

# **Sternal Buildcon Private Limited**

## **Registered Office:**

13<sup>TH</sup> Floor, Dr. Gopal Das Bhawan, 28 Barakhamba Road,  
Connaught Place, New Delhi Central, Delhi 110001

## **Annual Financial Statements**

**2019-20**



**INDEPENDENT AUDITOR'S REPORT**

To the Members of M/s Sternal Buildcon Private Limited

**Report on the Standalone Financial Statements**

We have audited the accompanying financial statements of **M/s Sternal Buildcon Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, Profit and loss, and its cash flows for the year ended on that date

**Basis for Opinion**

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

- a. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the standalone financial statements and our auditor's report thereon.
- b. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- c. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- d. When we read the Other Information, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with governance. We have nothing to report in this regard.

**Responsibility of Management for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Report on other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the Order.





2. As required by section 143(3) of the Act, we report that:
- 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, except some customer advances & third party balance confirmations which have been taken as certified by management.
  - In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure - B"
  - With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required and
  - With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - The management has represented that the company does not have any pending litigations and hence no provision/disclosure has been made against the same.
    - The company has not entered into any long term contracts including derivative contracts.
    - There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the company.

For Serva Associates

Chartered Accountants

Firm Registration Number: 000272N

  
Nitin Jain

(Partner)

Membership Number: 506898

UDIN Number- 20506898AAAAEB1151



Place: Delhi

Date: September 25, 2020





**Annexure 'A' to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report of even date to the members of **M/s Sternal Buildcon Private Limited** on the standalone financial statements for the year ended March 31, 2020, we report that:

- (i)
- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) All the assets have been physically verified by the management during the year at regular intervals according to a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
  - (c) The company is not in possession of any immovable property in the nature of fixed assets hence the provision of para (i) (c) are not applicable.
- (ii) The physical verification of inventory has been stated to be conducted by the company at reasonable intervals by the company & no material discrepancies have been stated to be noticed on physical verification of the inventory during the year.
- (iii) That with regard to loan, guarantee and securities given to parties covered under Section 189 of the Companies Act, 2013 as at 31<sup>st</sup> March, 2020, the conditions of the same are prima facie not prejudicial to the interest of the company, Further the loans do not carry any stipulated repayment terms & are repayable on demand. Accordingly, As at 31<sup>st</sup> March 2020, there was no delay in repayment & neither were any of the loans overdue for repayment.
- (iv) That the loans, guarantees and securities have been granted in compliance with the provision contained in section 185 of the companies Act, 2013. Further being engaged in the Business of Construction & Development of Affordable Housing infrastructure facility the Provisions of section 186 of the companies act 2013 not applicable to the company.
- (v) The company has not accepted any deposits and hence paragraph (v) of the order is not applicable to the company.
- (vi) According to the information and explanations given to us, in our opinion the maintenance of cost records have not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act.
- (vii)
- (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, duty of customs, Goods & Services Tax (GST), cess and other statutory dues were in arrears as at 31<sup>st</sup> March'2020 for a period of more than six months from the date they become payable except Labour Cess Payable of Rs.31.35 Lacs. That the liability/credit admissibility of the taxes & duties are subject to acceptance & assessment under the relevant provision.
  - (b) According to the information and explanation given to us, there are no dues of goods and service tax, income tax, cess and other statutory dues, which have not been deposited on account of any dispute except as under





## Serva Associates

Chartered Accountants

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax	Disallowance u/s 143(3) of Income Tax Act, 1961	29,94,000/-	AY-2017-18	CIT Appeal Income Tax	Written Submission filed, order Awaited

- (viii) That the company has not default repayment of any borrowing from any financial institution or bank. In the absence of any debentures, the reporting on the debenture dues is not applicable on the company.
- (ix) The company has not raised any money by way of Initial Public Offer (IPO) or further public offer (including debt instruments). The term loans has been utilized for the purpose for which they were taken.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) Being a private limited company, the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the company.
- (xii) The company is not a nidhi company & hence paragraph (xii) of the order is not applicable to the company.
- (xiii) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment of shares during the year under review in compliance with the provisions of Section 42 of the Companies Act, 2013.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Serva Associates

Chartered Accountants

Firm Registration Number: 000272N

Nitin Jain  
(Partner)



Membership Number: 506898

UDIN Number- 20506898AAAAEB1151

Place: Delhi

Date: September 25, 2020



## **Annexure - B to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of M/s Sternal Buildcon Private Limited ("the Company") as of 31<sup>st</sup> March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls.**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained subject to our comments reported in inherent limitations below are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that





could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

Whereas most of the documents & transactions have been duly authenticated by the directors of the company, a more elaborate documentation is needed while testing such controls, considering the size of the company and the nature of operations. Such fact has been duly considered along with the limitation reported above in determining the nature, timing & extent of audit test applied in our audit of financial statements of the company and the limitation does not affect our opinion on the financial statements of the Company.

