantabulous Town Developers Private Limited Signature Business Park Private Limited JMK Holdings Private Limited Rose Building Solutions Private Limited Gurugram Commercicy Private Limited (from 18 March 2024)
b) Entities exercising significant influence over the Holding Company	Sarvpriya Securities Private Limited
c) Entities under significant influence of KMPs and close members of KMPs	Skyfull Maintenance Services private Limited Signatureglobal Foundation Trust

Note: Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:
(a) that person's children, spouse or domestic partner, brother, sister, father and mother;
(b) children of that person's spouse or domestic partner; and
(c) dependants of that person or that person's spouse or domestic partner

b) Statement of transactions with related parties -

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Short term employee benefits including reimbursement		
Gaurav Srivastava	-	0.49
Borrowings taken		
Signatureglobal (India) Limited	476.60	647.84
Indeed Fincap Private Limited	-	30.00
Borrowings repaid		
Signatureglobal (India) Limited	741.35	1,094.70
Indeed Fincap Private Limited	-	30.00
Interest expense on borrowings taken		
Signatureglobal (India) Limited	24.82	80.50
Indeed Fincap Private Limited	-	0.21
Loan given		
Indeed Fincap Private Limited	100.00	-
Interest received on loan given		
Indeed Fincap Private Limited	4.24	-
Business support service income		
Signatureglobal (India) Limited	22.83	0.54
Signatureglobal Homes Private Limited	0.52	0.49
Signature Infrabuild Private Limited	0.23	-
Signature Business Park Private Limited	0.58	-
Skyfull Maintenance Services Private Limited	0.01	-
Construction costs		
Signatureglobal (India) Limited	1,648.00	1,365.55
Signatureglobal Developers Private Limited	-	5.69
Purchase of switching station rights		
Signatureglobal (India) Limited	14.67	-
Signatureglobal Developers Private Limited	14.56	-
Sale of property, plant and equipment		
Signatureglobal (India) Limited	4.31	-



Sternal Buildcon Private Limited
Notes to the financial statements for the year ended 31 March 2024
(All amounts are Rs. in millions, unless otherwise specified)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Branding expenses		
Signatureglobal (India) Limited	46.48	46.48
Project management expenses		
Signatureglobal (India) Limited	11.30	11.30
Repair and maintenance		
Skyfull Maintenance Services Private Limited	0.50	6.79
Business support services expenses		
Signatureglobal (India) Limited	50.48	11.63
Maa Vaishno Net - Tech Private Limited	0.11	0.38
Fantabulous Town Developers Private Limited	0.11	0.38
Signatureglobal Developers Private Limited	0.11	0.06
		-
Expenses incurred on behalf of		
Signatureglobal (India) Limited	4.01	6.12
Skyfull Maintenance Services Private Limited	16.11	5.37
Forever Buildtech Private Limited	-	1.80
Signatureglobal Developers Private Limited	1.74	-
Expenses paid on behalf of the Company by		
Signatureglobal (India) Limited	0.86	0.61
Skyfull Maintenance Services Private Limited	3.88	-
Corporate guarantee given		
Signatureglobal (India) Limited	5,750.00	380.00
Corporate guarantee extinguished		
Signatureglobal (India) Limited	2,327.24	369.31
Signatureglobal Homes Private Limited	263.82	97.51
Gain on remeasurement of financial assets/liabilities		
Signatureglobal Homes Private Limited	-	5.66
Loss on modification of financial assets		
Signatureglobal Homes Private Limited	9.08	-
Financial asset measured at amortised cost on collaboration		
Signatureglobal Homes Private Limited	19.58	26.07
Advance received against purchase of residential units		
Manish Garg	0.71	0.43
Short term employee benefits		
Bharti Aggarwal	0.94	-
Shivansh Aggarwal	0.20	-
Director sitting fee		
Kundan Mal Agarwal	0.18	-
Donation		
Signatureglobal Foundation Trust	2.00	3.00

