

Date: 1<sup>st</sup> September, 2022

**SRL/SE/37/22-23**

**National Stock Exchange of India Ltd**

Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai- 400 051

**Symbol: SUNTECK**

**BSE Limited**

Phiroze Jeejeebhoy Tower,  
Dalal Street,  
Mumbai – 400 001

**Scrip Code: 512179**

**Sub: Notice of Annual General Meeting along with Annual Report of the Company for the F.Y. 2021-22**

Dear Sir/ Madam,

Pursuant to Regulation 34(1) read with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, please find attached herewith the Annual Report for the financial year 2021-22 and Notice of Annual General Meeting of the members of the Company to be held on Friday, 23<sup>rd</sup> September, 2022 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The said Notice and Annual Report for FY 2021-22 is available on the website of the Company at [www.sunteckindia.com](http://www.sunteckindia.com).

This is for your information and records.

Thanking you.

Yours faithfully,

**For Sunteck Realty Limited**

**Rachana Hingarajia**

**Company Secretary**

**Encl: a/a**

## NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 39<sup>th</sup> Annual General Meeting (AGM) of the Members of Sunteck Realty Limited will be held on Friday, 23<sup>rd</sup> September, 2022 at 5.00 p.m. through Video Conferencing / Other Audio Visual Means in conformity with the regulatory provisions and Circulars issued by the Ministry of Corporate Affairs, Government of India and Securities and Exchange Board of India (SEBI) to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To consider and adopt the audited standalone financial statements and the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the report of the Board of Directors and report of the Auditors thereon and other reports.

**“RESOLVED THAT** the Audited Balance Sheet (Standalone and Consolidated) as at 31<sup>st</sup> March, 2022 and the Profit and Loss Account for the year ended on that date together with the Schedules thereon, the Cash Flow Statement, along with the Reports of the Directors and Auditors thereon, be and are hereby received and adopted.”

2. To declare final dividend on Equity Shares at 150% i.e. Rs. 1.50/- per equity share having face value of Re. 1 each to the shareholders of the Company.

**“RESOLVED THAT** the Company do hereby approve and declare a final dividend to the shareholders of the Company of 150% i.e. Rs. 1.5/- per equity share having face value of Re. 1, recommended by the Board of Directors of the Company for the year ended 31<sup>st</sup> March, 2022 and the same be paid to those shareholders, in case of shares held in physical form, whose names appear in the register of members as of the close of business hours on 16<sup>th</sup> September, 2022 and in case of shares held in dematerialised form to the beneficiaries as of the close of business hours on 16<sup>th</sup> September, 2022 as per details furnished by the depositories for this purpose.”

3. To appoint a Director in place of Mrs. Rachana Hingarajia (DIN: 07145358) who retires by rotation and being eligible offers herself for re-appointment.

**“RESOLVED THAT** Mrs. Rachana Hingarajia (DIN: 07145358), who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

### **SPECIAL BUSINESS:**

4. **APPROVAL FOR RAISING OF FUNDS BY WAY OF FURTHER ISSUE OF SECURITIES:**

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 23, Section 42, Section 62(1)(c), Section 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendments thereto or re-enactment thereof, for the time being in force, the “**Act**”), the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Act), the Companies (Share Capital and Debentures) Rules, 2014, as amended and other applicable rules notified by the Central Government under the Act, the Foreign Exchange Management Act, 2000 (the “**FEMA**”), as amended, and the rules and regulations made thereunder as amended from time to time including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipt Scheme, 2014, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the “**GoI**”), the Reserve Bank of India (the “**RBI**”) and the Securities and Exchange Board of India (“**SEBI**”), the stock exchanges and/or any other competent governmental or regulatory authorities, whether in