#### **Opinion**

In our opinion, the Company has in material respects an adequate internal financial controls system over financial reporting and adequate measures have been taken for streamlining integration of data within various department & financial accounting system. As at 31<sup>st</sup> March 2020 such internal financial control over financial reporting have been fairly implemented based on the internal control over Financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Serva Associates**  
**Chartered Accountants**  
**Firm Registration Number: 000272N**

  


**Nitin Jain**  
**(Partner)**

**Membership Number: 506898**

**UDIN Number- 20506898AAAAEB1151**

**Place: Delhi**  
**Date: September 25, 2020**





# STERNAL BUILDCON PRIVATE LIMITED

12th Floor, Dr. Gopal Das Bhawan, 28 Barakhmaba Road, New Delhi - 110001

CIN No. U70109DL2009PTC195052

Balance Sheet as on 31st March, 2020

(All amounts are in Rs. unless otherwise specified)

	Note	As at 31 March 2020	As at 31 March 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	Note 1	60,000,000	60,000,000
Reserves and surplus	Note 2	130,872,401	92,632,496
		<b>190,872,401</b>	<b>152,632,496</b>
<b>Non-current liabilities</b>			
Long-term Borrowings	Note-3	2,496,706	-
Other long-term liabilities	Note 4	19,214,052	10,063,510
Long-term Provisions	Note 5	1,879,810	933,455
		<b>23,590,568</b>	<b>10,996,965</b>
<b>Current liabilities</b>			
Short-term borrowings	Note 6	100,399,341	284,154,131
Short term provision	Note 7	10,131,231	50,900,196
Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	Note 8	686,598	355,916
(B) total outstanding dues of creditors other than micro and small enterprises	Note 8	137,773,847	58,865,143
Other current liabilities	Note 9	234,757,486	268,590,047
		<b>483,748,503</b>	<b>662,865,432</b>
		<b>698,211,471</b>	<b>826,494,893</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets			
Property, plant and equipment	Note 10	4,833,311	52,847,693
Intangible assets	Note 10	4,335	11,761
		<b>4,837,646</b>	<b>52,859,454</b>
Deferred Tax Asset (Net)	Note 11	-	-
Long Term Loan & Advances	Note 12	48,263,219	43,426,290
Other Non-current assets	Note 13	2,086,504	4,081,730
Non Current Investment	Note 14	1,100	-
		<b>50,350,823</b>	<b>47,508,020</b>
<b>Current assets</b>			
Inventories	Note 15	253,599,195	298,884,011
Trade Receivable	Note 16	52,569,211	105,209,275
Cash and cash equivalents	Note 17	29,552,698	149,607,932
Short-term loans and advances	Note 18	252,067,486	88,482,806
Other current assets	Note 19	55,234,412	83,943,395
		<b>643,023,003</b>	<b>726,127,419</b>
		<b>698,211,471</b>	<b>826,494,893</b>

Significant Accounting Policies & Notes to Accounts

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

Note 37

For Serva Associates

Chartered Accountants

FRN No. 000272N

Nitin Jain

(Partner)

M.No.506898

Date: 24 SEP 2020

Place: New Delhi

For and on behalf of the Board of Directors of  
STERNAL BUILDCON PRIVATE LIMITED

Lalit Kumar Aggarwal

Director

DIN No 00203664

Devender Aggarwal

Director

DIN No 00161465

Gaurav Srivastava

Company Secretary

Mem No. A-32060

# STERNAL BUILDCON PRIVATE LIMITED

12th Floor, Dr. Gopal Das Bhawan, 28 Barakhmaba Road, New Delhi - 110001

CIN No. U70109DL2009PTC195052

Statement of Profit & Loss Account for year ended 31st March, 2020

(All amounts are in Rs. unless otherwise specified)

	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Revenue:</b>			
Revenue From Operations	Note 20	511,234,907	1,815,122,827
Other Income	Note 21	33,529,462	22,976,473
<b>Total Revenue</b>		<b>544,764,368</b>	<b>1,838,099,300</b>
<b>Expenses:</b>			
Project Expenses Incurred	Note 22	383,524,438	517,784,784
Decrease/(Increase) in Inventory	Note 23	48,005,607	1,021,362,946
Employee Benefit Expense	Note 24	18,488,018	4,289,121
Finance Cost	Note 25	64,750	-
Depreciation & Amortisation Expense	Note 10	809,310	7,341,395
Other Expenses	Note 26	47,107,674	62,047,020
<b>Total expenses</b>		<b>497,999,797</b>	<b>1,612,825,266</b>
<b>(Loss)/profit before tax</b>		<b>46,764,572</b>	<b>225,274,034</b>
<b>Tax expense:</b>			
- Income Tax Current year		7,873,996	47,704,956
- Income Tax Previous year		5,487,600	
- Mat Credit		(4,836,929)	(43,426,290)
- Deferred tax	Note 11	-	
<b>Total tax expense</b>		<b>8,524,667</b>	<b>4,278,666</b>
<b>Profit (Loss) for the period</b>		<b>38,239,905</b>	<b>220,995,368</b>
Earnings per equity share:			
(1) Basic	Note 27	6.37	36.83
(2) Diluted		6.37	36.83

Significant Accounting Policies & Notes to Accounts

Note 37

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

For Serva Associates  
Chartered Accountants  
FRN No. 000272N

Nitin Jain  
(Partner)

M.No.506898

Date: 24 SEP 2020

Place: New Delhi

For and on behalf of the Board of Directors of  
STERNAL BUILDCON PRIVATE LIMITED

Lalit Kumar Aggarwal  
Director  
DIN No 00203664

Devender Aggarwal  
Director  
DIN No 00161465

Gaurav Srivastava  
Company Secretary  
Mem No. A-32060

# STERNAL BUILDCON PRIVATE LIMITED

12th Floor, Dr. Gopal Das Bhawan, 28 Barakhmaba Road, New Delhi - 110001

CIN No. U70109DL2009PTC195052

Cash Flow Statement for the year ended 31 March 2020

(All amounts are in Rs. unless otherwise specified)