c) Statement of balances outstanding -

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
Signatureglobal (India) limited	354.66	392.55
Skyfull Maintenance Services Private Limited	0.05	4.00
Maa Vaishno Net - Tech Private Limited	-	0.26
Fantabulous Town Developers Private Limited	-	0.26
Signatureglobal Developers Private Limited	-	-
Other recoverable		
Forever Buildtech Private Limited	-	1.80
Signatureglobal Developers Private Limited	1.06	-
Skyfull Maintenance Services Private Limited	1.09	0.57
Signatureglobal (India) Limited	12.11	-
Advances given		
Signatureglobal (India) limited	808.70	452.29
Trade receivables		
Signatureglobal Homes Private Limited	85.03	132.29
Signatureglobal (India) Limited	-	0.41
Advance received against purchase of residential units		
Manish Garg	1.85	1.13



Sternal Buildcon Private Limited**Notes to the financial statements for the year ended 31 March 2024***(All amounts are Rs. in millions, unless otherwise specified)*

Particulars	As at 31 March 2024	As at 31 March 2023
Corporate guarantee given		
Signatureglobal (India) Limited	3,724.72	301.96
Signatureglobal Homes Private Limited	-	263.79
Borrowings taken		
Signatureglobal (India) Limited	15.11	279.86
Interest accrued on borrowings		
Signatureglobal (India) Limited	0.54	79.58
Loan given		
Indeed Fincap Private Limited	103.02	-
Managerial remuneration payable		
Bharti Aggarwal	0.09	-
Shivansh Aggarwal	0.10	-
Investments		
Signatureglobal Foundation Trust	0.00	0.00

D. Other notes

1. The Holding Company, Signatureglobal (India) Limited and fellow subsidiary companies, Fantabulous Town Developers Private Limited and Maa Vaishno Net-Tech Private Limited has provided corporate guarantee against the borrowing facilities taken by the Company (refer note 19D).

2. The Directors and the close members of Directors disclosed above have provided personal guarantees against the borrowing facilities taken by the Company. (refer note 19D)

3. The Company has provided its guarantee against the borrowings taken by the Holding Company.

4. The Company has provided its inventories as security against the borrowing facilities amounting to Rs. 5,311.55 millions (outstanding balance as on 31 March 2024 is Rs. 4,786.27 million) taken by the Holding Company (Signatureglobal (India) Limited) and other fellow subsidiary companies.

5. All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year ends are unsecured and settlement is generally done in cash.

6. Note: Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

(a) that person's children, spouse or domestic partner, brother, sister, father and mother;

(b) children of that person's spouse or domestic partner; and

(c) dependants of that person or that person's spouse or domestic partner

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38 Capital management

Net debts comprise of non-current and current debts (including trade payables and other financial liabilities) as reduced by cash and cash equivalents, other bank balances and current investments.

The objective of Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry put committed work requirements. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate.

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings (including interest accrued)	91.52	1,011.27
Trade payables	811.74	1,291.59
Other financial liabilities	59.08	54.50
Cash and cash equivalents	(861.72)	(823.22)
Bank balances other than cash and cash equivalents	(12.68)	(17.23)
Net debts (a)	87.94	1,516.91
Equity share capital (b)	70.00	70.00
Equity share capital and net debt (c= a + b)	157.94	1,586.91
Gearing ratio % (d= a/c)	56%	95.59%

39 Employee benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee benefit as under :

Defined contribution plans

The Company makes contribution towards employee's provident fund and employee's state insurance.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
The Company has recognised following as contribution towards these schemes.	1.67	1.16
Expected contribution towards employee's provident fund and employee's state insurance for next reporting year	1.87	1.30

Defined benefit plans**Gratuity (unfunded)**

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation.