India or abroad, and including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended (“**Debt Listing Regulations**”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**Listing Regulations**”), the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the listing agreements entered into by the Company with the stock exchanges on which the Company’s shares are listed (the “**Listing Agreements**”) and subject to necessary approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, RBI, GoI or of concerned statutory and any other governmental or regulatory authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) consent of the members be and is hereby accorded to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), with or without a green shoe option, such number of equity shares of the Company of face value of Re. 1/- each (“**Equity Shares**”), Global Depository Receipts (“**GDRs**”), American Depository Receipts (“**ADRs**”), Foreign Currency Convertible Bonds (“**FCCBs**”), Foreign Currency Exchangeable Bonds (“**FCEBs**”), fully convertible debentures/ partly convertible debentures, preference shares convertible into Equity Shares and/or any other financial instruments convertible into Equity Shares (including warrants, or otherwise, in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/ special rights and/or securities linked to Equity Shares (collectively referred as “**Shares or Convertible securities**”) and/or securities including Non-Convertible Debentures with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as “**Securities**”) or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of international and/or domestic offering(s) in one or more foreign markets and/or domestic market, by way of one or more public and/or private offerings, and/or on preferential allotment basis and/or private placement basis or any combination thereof including qualified institutions placement (“**QIP**”), through issue of prospectus and/or placement document/ or other permissible/requisite offer document to any eligible person, including Qualified Institutional Buyers (“**QIBs**”) as defined in the SEBI ICDR Regulations in accordance with Chapter VI of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign portfolio investors, public financial institutions, qualified foreign investors, scheduled commercial banks, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds, insurance funds and/or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the “**Investors**”) as may be decided by the Board in its discretion and permitted under applicable laws and regulations, for an **aggregate amount not exceeding Rs. 2,250 Crore (Rupees Two Thousand Two Hundred Fifty Crore Only)** or equivalent thereof, wherein out of the aforesaid amount of Rs. 2,250 Crores an amount of (i) **not more than Rs. 1,500 Crores (Rupees One Thousand Five Hundred Crores only) shall be for issue of Non- Convertible Debentures** and (ii) **not more than Rs. 750 Crores (Rupees Seven Hundred Fifty Crore only) shall be for issue of Shares and Convertible securities**, at such price and terms or at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed or to be appointed by the Company, in foreign currency and/or equivalent Indian Rupees as may be determined by the Board, in any convertible foreign currency, as the Board at its absolute discretion may deem fit and appropriate (the “**Issue**”).

**“RESOLVED FURTHER THAT** in pursuance of the aforesaid resolutions:

- (a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- (b) the Equity Shares, including any Equity Shares issued upon conversion of any convertible Securities, that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects; and
- (c) the Equity Shares to be issued consequent to above resolution or upon conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split/sub-division, consolidation of stock, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate re-organization or restructuring.”

“**RESOLVED FURTHER THAT** if any issue of Securities is made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as “**Eligible Securities**” within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within a period 365 days from the date of the shareholders’ resolution approving such issuance of Securities, or such other time as may be allowed under the SEBI ICDR Regulations from time to time.”

“**RESOLVED FURTHER THAT** any issue of Eligible Securities made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (the “**QIP Floor Price**”) with the authority to the board to offer a discount of not more than 5% (five percent) on the price calculated for the QIP or such other discount as may be permitted under SEBI ICDR Regulations, as amended from time to time.”

“**RESOLVED FURTHER THAT** in the event that Eligible Securities are issued to QIBs by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board (including any Committee of the Board) decides to open the proposed issue of such Eligible Securities.”

“**RESOLVED FURTHER THAT** in the event the Securities are proposed to be issued as ADRs, GDRs or FCCBs the relevant date for the purpose of pricing the Securities shall be determined in accordance with the Depository Receipts Scheme, 2014 and Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme, 1993, (including any amendments thereto or re-enactment thereof, for the time being in force), as applicable and other applicable pricing provisions issued by the Ministry of Finance.”

“**RESOLVED FURTHER THAT** in the event that convertible securities and/or warrants which are convertible into Equity Shares of the Company are issued simultaneously with non-convertible debentures to QIBs under Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such Securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities and/or warrants simultaneously with non-convertible debentures or the date on which holder of Eligible Securities become eligible to apply for Equity Shares, as may be determined by the Board and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations.”

“**RESOLVED FURTHER THAT** the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, *inter alia*, subject to the following terms and conditions:

- (a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted to the holders of such Securities at the relevant time, shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;
- (b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the

rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;

- (c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of equity shares and the price as aforesaid shall be suitably adjusted; and
- (d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of equity shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares and/or Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and/or GDRs on the Stock Exchanges in India.”