	As at 31 March 2020	As at 31 March 2019
<b>Cash flow from Operating Activities</b>		
Profit / (Loss) for the Year	46,764,572	225,274,034
Add: Depreciation on Fixed Assets	990,366	7,341,395
Less: Gain on sale of fixed asset	(16,487,484)	(64,862)
Net Profit / (Loss)	(A) <b>31,267,453</b>	<b>232,550,567</b>
<b>Adjustment for</b>		
Decrease / (Increase) in Long Term Loan & Advances	-	(43,227,833)
Decrease / (Increase) in Other Non Current assets	1,995,226	(983,048)
Decrease / (Increase) in Inventory	45,284,817	920,548,919
Decrease / (Increase) in Short-term loans and advances	(164,790,187)	69,798,754
Decrease / (Increase) in Other Current Assets	28,708,982	(66,020,410)
Increase / (Decrease) in Trade Receivables	52,640,064	(105,209,275)
Increase / (Decrease) in Other Long Term Liabilities	9,150,542	9,536,041
Increase / (Decrease) in Trade payables	79,239,386	(114,622,507)
Increase / (Decrease) in Other Current Liabilities	(33,832,561)	(444,300,580)
Increase / (Decrease) in Long term Provisions	946,355	734,828
Increase / (Decrease) in Short term Provisions	(938,005)	(816,897)
<b>Net Change in current assets and current liabilities</b>	(B) <b>18,404,620</b>	<b>225,437,991</b>
Less:- Direct Taxes Paid	51,987,050	6,035,769
<b>Net Cash Flow from Operating Activity (A+B-C)</b>	(I) <b>(2,314,977)</b>	<b>451,952,789</b>
<b>Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	(3,952,489)	(60,539,139)
Sale of Investment property	67,471,417	21,750,000
Capital work in progress	-	-
Sale of Short term Investment	-	1,378,180
Purchase of investment	(1,100)	-
<b>Net Cash Flow from Investing Activity</b>	(II) <b>63,517,828</b>	<b>(37,410,959)</b>
<b>Cash flow from Financing Activities</b>		
Increase in Short Term Borrowings	(183,754,790)	(307,038,322)
Increase in Long Term Borrowings	2,496,706	-
<b>Net Cash Flow from Financing Activity</b>	(III) <b>(181,258,084)</b>	<b>(307,038,322)</b>
<b>Net Cash Flow (I+II+III)</b>	<b>(120,055,234)</b>	<b>107,503,508</b>
Add:- Opening Cash and Cash Equivalent	149,607,932	42,104,425
<b>Closing Cash and Cash Equivalent</b>	<b>29,552,698</b>	<b>149,607,932</b>

For Serva Associates

Chartered Accountants

FRN No. 000272N

Nitin Jain  
(Partner)

M.No. 506898

Date:

Place: New Delhi

24 SEP 2020

For and on behalf of the Board of Directors of  
STERNAL BUILDCON PRIVATE LIMITED

Lalit Kumar Aggarwal  
Director

DIN No 00203664

Gaurav Srivastava  
Company Secretary  
Mem No. A-32060

Devender Aggarwal  
Director

DIN No 00161465

# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 1

#### Share Capital

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
<b>Authorized shares</b>				
Equity Shares of Rs. 10 each	6,000,000	60,000,000	6,000,000	60,000,000
	<b>6,000,000</b>	<b>60,000,000</b>	<b>6,000,000</b>	<b>60,000,000</b>
<b>Issued, subscribed and paid-up shares</b>				
Equity Shares of Rs. 10 each	6,000,000	60,000,000	6,000,000	60,000,000
<b>Total</b>	<b>6,000,000</b>	<b>60,000,000</b>	<b>6,000,000</b>	<b>60,000,000</b>

#### Reconciliation of the Number of share outstanding at the beginning and closing of the reporting period

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Opening Number of Shares	6,000,000	60,000,000	6,000,000	60,000,000
Shares Issued during the year	-	-	-	-
Shares Outstanding as at the end of the Year	<b>6,000,000</b>	<b>60,000,000</b>	<b>6,000,000</b>	<b>60,000,000</b>

#### Details of Shareholders holding more than 5% of the Share Capital

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	Number	% of Holding	Number	% of Holding
Signatureglobal (India) Private Limited	6,000,000	100.00%	6,000,000	100.00%
<b>Total</b>	<b>6,000,000</b>	<b>100.00%</b>	<b>6,000,000</b>	<b>100.00%</b>

Sternal Buildcon Private Limited is Wholly owned Subsidiary company of M/S Signatureglobal India Private Limited.

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.

#### Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, the holders of equity shares will be entitled to receive assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the no. of equity shares held by shareholders.

### Note 2

#### Reserves and Surplus

	As at 31 March 2020	As at 31 March 2019
<b>a. Surplus</b>		
Opening balance	92,632,496	(128,362,872)
(+) Net Profit/(Net Loss) For the current year	38,239,905	220,995,368
<b>Closing Balance</b>	<b>130,872,401</b>	<b>92,632,496</b>
<b>Total</b>	<b>130,872,401</b>	<b>92,632,496</b>



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note-3

#### Long-term Borrowings

	Non-Current Part		Current Part	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Indian rupees loan from others (a)	2,496,706	-	532,300	-
	<u>2,496,706</u>	<u>-</u>	<u>532,300</u>	<u>-</u>

#### (a) Vehicle Loan

(i) Loan is secured against Hypothecation of Vehicles with Kotak Mahindra Prime Limited. The said loan is payable in 60 instalments of Rs. 31,793 each and as on March, 31 2020 58 instalments are outstanding.