Salary increases	Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Amounts recognised in the balance sheet:

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of the obligation	7.41	4.43
Current liability (amount due within one year)	0.35	0.15
Non-current liability (amount due over one year)	7.06	4.28

Loss/(gain) recognised in other comprehensive income:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain)/loss recognised during the year		
Arising from change in financial assumption	0.23	(0.31)
Arising from experience adjustment	0.26	(0.26)
Components Of defined benefit costs recognised in other comprehensive income	0.49	(0.57)

Expenses recognised in statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	2.46	1.62
Interest cost	0.33	0.25
Cost recognised during the period	2.79	1.87

Movement in the liability recognised in the balance sheet is as under:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Present value of defined benefit obligation at the beginning of the year	4.43	3.63
Current service cost	2.46	1.62
Interest cost	0.33	0.25
Actuarial loss/(gain) net	0.49	(0.57)
Benefits paid	(0.29)	(0.50)
Present value of defined benefit obligation at the end of the year	7.41	4.43



For determination of the liability of the Company the following actuarial assumptions were used:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Discount rate	7.15%	7.40%
Salary escalation rate	12.00%	12.00%
Retirement age (Years)	60 Years	60 Years
Withdrawal rate		
Less than 30 years	15.00% to 11.85%	15.00% to 11.85%
From 30 to less than 44 years	11.50% to 6.95%	11.50% to 6.95%
44 years and above	6.60% to 1.00%	6.60% to 1.00%
Weighted average duration of defined benefit obligation	13 Years	14 Years
Mortality rates inclusive of provision for disability -100% of IALM (2012 – 14)		

Maturity profile of defined benefit obligation:

Particulars	As at 31 March 2024	As at 31 March 2023
1 year	0.35	0.15
2 to 5 year	1.77	0.87
6 - 10 years	3.01	1.46
10 years onwards	18.31	12.26

Sensitivity analysis for gratuity liability:

Particulars	As at 31 March 2024	As at 31 March 2023
a) Impact of the change in discount rate		
Present value of obligation at the end of the period		
Impact due to increase of 1 %	6.55	3.90
(% change compared to base due to sensitivity)	(11.80%)	(12.00%)
Impact due to decrease of 1 %	8.47	5.07
(% change compared to base due to sensitivity)	14.20%	14.50%
b) Impact of the change in salary increase		
Present value of obligation at the end of the period		
Impact due to increase of 1 %	8.30	5.00
(% change compared to base due to sensitivity)	11.90%	12.90%
Impact due to decrease of 1 %	6.63	3.93
(% change compared to base due to sensitivity)	(10.60%)	(11.30%)

Sensitivities due to mortality and withdrawals are not material. Hence impact of change is not calculated

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet. Further, there is no change in the method of valuation.

Compensated absences (unfunded)

The leave obligations cover the Company's liability for sick and earned leaves. The Company does not have an unconditional right to defer settlement for the obligation shown as current provision balance above. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. Amount of Rs. 3.01 million for the year ended 31 March 2024 (31 March 2023: Rs. 1.52 million) has been recognised in the statement of profit and loss.

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40 Segment information

The Company operates in a single reportable segment i.e. "real estate developer", for the purpose of Ind AS 108 "Operating Segment", is considered to be the only reportable business segment. The Company derives its major revenues from the activities related to real estate construction and its customers are in India only. There is no single customer which contributes 10% or more of the total revenue of the Company.

41 Contingent liabilities and commitments

Particulars	As at 31 March 2024	As at 31 March 2023
Contingent liabilities (under litigation)		
Claims against the Company not acknowledged as debts		
Demand for income tax		1.61
- AY 2017-18 - Refer Note A	1.61	
- AY 2020-21 - Refer Note B	8.65	
Further, the Company has certain litigations involving customers, vendors, contractors, labourers and some farmers. The management carried out an estimation of the financial impact of such litigations and the management believes that no material liability will devolve on the Company in respect of such litigations.		

A. For assessment year 2017-18, the Assessing Officer has passed an order against the Company for payment of external development charges/internal development charges to Haryana Urban Development Authority on behalf of Directorate of Town and Country Planning without tax deducted at source and issued notice u/s 201(1)/201(1A) of the Income Tax Act and accordingly raised demand of Rs. 1.61 million for AY 2017-18. The Company has a strong likelihood of succeeding in the matter and therefore, no adjustments are required in the financial statements.