**“RESOLVED FURTHER THAT** without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to appoint lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, debenture trustees and all such agencies as are or may be required to be appointed, involved or concerned in the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board in consultation with the merchant banker(s), advisors and/or other intermediaries as may be appointed in relation to the issue of Securities, is authorized to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the issue and allotment of Securities (including upon conversion of any Securities) and listing thereof with the stock exchanges or otherwise as may be required in relation to the issue and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of Securities, including finalization of the number of Securities to be issued in each tranche thereof, form, terms and timing of the issue of Securities including for each tranche of such issue of Securities, identification of the investors to whom Securities are to be offered, utilization of the proceeds and other related, incidental or ancillary matters as the Board may deem fit at its absolute discretion, to make such other applications to concerned statutory or regulatory authorities as may be required in relation to the issue of Securities and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit and to settle any questions, difficulties or doubts that may arise in relation to the any of the aforesaid or otherwise in relation to the issue of Securities.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to constitute or form a committee or delegate all or any of its powers to any Director(s) or Committee of Directors/Company Secretary/ Chief Financial Officer or other persons authorized by the Board for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all

deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Securities.”

**5. RE-APPOINTMENT OF MR. KAMAL KHETAN (DIN: 00017527) AS MANAGING DIRECTOR OF THE COMPANY FOR FURTHER PERIOD OF FIVE YEARS**

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 2(54), 2(78), 196, 197, 198 and 203 read with schedule V and all other applicable provisions, if any, of the Companies Act 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Articles of Association (AOA) of the Company, the Company hereby approves re-appointment of Mr. Kamal Khetan (DIN: 00017527) as the Managing Director of the Company for a further period of five years with effect from 30th May, 2023 to 29th May, 2028. The existing terms and conditions of his re-appointment continue to remain the same.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, the remuneration shall be governed by Section II of Part II of Schedule V of the Act or any statutory modification thereof and the same shall be treated as the minimum remuneration payable to the Managing Director.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all necessary acts, deeds, matters and things, which may be usual, expedient or proper to give effect to the above resolution.”

**6. REVISION IN THE REMUNERATION PAYABLE TO MRS. RACHANA HINGARAJIA (ACS NO.: 23202), COMPANY SECRETARY AND WOMAN DIRECTOR OF THE COMPANY**

To consider, and if thought fit, to pass the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the applicable provisions, if any, of the Companies Act 2013 (“the Act”) (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mrs. Rachana Hingarajia, Company Secretary (ACS: 23202) also a Woman Director (DIN: 07145358) be paid a remuneration of Rs. 60,00,000/- (Rupees Sixty Lakhs Only) p.a. with effect from 1<sup>st</sup> April, 2022.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all necessary acts, deeds, matters and things, which may be usual, expedient or proper to give effect to this resolution.”

**7. REMUNERATION PAYABLE TO M/S. KEJRIWAL & ASSOCIATES APPOINTED AS COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2022-23**

To consider, and if thought fit, to pass the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kejriwal & Associates, Cost Accountants appointed as the Cost Auditors by the Board of Directors of the Company to audit the cost records of the Company for the financial year 2022-23, be paid a remuneration of Rs. 75,000 per annum plus applicable taxes and out-of-pocket expenses that may be incurred.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. **APPROVAL OF “SUNTECK REALTY LIMITED EMPLOYEES’ STOCK OPTION SCHEME 2022” (“ESOS 2022”) FOR EMPLOYEES OF THE COMPANY**

To consider, and if thought fit, to pass the following resolution as **Special Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Securities and Exchange Board of India (“SEBI”) (Share Based Employee Benefits and Sweat Equity) Regulations, 2011 (“SBEB Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with circulars / guidelines issued by SEBI, the Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other applicable regulations, rules and circulars / guidelines in force, from time to time and subject to any approval(s) of any authorities as may be required, and subject to any such condition(s) or modification(s), if any, as may be prescribed or imposed by such authorities while granting such approval(s) and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include Nomination and Remuneration Committee constituted by the Board shall constitute to act as the “Compensation Committee” under the SBEB Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board to grant, vest and allot, from time to time and in one or more tranches, not exceeding 14,00,000 options under the ‘**Sunteck Realty Limited Employees’ Stock Option Scheme 2022’ (“ESOS 2022”)**, the salient features of which are set out in the Statement annexed to this Notice, to or to the benefit of such person(s) who are/ will be present or future employees of the Company, whether working in India or outside India, and/or to the directors of the Company, whether whole-time or not but excluding independent director(s) and to such other persons as may be decided by the Board and / or permitted under SBEB Regulations (hereinafter referred to as “Eligible Employees”) but does not include an employee who is a promoter or a person belonging to the promoter group or a director(s) who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, to subscribe to such number of equity shares and / or equity linked instruments which would give rise to issue of equity shares (hereinafter collectively referred to as “Securities”) of the Company but not exceeding 14,00,000 equity shares of the face value of Re. 1/- (Rupee One Only) each at such price or prices, and on such terms and conditions, as may be determined by the Board in accordance with the provisions of ESOS 2022 and in due compliance with the SBEB Regulations and other applicable laws, rules and regulations;