(ii) Loan is secured against Hypothecation of Vehicles with Kotak Mahindra Prime Limited. The said loan is payable in 60 instalments of Rs. 32,883 each and as on March, 31 2020 57 instalments are outstanding.

### Note 4

#### Other Long term Liabilities

	As at 31 March 2020	As at 31 March 2019
Security Retained	19,214,052	10,063,510
	<u>19,214,052</u>	<u>10,063,510</u>

### Note 5

#### Long-term Provisions

	Non-Current Part		Current Part	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
1.)Gratuity(a)	1,246,848	716,122	23,354	13,413
2.)Leave Encashment Payable(a)	632,962	217,333	58,881	21,827
	<u>1,879,810</u>	<u>933,455</u>	<u>82,235</u>	<u>35,240</u>

(a) Refer Note 28

### Note 6

#### Short Term Borrowings

	As at 31 March 2020	As at 31 March 2019
<b>Secured Loans</b>		
Bank Overdraft (a)	-	178,950,674
<b>Unsecured Loans</b>		
Other body corporate (b)	10,524,769	37,319,457
<b>Deffered Payment Liabilities (c)</b>	<u>89,874,572</u>	<u>67,884,000</u>
	<u>100,399,341</u>	<u>284,154,131</u>

(a) Overdraft Facility from Yes Bank Limited repaid fully during the year

(b) In the absence of any stipulation & as per management remarks the said loan have been treated as short term in nature

(c) Under deffered payment option, the Company has rescheduled the External Development Charges payable in next year by converting interest & Penal interest into principal into 4 equal installments of Rs.206.15 Lacs on half yearly basis.



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 7

#### Short term Provisions

	As at 31 March 2020	As at 31 March 2019
Gratuity Payable	23,354	13,413
Leave Encashment Payable	58,881	21,827
Adhoc provision	2,175,000	3,160,000
Provision for Income Tax	7,873,996	47,704,956
	<b>10,131,231</b>	<b>50,900,196</b>

### Note 8

#### Trade Payables

Total outstanding dues of micro enterprises and small enterprises (a)

(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;

(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;

(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;

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

(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

Total outstanding dues of creditors other than micro enterprises and small enterprises

	686,598	355,916
	-	-
	-	-
	-	-
	-	-
	137,773,847	58,865,143
	<b>138,460,445</b>	<b>59,221,059</b>

(a) The Trade Payables are subject to confirmation from the parties. Further, MSME Parties has been represented and certified by management.

### Note 9

#### Other Current Liabilities

	As at 31 March 2020	As at 31 March 2019
Statutory Dues Payable (a)	15,087,887	12,300,731
Payable for Capital Goods	-	8,094,286
Customers Advance(Net) (b) & (c)	217,144,446	34,296,695
Current Maturities of Long term Borrowing: (Refer Note: 3)	532,300	-
Payable to Employees	460,082	1,352,254
Security Retained	360,198	319,510
Security Deposit received from contractor	-	94,500,000
External Development Charges Payable(d)	-	-
*Interest Payable	-	16,840,769
Other Payable (e)	317,279	251,751
Cheque issued but not presented for payment	855,294	100,634,051
	<b>234,757,486</b>	<b>268,590,047</b>

(a) Statutory dues are subject to assesment under relevant acts/laws

(b) As represented and certified by the management and includes refundable to customers against cancellation.

(c) Includes amount collected from customers and deposited under protest with the Haryana Sales tax Department. Management has represented that the amount if any remaining after final assesment of liability shall be duly refunded back to customers.

(d) Refer Note 5

(e) includes refundable to vendors



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 11

#### Deferred Tax Assets/Liabilities (Net)

(a) Deferred tax assets has not been created on temporary differences considering that the same are fully recoverable during the tax holiday period.

### Note 12

#### Long-term loans and advances

Prepaid taxes

As at 31 March 2020	As at 31 March 2019
48,263,219	43,426,290
<u>48,263,219</u>	<u>43,426,290</u>

### Note 13

#### Other Non-Current Assets

Margin money deposit with Bank (a)

Interest accrued but not deposit on margin money with bank

As at 31 March 2020	As at 31 March 2019
2,075,096	3,855,756
11,408	225,974
<u>2,086,504</u>	<u>4,081,730</u>

**Total**

(a) Includes Fixed Deposits under lien with bank for furnishing bank guarantee to Sales tax Department, Director General Town & Country Planning Haryana of Rs.1.22 lacs and Rs.19.63 lacs respectively (refer note 6 & 34)

### Note 14

#### Non-Current Investment

Investment in Corpus Fund

As at 31 March 2020	As at 31 March 2019
1,100	-
<u>1,100</u>	<u>-</u>

### Note 15

#### Inventory (Valued & certified by Management)

##### Closing Inventory

Construction Material in hand

Work In Progress (a) & (b)

Project Land in hand (a) & (b)

As at 31 March 2020	As at 31 March 2019
250,878,402	93,538,035
2,720,793	205,345,976
<u>253,599,195</u>	<u>298,884,011</u>

(a) Refer Note 5

(b) That secured credit facility of Rs. 360 Crores has been taken by Signatureglobal (India) Private Limited (the holding company) from M/S HDFC Capital Affordable Real Estate fund -II (Charge holder M/S Vistra ITCL India Limited) & to secure such facilities, collective securities of subsidiary companies (i.e. Holding company & fellow subsidiary company) as well as group companies have been provided along with Corporate Guarantee. Similar Credit facility of Rs. 40 Crores has been taken by group company M/S Sarvpriya Securities Private Limited, from HDFC Capital Affordable Real Estate (Charge holder M/S Vistra ITCL India Limited) & to secure such facility, collective securities of subsidiary companies (i.e. Holding company & fellow subsidiary company) as well as group companies have been provided along with Corporate Guarantee.