B. For assessment year 2020-21, an order passed by the Assessing office or the Income tax Department on 25 September 2023 against the Company raising demand of Rs. 8.65 millions on account of various additions. On this, the Company had filed a rectification request before assessing officer on 10 October 2023. The Company has a strong likelihood of succeeding in the matter and therefore, no adjustments are required in the financial statements.

The Future cash outflows in respect of the above litigations/demands are determinable only on receipt of judgement/ decision pending with various forums/ authorities.

42 Revenue related disclosures**a) Disaggregation of revenue**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Description	For the year ended 31 March 2024	For the year ended 31 March 2023
(A) Operating revenue		
Revenue from sale of real estate properties	16.35	358.32
Sub-total (A)	16.35	358.32
(B) Other operating revenue		
Forfeiture income	3.19	9.39
Other charges	3.46	0.08
Business support service	4.11	-
Sub-total (B)	10.76	9.47
Total revenue under Ind AS 115	27.11	367.79

b) Contract balances

The following table provides information about contract liabilities from contract with customers:

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities		
Advance from customers	10,841.51	6,671.36

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied. There are no contract assets for period ended 31 March 2024 and 31 March 2023. The management expects that the revenue will recognize partially against the contract balances starting from financial year ending 31 March 2025.

c) Significant changes in the contract liabilities balances during the year are as follows:

Contract liabilities - advance from customers	As at 31 March 2024	As at 31 March 2023
Opening balance of contract liabilities - advance from customers	6,671.36	3,460.10
Add: Addition during the year	4,186.50	3,569.58
Less: Amount of revenue recognised during the year	(16.35)	(358.32)
Closing balance of contract liabilities - advance from customers	10,841.51	6,671.36

d) Closing balances of assets recognised from costs incurred to obtain a contract with a customer

Particulars	As at 31 March 2024	As at 31 March 2023
Closing balances of prepaid brokerage	798.47	400.84
Amortisation recognised during the year	11.50	28.82

e) Reconciliation of operating revenue:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Gross revenue	17.03	369.65
Adjustment for:		
Discounts and rebates	(0.69)	(11.33)
Net revenue	16.35	358.32

e) Disaggregated revenue recognition:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue recognized at a point of time	23.00	367.79
Revenue recognized over a period of time	4.11	-
Net revenue	27.11	367.79



43 Financial ratios

Ratio	Measurement unit	Numerator	Denominator	As at 31 March 2024 Ratio	As at 31 March 2023 Ratio	% Change	Remarks
Current ratio	Times	Current assets	Current liabilities	0.96	0.99	(3.35)	Refer Note A
Debt-equity ratio	Times	Total debt [Non-current borrowings + current borrowings]	Total equity	(0.23)	(3.59)	(93.72)	Refer Note B
Debt service coverage ratio	Times	Earnings before depreciation and amortisation and interest [Profit/loss after tax + depreciation and amortisation expense + finance costs]	Interest expense (including capitalised) + principal repayment (including prepayments)	(0.09)	0.06	(240.50)	Refer Note C
Return on equity ratio	Percentage	Profit after tax	Average of total equity	0.43	(0.31)	(238.17)	Refer Note C
Inventory turnover ratio	Times	Costs of materials consumed	Average inventories	0.00	0.03	(95.70)	Refer Note D
Trade receivables turnover ratio	Times	Revenue from operations	Average trade receivables	0.25	2.38	(89.61)	Refer Note D
Trade payables turnover ratio	Times	Project expense incurred + other expenses	Average trade payables	2.06	1.05	95.07	Refer Note E
Net capital turnover ratio	Times	Revenue from operations	Working capital [Current assets - current liabilities]	(0.05)	(3.70)	(98.60)	Refer Note D and F
Net profit ratio	Percentage	Profit after tax	Revenue from operations	(5.27)	0.26	(2117.08)	Refer Note C and D
Return on capital employed	Percentage	Earnings before depreciation and amortisation, interest and tax = Profit/loss before tax + Depreciation and amortisation expense + finance costs	Capital employed [Total assets - current liabilities + current borrowings]	0.60	0.15	302.57	Refer Note G
Return on investment	Percentage	Profit after tax	Equity share capital + instruments entirely equity in nature + securities premium	(2.04)	1.37	(248.66)	Refer Note C