**RESOLVED FURTHER THAT** outstanding Options granted under ESOS 2022 before any issue of bonus shares or stock splits or consolidation of shares shall be suitably adjusted for the number as well as the exercise price as applicable and such outstanding Options may be further adjusted at the discretion of the Board for any corporate action(s);

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to devise, formulate, evolve, decide upon and bring into effect ESOS 2022 as per the terms approved in this resolution read with the Statement annexed to this Notice and at any time to modify, alter or amend the said terms or suspend, withdraw or terminate ESOS 2022, subject to compliance with the SBEB Regulations and other applicable laws, rules and regulations, as may be prevailing at that time;

**RESOLVED FURTHER THAT** the equity shares so issued and allotted under ESOS 2022 shall rank pari passu with the then existing equity shares of the Company;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted under ESOS 2022 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Regulations and other applicable laws, rules and regulations;

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOS 2022;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of ESOS 2022 and to take all such steps and do all acts as may be incidental or ancillary thereto.”

9. **APPROVAL OF “SUNTECK REALTY LIMITED EMPLOYEES’ STOCK OPTION SCHEME 2022” (“ESOS 2022”) FOR EMPLOYEES OF THE SUBSIDIARIES OF THE COMPANY**

To consider, and if thought fit, to pass the following resolution as Special Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Securities and Exchange Board of India (“SEBI”) (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with circulars / guidelines issued by SEBI, the Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other applicable regulations, rules and circulars / guidelines in force, from time to time and subject to any approval(s) of any authorities as may be required, and subject to any such condition(s) or modification(s), if any, as may be prescribed or imposed by such authorities while granting such approval(s) and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include the Nomination and Remuneration Committee constituted by the Board shall constitute to act as the “Compensation Committee” under the SBEB Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board to extend the benefits of the ‘Sunteck Realty Limited Employees’ Stock Option Scheme 2022’ (“ESOS 2022”), referred to in the Special Resolution No. 8, also to or to the benefit of such person(s) who are/ will be present or future employees of subsidiary of the Company, whether working in India or outside India, and / or to the directors of the subsidiary of the Company, whether whole-time or not but excluding independent director(s) of the subsidiary and to such other persons as may be decided by the Board and / or permitted under SBEB Regulations (hereinafter referred to as “Eligible Employees”) but excluding employees who are promoters or persons belonging to the promoter group and director(s) who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, to the intent that the number of Securities offered under ESOS 2022 to the Eligible Employees of the subsidiary shall be subsumed in the aggregate limit of 14,00,000 equity shares of the face value of Re. 1/- (Rupee One Only) each set out in the Special Resolution No. 8;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to devise, formulate, evolve, decide upon and bring into effect ESOS 2022 as per the terms approved in this resolution read with the Statement annexed to the Notice and at any time to modify, alter or amend the said terms or suspend, withdraw or terminate ESOS 2022, subject to compliance with the SBEB Regulations and other applicable laws, rules and regulations, as may be prevailing at that time;

**RESOLVED FURTHER THAT** the equity shares so issued and allotted under ESOS 2022 shall rank pari passu with the then existing equity shares of the Company;



**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted under ESOS 2022 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Regulations and other applicable laws, rules and regulations;

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOS 2022;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of ESOS 2022 and to take all such steps and do all acts as may be incidental or ancillary thereto.”