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 16

#### Trade Receivable

(Unsecured considered good)

Outstanding for a period exceeding six months

Others

As at 31 March 2020	As at 31 March 2019
-	-
52,569,211	105,209,275
<b>52,569,211</b>	<b>105,209,275</b>

### Note 17

#### Cash and Cash Equivalents

##### Cash & Cash Equivalents

In Current Account

Cash on hand & with employee

Equities in Hand

Other bank balances

In Sweep Fixed Deposit

As at 31 March 2020	As at 31 March 2019
25,468,537	6,133,591
1,631,971	1,534,083
1,724,957	139,107,569
727,234	2,832,689
<b>29,552,698</b>	<b>149,607,932</b>

### Note 18

#### Short-Term Loans and Advances

Unsecured Loan Given to Body Corporate (Related party)

Security Deposit

Advances Recoverable in Cash or kind

Advances to Suppliers

Prepaid Expenses

Balance with Statutory Authorities

TDS/TCS/Income tax Recoverable

As at 31 March 2020	As at 31 March 2019
56,465,314	31,054,165
161,109,763	79,763
2,345,068	3,059,094
1,120,097	1,327,915
72,544	124,357
25,334,997	46,012,303
5,619,704	6,825,210
<b>252,067,486</b>	<b>88,482,806</b>

### Note 19

#### Other Current Assets

EDC Charges Recoverable from Customers (a)

Interest accrued but not due on fixed deposit

Unbilled Revenue

As at 31 March 2020	As at 31 March 2019
10,690,104	11,071,379
2,415	7,860
44,541,893	72,864,156
<b>55,234,412</b>	<b>83,943,395</b>

(a) EDC charges recoverable from Customers (for commercial units)



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 20

#### Revenue from Operations

	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue Recognition (a)	510,016,881	1,810,211,224

#### Other Revenue from Operations

Income From Surrender Cases	1,218,026	4,911,603
	<u>511,234,907</u>	<u>1,815,122,827</u>

### Note 21

#### Other Income

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest Earned on		
Fixed Deposit	1,670,571	970,122
Loan Given	11,471,029	7,359,064
Delay payment by customer	3,529,508	6,827,078
Income tax refund	38,678	-
Profit On Sale Of fixed Assets	16,487,484	64,862
Rental Income	332,191	7,755,347
	<u>33,529,462</u>	<u>22,976,473</u>

### Note 22

#### Project Expenses Incurred

	For the year ended 31 March 2020	For the year ended 31 March 2019
Cost of Land & Collaboration Rights for the Project (a)	<u>4,319,322</u>	-
Cost of Material and Contract service charges	313,401,830	406,662,001
Direct Labour cost	13,107,222	9,426,612
Other Construction Expenses	24,655,254	15,553,959
Finance & Incidental Cost	28,054,784	63,240,099
Depreciation	181,055	41,996,815
Less: Sale of Material	-195,030	-19,094,703
Total (b)	<u>379,205,116</u>	<u>517,784,784</u>
<b>Total (a)+(b)=A</b>	<u><b>383,524,438</b></u>	<u><b>517,784,784</b></u>

### Note 23

#### Decrease/(Increase) in Work in Progress

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening Stock of Work in Progress	93,538,035	1,114,900,981
Add: Project Expenses Incurred (Note No.22)	383,524,438	517,784,784
Less: Cost against Revenue Recognised	431,530,045	1,539,147,729
Closing Stock Work in Progress	45,532,428	93,538,035

#### Decrease/(Increase) in Inventory

	<u>48,005,607</u>	<u>1,021,362,946</u>
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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 24

#### Employee Benefit Expenses

	For the year ended 31 March 2020	For the year ended 31 March 2019
Salary, wages & Bonus	16,628,429	3,010,294
Contribution to provident and other funds	1,320,607	899,765
Staff Welfare Expense	538,982	379,062
	<b>18,488,018</b>	<b>4,289,121</b>

### Note 25

#### Finance cost

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest paid on Secured loan	64,750	-
	<b>64,750</b>	<b>-</b>

### Note 26

#### Other Expenses

	For the year ended 31 March 2020	For the year ended 31 March 2019
Audit fee	60,000	60,000
Advertisement, branding & publicity expense	20,116,934	22,704,280
Bank Charges	8,200	27,816
Commission Expenses	6,886,952	17,094,098
Corporate Social Responsibility Expenses	895,338	-
Power, fuel & water charges	326,091	160,030
Insurance Expense	23,255	-
Printing & Stationery	142,950	190,924
Project administration & marketing Cost	5,200,000	6,000,000
Rent	3,534,254	4,168,146
Rates & Taxes	283,470	615,805
Repair and Maintainance	1,437,346	1,398,797
Donation & Charity	459,600	600,000
Housekeeping Expense	943,238	693,106
Prior Period Expense	-	16,189
Exchange Difference Loss	56,034	5,368,456
Legal & Professional Expenses	6,623,944	2,554,242
Miscellaneous expenses	110,068	395,130
	<b>47,107,674</b>	<b>62,047,020</b>

### Note 27

#### Calculation of Earning Per Share

#### Basic and Diluted Earning Per Share

	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit after Tax (Rs.)	38,239,905	220,995,368
Weighted Average Number of Shares (Fully paid up)	6,000,000	6,000,000
Earning Per Share (Rs.)	6.37	36.83



# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 28

#### Borrowing Cost (AS-16)

##### Finance costs pertaining to Project, capitalized to the Project Cost during the year:

Bank Charges & Interest (Net of interest earned on temporary Loan and advances)

Interest to DTCP on deferred Installments Payments

For the year ended  
31 March 2020

For the year ended  
31 March 2019

28,054,784

63,240,099

4,443,789

10,885,703

**32,498,573**

**74,125,802**

### Note 29

#### Gratuity

The Company has a defined benefit gratuity plan for its employees. Every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the above plan.