Notes:

- A. Since the change in ratio is less than 25%, no explanation is required to be furnished.
B. Variance in ratio is primarily attributable to the decrease in overall borrowings due to repayment made during the year.
C. Variance in ratio is primarily attributable to increase in losses during the current year as compared to profits during the previous year.
D. Variance in ratio is due to decrease in revenue from real estate projects during the year and corresponding decrease in cost recognized during the year.
E. Variance in ratio is primarily attributable to the decrease in average trade payables during the year and increase in project expenses incurred during the year.
F. Variance in ratio is primarily attributable to decrease in working capital during the year on account of marginal increase in current liabilities in comparison to the current assets.
G. Variance in ratio is on account of decrease in capital employed during the year majorly due to decrease in current borrowings and increase of advance from customers.

44 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The accounting software used for maintaining accounting records and customer and channel partner masters respectively of the Company is operated by third-party software service providers. The 'Independent Service Auditor's Assurance Reports on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information) were available for part of the year. These reports do not provide sufficient audit evidence on audit trail (edit logs) for any direct changes made at the database level.

45 The Company is engaged in the business of providing infrastructural facilities as per Section 186(11) read with Schedule VI of the Act. Accordingly, disclosures under Section 186 of the Act, are not applicable to the Company.

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46 Other statutory information:

A) The Company has not advanced or loaned or invested funds to any person or any entity, 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 a 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.

B) The Company has not received any fund from any person or any entity, 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 a or on behalf of the Funding Party (Ultimate Beneficiaries); or

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

C) The Company does not have any transactions and outstanding balances during the current as well previous year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

D) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

E) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

F) The Company has not traded or invested in crypto currency or virtual currency during the financial period.

G) The Company does not have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period 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).

H) The Company has not revalued its Property, Plant and Equipment during the year.

I) The Company has not been declared as a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

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

K) The figures of previous year have been regrouped/ reclassified to make them comparative with those of current year wherever considered necessary. The impact of such reclassification/ regrouping is not material to the standalone financial statements.

47. All loans, guarantees and securities as disclosed in respective notes are provided for business purposes.

48. During the year, Company has incurred loss after tax of Rs. 142.78 millions resulting in accumulated losses of Rs. 472.07 millions (31 March 2023: Rs. 329.29 millions). The management has sufficient inventory and believes that sufficient profits in future will be generated through the revenue recognition on sold properties (on fulfilment of conditions). In view of future business outlook, the management is of opinion that it is appropriate to prepare financial statements on a going concern basis.

49 Corporate social responsibility activities

In accordance with the provisions of section 135 of the Act, Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was required to spend Rs. Nil (31 March 2023: Rs. Nil) for Corporate Social Responsibility activities. The Company has incurred corporate social responsibility expenditure of Rs. 3.87 million during the current financial year (31 March 2023: Rs. nil) by way of donation to different organizations. The details of corporate social responsibility activities are as follows:

Particulars	31 March 2024	31 March 2023
Gross amount required to be spent by the Company during the year	-	-
Amount spent during the year by way of donation to different organization	3.87	-

Notes:

(i) The Company has opted to carry forward the excess amount Rs. 3.87 millions (31 March 2023: Nil) which is spent over and above the gross amount required to be spent by the Company as per the provision of Act. This balance is shown in short-term prepaid expenses in other current assets.

(ii) The Company is not required to deposit any amount in scheduled bank as there is no amount required to be spent by the Company.

(iii) The Company does not carry any provisions for corporate social responsibility expenses for the current year and in any previous year.

This is the summary of material accounting policies and other explanatory information referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Deepak Mittal

Partner

Membership No.: 503843



Place: Gurugram

Date: 14 May 2024

For and on behalf of the Board of Directors of

Sternal Buildcon Private Limited

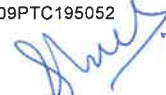
Corporate Identification Number: U70109DL2009PTC195052



Lalit Kumar Aggarwal

Director

DIN: 00203664



Shivansh Aggarwal

Director

DIN: 10486984