**By Order of the Board of Directors  
For Sunteck Realty Limited**

**Rachana Hingarajia  
Company Secretary**

**Mumbai, 11<sup>th</sup> August, 2022**

**Registered Office:**

5<sup>th</sup> Floor, Sunteck Centre,

37-40, Subhash Road,

Vile Parle (East),

Mumbai 400057

CIN: L32100MH1981PLC025346

Tel: 91 22 4287 7800 Fax: 91 22 4287 7890

E-mail: [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com)

Website: [www.sunteckindia.com](http://www.sunteckindia.com)

**NOTES:**

1. The Statement as required under Section 102 of the Companies Act, 2013 (“the Act”) and Regulation 36(3) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) is annexed to the Notice.
2. Pursuant to Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021 and 2/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021 and May 5, 2022 respectively, issued by the Ministry of Corporate Affairs (MCA) read with relevant circulars issued by the Securities and Exchange Board of India (SEBI), from time to time (hereinafter collectively referred to as ‘Circulars’), the Annual General Meeting of the Company (“AGM”) is convened through Video Conferencing / Other Audio Visual Means (VC/OAVM). Since this AGM will be held through Video Conferencing (‘VC’) / Other Audio Visual Means (‘OAVM’), physical attendance of members has been dispensed with. Members will not be able to appoint proxies for this meeting. Further, Attendance Slip and Route Map are not being annexed to this Notice.
3. Corporate Members are requested to send a scanned copy (in PDF / JPG format) of the Board Resolution authorizing their representatives to attend the AGM through VC/OAVM on their behalf and to vote through electronic means, pursuant to Section 113 of the Act, through e-mail at [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
4. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company (‘the Board’) have engaged the services of National Securities Depository Limited (NSDL). The Board has appointed Mr. Veeraraghavan N., Practicing Company Secretary, as the Scrutinizer for this purpose.
5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on Friday, 16<sup>th</sup> September, 2022 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice for information purposes only.
6. Final dividend as recommended by the Board of Directors for the financial year ended 31st March, 2022, if approved at the AGM, will be payable to those Members of the Company who hold shares:
  - (i) In demat mode, based on the list of beneficial owners to be received from NSDL and CDSL as at the close of business hours on the cut-off date.
  - (ii) In physical form, if the names appear in the Company’s Register of Members as on the cut-off date.

The final dividend will be payable on or before Saturday, 22nd October, 2022.
7. Pursuant to the Income-tax Act, 1961 read with the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from April 1, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing information and detailed instructions with respect to tax on dividend for the financial year ended March 31, 2022 shall be sent separately by the Company to the Members. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.
8. SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ Automated Clearing House (ACH)/ Real Time Gross Settlement (RTGS)/ Direct Credit/ NEFT etc.

- Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents i.e. Link Intime India Private Limited ("RTA") to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.

SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.

- SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at [www.sunteckindia.com](http://www.sunteckindia.com) and on the website of [www.linkintime.co.in](http://www.linkintime.co.in).

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI.

- Unclaimed Dividends: Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends which remain unclaimed / unpaid for a period of 7 years are required to be transferred to Investor Education and Protection Fund ("IEPF"). The details of the unclaimed dividends are available on the website of the Company at [www.sunteckindia.com](http://www.sunteckindia.com) and Ministry of Corporate Affairs at [www.iepf.gov.in/](http://www.iepf.gov.in/). Members can contact Link Intime India Private Limited, the RTA of the Company for claiming the unclaimed dividends standing to the credit in their account by sending an email to [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com) or [iepf.shares@linkintime.co.in](mailto:iepf.shares@linkintime.co.in)
- Pursuant to the IEPF Rules, as amended, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the MCA. In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the Shareholders whose shares are due for transfer to the IEPF Authority and has also published notice in newspapers. The voting rights on shares transferred to IEPF remains frozen until the rightful owner claims the shares. The shareholders whose dividend/shares have been / will be transferred to the IEPF Authority, can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>
- The Register of Members and Share Transfer Books will remain closed from Saturday, 17<sup>th</sup> September, 2022 to Friday, 23<sup>rd</sup> September, 2022 (both days inclusive) for the purpose of Annual General Meeting and Dividend. The dividend payable on equity shares if approved by the Members, will be paid to those Members whose name appear on the Register of Members and as per the beneficial owners' position received from NSDL and CDSL as at the close of the working hours on Friday, 16<sup>th</sup> September, 2022 and payment of such dividend shall be made on or before 22<sup>nd</sup> October, 2022.
- In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

15. Members can avail of the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act.
16. Members are requested to quote their Registered Folio Number or their Client ID number with DP ID on all correspondence with the Company as the case may be.
17. In conformity with the applicable Regulations, the Notice of the AGM along with the Annual Report 2021-22 is being sent by only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories. Members may note that this Notice and the Annual Report 2021-22 will also be available on the Company's website viz. [www.sunteckindia.com](http://www.sunteckindia.com), website of stock exchanges viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) as well as on website of NSDL (agency for providing the e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in dematerialized form and with Company/RTA in case the shares are held by them in physical form.