#### Statement of profit and loss

##### Net employee benefit expense recognised in employee cost

For the year ended  
31 March 2020

For the year ended  
31 March 2019

Current service cost

532,831

395,604

Past Service cost

-

-

Interest cost on benefit obligation

49,608

8,333

Expected return on plan assets

-

-

Net actuarial (gain)/loss recognised in the year

(41,772)

217,373

**540,667**

**621,310**

#### Expenses recognised in the statement of P/L

#### Balance sheet

##### Benefit asset/liability

For the year ended  
31 March 2020

For the year ended  
31 March 2019

Present value of defined benefit obligation

1,270,202

729,535

Fair value of plan assets

-

-

Net Liabilities recognised in Balance sheet

**1,270,202**

**729,535**

#### Changes in the present value of defined benefit obligation are as follows:

For the year ended  
31 March 2020

For the year ended  
31 March 2019

Opening defined benefit obligation

729,535

108,225

Acquisition adjustment

-

-

Past Service cost

-

-

Current service cost

532,831

395,604

Interest cost

49,608

8,333

Benefit paid

-

-

Actuarial (gains)/losses on obligation

(41,772)

217,373

**1,270,202**

**729,535**

#### Closing defined benefit obligation



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 29 (Contd.)

Changes in the fair Value of Plan Assets are as follows:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening fair value of plan assets	-	-
Expected return	-	-
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gain/(loss)	-	-
Closing fair value of plan assets	-	-

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

#### Economic Assumptions

	For the year ended 31 March 2020	For the year ended 31 March 2019
Discounting Rate	6.80%	7.70%
Salary Growth Rate	10% for first 3 years and 7% for thereafter	10% for first 3 years and 7% for thereafter
Expected Rate of Return on Plan Assets	0%	0%

#### Demographic Assumptions

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Retirement Age	60 Years	60 Years
Mortality Table	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Employee Turnover/ Attrition Rate		
18 to 30 Years	15%	15%
30 to 45 Years	10%	10%
Above 45 Years	5%	5%

#### LEAVE ENCASHMENT PROVISION (AS-15)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Present value of the obligation at the end of the period	691,843	239,160

Summary of membership data at the date of valuation and statistics based thereon:

*Number of employees	33	24
*Total monthly salary (Basis)	1,554,199	1,071,772
*Average Age(Years)	35.06	33.67

The assumptions employed for the calculations are tabulated:

*Discount rate	6.80%	7.70%
*Salary Growth Rate	10% for first 3 years and 7% for thereafter	10% for first 3 years and 7% for thereafter
Retirement Age	60 Years	60 Years
Mortality Table	100%	100.00%
Employee Turnover/ Attrition Rate		
18 to 30 Years	15%	15.00%
30 to 45 Years	10%	10.00%
Above 45 Years	5%	5.00%



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 30

#### Related Party Disclosures (With whom transaction taken place during the year)

##### a) Relationships

###### I. Key Managerial Persons

Mr. DEVENDER AGGARWAL	KMP
Mr. LALIT KUMAR AGGARWAL	KMP
Mr. RAVI AGGARWAL	KMP
RASHMI AGGARWAL	Relative of KMP
NIDHI AGGARWAL	Relative of KMP

###### II. Associated Companies

Signatureglobal (India) Private Limited	Holding Company
Signature Builders Private Limited	Fellow Subsidiary
JMK Holdings Private Limited	Fellow Subsidiary
Indeed Fincap Private Limited ( Formerly know as Charles (India) Private Limited)	Fellow Subsidiary
Signatureglobal Homes Private Limited	Fellow Subsidiary
Rose Building Solution Private Limited	Fellow Subsidiary
Signatureglobal Business Park Private Limited	Fellow Subsidiary
Signatureglobal Capital Private Limited	KMP Having Significant Influence
Signatureglobal Securities Private Limited	KMP Having Significant Influence
Signatureglobal Marketing Solutions Private Limited	KMP Having Significant Influence
Signatureglobal Foundation Trust	KMP are Trustee

##### b) The following transactions were carried out with related parties in the ordinary course of business:-

	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Signatureglobal (India) Private limited</b>		
Contractor Cost	278,139,415	381,126,750
Purchase of Material	156,030	1,262,980
Sales-Property, Plant and Equipment	67,471,107	15,575,000
Sales of Material	39,000	16,372,560
Rent on Property, Plant & Equipment paid	33,000,000	-
Recovery of Expenses	-	1,746,692
Branding and Publicity	20,000,000	20,000,000
Project Management, Administration & marketing Cost	5,200,000	6,000,000
Business Support Services Paid	3,636,001	5,437,356
Reimbursement of Expense	1,307,755	1,119,610
Rental Incomes	332,191	3,850,762
Other Incomes	675,015	112,500
Corporate Guarantee Given by the Company (Refer Note 34)		
<b>Signatureglobal Securities Private Limited</b>		
Rent and Maintenance Expense	1,778,633	1,629,000
Consultancy Charges	6,000,000	-
<b>JMK Holdings Private Limited</b>		
Testing Charges	60,000	60,000
<b>Signature Builders Private Limited</b>		
Reimbursement	5,755	16,334



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 29 (b) (Contd.)