For the purpose of receiving the Notice of the AGM and the Annual Report through electronic mode in case the email address is not registered with the respective DPs / Company / RTA, Members may register the email IDs using the facility provided by the Company through the following link available on its website: [www.linkintime.co.in/EmailReg/Email\\_Register.html](http://www.linkintime.co.in/EmailReg/Email_Register.html).

18. All documents referred to in the accompanying Notice and Statement annexed thereto shall be open for inspection at the Registered Office of the Company during normal business hours on any working day till the date of the AGM.
19. As per the provisions of the Act, Members are entitled to make nomination in respect of shares held by them in physical form. Physical Shareholders may contact the RTA and Demat shareholders may contact their depository participants for nomination.
20. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations (as amended), and the Circulars issued by the MCA, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting at the time of AGM will be provided by NSDL.
21. **PROCEDURE FOR REMOTE E-VOTING, ATTENDING THE AGM AND E-VOTING DURING THE AGM:**

#### **Voting through electronic means**

1. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
3. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.sunteckindia.com](http://www.sunteckindia.com) and on the website of NSDL [www.evotingnsdl.com](http://www.evotingnsdl.com) immediately after the results are

declared by the Chairman or any person authorized by him and the same shall be communicated to the stock exchanges, where the shares of the Company are listed. Mr. Veeraraghavan N. (Membership No. A6911), Practicing Company Secretary, Mumbai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

4. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you have forgotten your password, you can reset your password by using “Forgot User Details/ Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Member(s) can opt for only e-voting at the Annual General Meeting.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Tuesday, 20<sup>th</sup> September, 2022 at 9:00 A.M. and ends on Thursday, 22<sup>nd</sup> September, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Friday, 16<sup>th</sup> September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 16<sup>th</sup> September, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

	<p>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>  <b>App Store</b>     <b>Google Play</b></div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p>

	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c. How to retrieve your ‘initial password’?
    - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
- a. Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) .
  - b. Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) .
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.



## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [nvr54@gmail.com](mailto:nvr54@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to (Company email id).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join Annual General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Annual General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries at [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com) mentioning their name demat account number/folio number, email id, mobile number on or before 17th September, 2022, to enable the Company to make available the required information at the meeting.

**By Order of the Board of Directors  
For Sunteck Realty Limited**

**Rachana Hingarajia  
Company Secretary**

**Mumbai, 11<sup>th</sup> August, 2022**

**Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 (“the Act”)**

**Item No. 4:**

In order to augment additional capital requirements of the Company for its growth and expansion over the next few years, it is necessary for the Company to have funds as and when the window of opportunity arises. The Company, therefore, proposes to raise further capital from the domestic and international markets in one or more tranches from time to time. The Board shall utilize the proceeds to exploit the opportunities in existing businesses and/or explore the scope of any new business opportunities including business acquisitions, capital expenditures, financing new business initiatives, meeting additional working capital requirements arising out of growth in operations, investment in/ loans/ advances to subsidiaries/ joint ventures/ associates and for other general corporate purposes.

The resolution in accompanying Notice proposes to create, issue, offer and allot equity shares, Fully / Partly / Optionally Convertible Debentures/Preference shares and/or securities linked to equity shares and/or convertible securities including but not limited to Global Depository Receipts (GDRs) and/or American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), (collectively referred as “Shares or Convertible securities”) and partly or fully paid-up equity/debt instruments including Non-convertible Debentures as allowed under SEBI (ICDR) Regulations, (hereinafter referred to as “Securities”) for an aggregate amount not exceeding Rs. 2,250 Crores (Rupees Two Thousand Two Hundred Fifty Crores Only) or equivalent thereof, wherein out of the aforesaid amount of Rs. 2,250 Crores an amount of (i) not more than Rs. 1,500 Crores (Rupees One Thousand Five Hundred Crores only) shall be for issue of Non-Convertible Debentures and (ii) not more than Rs. 750 Crores (Rupees Seven Hundred Fifty Crores only) shall be for issue of Shares and Convertible securities inclusive of premium, in the course of domestic/ international offerings. Such securities are proposed to be issued to eligible person including but not limited to resident investors and foreign investors (whether individuals, mutual funds, incorporated bodies, institutions or otherwise), Foreign Financial Institutions and other Qualified Institutional Buyers etc.