	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Signatureglobal Homes Private Limited</b>		
Sale-Cement	-	1,459,163
<b>Signatureglobal Marketing Solutions Private Limited</b>		
Commission and Publicity Expense (including credit note)	-332,302	3,524,780
<b>Rose Building Solutions Private Limited</b>		
Sales-Property, Plant and Equipment	-	6,175,000
Rental Incomes	-	3,724,585
<b>Signatureglobal Capital Private Limited</b>		
Interest paid on earnest money deposit	-	123,099
<b>Signatureglobal Business Park Private Limited</b>		
Consultancy Charges	150,000	-
<b>Movement of Security Deposit (Interest Free)</b>		
<b>Security Deposit taken</b>		
Signatureglobal (India) Private limited	-	92,000,000
Signatureglobal Homes Private Limited	-	2,500,000
<b>Security Deposit Repaid</b>		
Signatureglobal (India) Private limited	92,000,000	-
<b>Security Deposit Given</b>		
Signatureglobal Homes Private Limited	-	2,500,000
<b>Security Deposit Received Back</b>		
Signatureglobal Homes Private Limited	-	2,500,000
<b>Signatureglobal Foundation Trust</b>		
Contribution in Corpus fund	1,100	-
<b>Movement of Loan</b>		
<b>Loan Taken</b>		
Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	34,100,000	-
Signatureglobal (India) Private limited	228,400,906	151,375,000
Signatureglobal Homes Private Limited	-	3,900,000
Rose Building Solutions Private Limited	-	3,000,000
<b>Loan Repaid during the year (including TDS)</b>		
Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	36,343,871	-
Signatureglobal (India) Private limited	267,089,378	487,767,437
Signatureglobal Homes Private Limited	-	3,900,000
Rose Building Solutions Private Limited	-	3,000,000
Signatureglobal Capital Private Limited	-	626,172
<b>Interest on loan</b>		
Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	2,243,871	-
Signatureglobal (India) Private limited	11,893,784	41,594,367
Signatureglobal Capital Private Limited	-	-



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 29 (b) (Contd.)

	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Loan Given</b>		
Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	11,000,000	326,257,392
Signatureglobal Capital Private Limited	181,200,000	-
<b>Loan Received Back</b>		
Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	43,008,178	314,713,367
Signatureglobal Capital Private Limited	135,251,702	-
<b>Interest Received</b>		
Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	954,013	7,359,064
Signatureglobal Capital Private Limited	10,517,016	-
<b>c.) Renumeration Paid</b>		
Lalit kumar Aggarwal	9,600,000	-
Rashmi Aggarwal	1,560,000	-
Nidhi Aggarwal	200,000	-
<b>d.) Balance at end of the year:</b>		
	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Trade Payable</b>		
Signatureglobal (India) Private limited	126,280,872	51,869,519
Signatureglobal Securities Private Limited	6,574,314	1,789,920
Signatureglobal Marketing Solutions Private Limited	-	491,745
JMK Holdings Private Limited	64,800	64,800
Signatureglobal Business park Private Limited	135,000	-
Signatureglobal Capital Private Limited	-	110,789
Signatureglobal Builder Private Limited	5,755	-
<b>Security Retained Payable</b>		
Signatureglobal (India) Private limited	16,312,008	9,675,307
<b>Trade Receivable</b>		
Signatureglobal (India) Private limited	46,020	-
Rose Building Solutions Private Limited	-	11,607,019
Signatureglobal Homes Private Limited	-	1,721,813
Signatureglobal Marketing Solutions Private Limited	459,863	-
<b>Security Deposit Payable</b>		
Signatureglobal (India) Private limited	-	92,000,000
Signatureglobal Homes Private Limited	2,500,000	2,500,000
<b>Unsecured Loan Payable (Including interest)</b>		
Signatureglobal (India) Private limited	10,524,769	37,319,457
<b>Unsecured Loan Recoverable</b>		
Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	-	31,054,165
Signatureglobal Capital Private Limited	56,465,314	-



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 31

#### Provisions, Contingent Liabilities and Contingent Assets

Pursuant to the AS-29 "Provisions, Contingent Liabilities and Contingent Assets", the disclosure relating to provisions made in the accounts for the year ended 31st March 2020 is as follows:-

Particulars	Provision for adhoc Expense		Provision for Gratuity (Retirement Benefits)	
	As at	As at	As at	As at
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Opening Balance	3,160,000	4,000,000	729,535	108,225
Addition	2,175,000	160,000	540,667	621,310
Utilization/ Contribution	(3,160,000)	(1,000,000)	-	-
Reversal	-	-	-	-
Closing Balance	2,175,000	3,160,000	1,270,202	729,535

Particulars	Provision for Leave Encashment (Retirement Benefits)		Provision for Labour cess	
	As at	As at	As at	As at
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Opening Balance	239,160	102,539	3,635,658	2,393,985
Addition	452,683	136,621	3,500,000	3,875,673
Utilization/ Contribution	-	-	(500,000)	-2,634,000
Reversal	-	-	-	-
Closing Balance	691,843	239,160	6,635,658	3,635,658

### Note 32

Value of Imports calculated on CIF basis by the Company for year 2019-20 in respect of

	For the year ended 31 March 2020	For the year ended 31 March 2019
Capital Goods	-	83,624,468
	-	83,624,468

### Note 32

#### Unhedged Foreign Currency

	As at 31 March 2020 In \$	As at 31 March 2020 In Rs	As at 31 March 2019 In \$	As at 31 March 2019 In Rs.
Payable to Vendors/Creditors	-	-	117,022	8,094,286
	-	-	117,021.90	8,094,285.67

### Note 33

Disclosure in respect of project which falls under the Revised Guidance Note issued by Institute of Chartered Accountants of India on "Accounting for Real Estate transactions (Revised 2012)"

	For the year ended 31 March 2020	For the year ended 31 March 2019
Amount of project revenue recognized as revenue during the year	510,016,881	1,810,211,224
Aggregate amount of costs incurred and profits recognized to date	2,320,228,104	1,810,211,224
Amount of advances received ( Excluding Security Deposit for Applicant)	217,144,446	33,169,689
Amount of work in progress and value of inventories	450,906,880	93,538,033
Excess of revenue recognized over actual bills raised (unbilled revenue)	44,541,893	72,864,156
	3,542,838,204	3,819,994,326



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 34

#### Contingent Liabilities and Commitments (As Represented and certified by Management)

	As at 31 March 2020	As at 31 March 2019
<b>(a) Contingent Liabilities</b>		
Contingent liability in respect of guarantees given by the company and by the bank on behalf of	-	-
	-	-
<b>(b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided	-	-
Bank Guarantees given by the company and by the bank on behalf of the company in third	15,390,000	33,390,000
Security given by company on behalf of Holding company (Refer to Note 15)	-	-
	<b>15,390,000</b>	<b>33,390,000</b>

### Note 35

Previous Year figures have been re-grouped/re-arranged wherever considered necessary for better presentation & analysis.

### Note 36

The Balance of payables and receivables including Loans & Advances, imprest balances are subject to confirmation from the Third Parties.

### Note 37

#### a) Corporate Information

Sternal Buildcon Private Limited (or 'the Company') is a private Company domiciled in India and incorporated under the provision of the Companies Act, 2013 on 9th October, 2009. The Company is primarily engaged in the business of construction & development of real estate projects.

#### b) Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies Act 2013, read with general circular 8/2014 dated April 4, 2014, issued by Ministry of Corporate Affairs. The financial statements have been prepared on accrual basis and under the historical cost convention.

#### c) Operating Cycle

Operating cycle of the company has been considered as per the Project life cycle which is generally 3-4 years.

#### d) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to carrying amounts of assets or liabilities in future periods.



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 37 (Contd.)

#### e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

##### (i) Revenue from Real Estate Projects

Revenue shall be recognised on percentage completion method as per Accounting Standard 7 "Construction Contracts" issued by The Institute of Chartered Accountants of India read with Guidance Note on Real Estate Activities,

(i) Atleast 25% of the saleable project area is secured by contracts or agreements with buyers

(ii) The expenditure incurred on construction and development costs is less than 25 % of the Budgeted construction and development costs

(iii) In respect of these customers from when more than 10% of the sale amount has been received and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

(iv) No significant uncertainty exists regarding the amount of consideration that will be derived from the real estate sales.

Revenue from activities incidental to sale of project is recognised on time proportion basis.

Where the revenues recognized against each of the customers advances received following the above method is more than the advance received from customers, the same is shown as trade receivable.

##### (ii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Interest income is adjusted from Finance cost in the statement of profit and loss.

However, where any sums have been borrowed for the purpose of construction & development of a qualifying asset in terms of Accounting Standard 16 "Borrowing Cost" issued by The Institute of Chartered Accountants of India, the interest on such borrowing (Net of receipt on surplus invested, if any) are apportioned to the cost of such qualifying asset.

#### f) Inventory

Work in Progress : At Cost. Cost comprises of all the expenditure directly relating to construction, borrowing cost and other construction overheads

#### g) Income Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

#### h) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year 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, that have changed the number of equity shares outstanding, without a corresponding change in resources. There are no diluted potential equity shares. Hence basic earnings per share and diluted earnings per share are same.



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# STERNAL BUILDCON PRIVATE LIMITED

CIN No. U70109DL2009PTC195052

## Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

### Note 37 (Contd.)

#### i) Provisions

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

#### j) Contingent liabilities

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

#### k) Cash and cash Equivalents

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

#### l) Fixed Assets:-

Fixed Assets of the Company are valued at cost which include allocation / apportionment of direct and indirect expenses incurred in relation to such Fixed Assets.

#### Component Accounting

Due to application of Schedule II to the Companies Act, 2013, the company has changed the manner of depreciation for its fixed assets. Now, the company identifies and determines separate useful life for each major component of the fixed asset, if they have useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset. However, it does not have any impact on the Statement of Profit & Loss for the year.

#### m) Depreciation:-

The company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life. Depreciation on fixed assets is provided on Written down value method over their useful life and in the manner prescribed in Part C of Schedule II to the Companies' Act 2013 on a pro-rata basis. The identified components are depreciated over their useful life, the remaining asset is depreciated over the life of the principal asset.

### Note 38

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.

#### For Serva Associates

Chartered Accountants

FRN No. 000722N

Nitin Jain  
(Partner)

M.No. 306898

Date:

Place: New Delhi

For and on behalf of the Board of Directors of  
**STERNAL BUILDCON PRIVATE LIMITED**

Lalit Kumar Aggarwal  
Director  
DIN No 00203664

Devender Aggarwal  
Director  
DIN No 00161465

Gaurav Srivastava  
Company Secretary  
Mem No. A-32060