The proposed Special Resolution seeks the enabling authorization of the Members to the Board of Directors without the need of any further approval from the Members to undertake to issue securities in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements), Regulation, 2018 as amended from time to time (the “SEBI Regulations”). Pursuant to the above, the Board may, in one or more tranches, issue and allot Equity Shares in the form of Follow-On Public Offer (FPO), Global Depository Receipts (GDRs), and/or American Depository Receipts (ADRs), and/ or External Commercial Borrowings (ECBs) with rights of conversion into shares, and/ or Foreign Currency Convertible Bonds (FCCBs) and/or Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPS/CCPS) convertible into Equity Shares of the Company with voting rights or with differential rights as to voting, dividend or otherwise.

The said allotment by the Board of Directors (‘Board’) shall be subject to the provisions of the SEBI Regulations (as amended from time to time) including the pricing, which shall be calculated in accordance with the provisions of the SEBI Regulations in consultation with the Merchant Banker.

The relevant date for the determination of applicable price for the issue of the Securities shall be as per the SEBI Regulations which in case of allotment of equity shares will be the date of the meeting in which the board of directors or the committee of directors decides to open the proposed issue and in case of securities which are convertible into or exchangeable with equity shares at a later date will be either the date of the meeting in which the board of directors or the committee of directors decides to open the proposed issue of convertible securities or date on which the holder of such securities becomes entitled to apply for the said equity shares as the case may be. For reasons aforesaid, an enabling resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalize the terms of the issue. The securities issued pursuant to the offering would be listed on the Stock Exchanges on which the Company is listed.

The offerings of the Securities may require appointment of Merchant Bankers, Underwriters, Legal Advisors and Experts or such other Authority or Authorities to advise the Company especially in relation to the pricing of the Securities. The detailed terms and conditions of the Issue as and when made will be determined in consultation with

the Merchant Bankers, Lead Managers, Advisors, Underwriters and other Experts in accordance with the terms of approval of the Government of India, Reserve Bank of India, SEBI and such other authorities as may be required.

Section 42, 62(1)(c) of the Companies Act, 2013, provides, inter alia, that where it is proposed to increase the Subscribed Share Capital of the Company by allotment of further shares, such further shares shall be offered to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion to the capital paid up on those shares as of that date unless the shareholders decide otherwise by way of a Special Resolution.

The proposed Special Resolution gives (a) adequate flexibility and discretion to the Board to finalise the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and Experts or such other authority or authorities as required to be consulted including in relation to the pricing of the issue in accordance with the normal practice and (b) powers to issue and market any securities issued including the power to issue such Securities in such tranche or tranches.

Accordingly, the consent of the Members is being sought, pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, and SEBI Regulations, and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, to issue and allot securities as stated in the Special Resolution.

The Board of Directors of the Company believes that the proposed issue is in the interest of the Company and hence, recommends the resolution for the approval of the Shareholders by way of Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives, other than to the extent of their shareholding in the Company, are concerned / interested, financially or otherwise, in the above resolution.

**Item No. 5:**

Mr. Kamal Khetan was appointed as a Managing Director of the Company vide resolution passed by the Members at the Annual General Meeting held on September 27, 2018. As per the said resolution, the term of appointment of Mr. Kamal Khetan is ending on May 29, 2023.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution in their meeting held on August 11, 2022 approving re-appointment of Mr. Kamal Khetan as a Managing Director of the Company for a further period of five years i.e. from May 30, 2023 to May 29, 2028. The terms and conditions of his re-appointment continue to remain the same.

Mr. Kamal Khetan and his relatives shall be deemed to be concerned or interested in this resolution. None of the other Directors or Key Managerial Personnel are interested in this resolution.

The Board recommends the resolution for the approval of the Shareholders by way of Ordinary Resolution.

**Item No. 6:**

Pursuant to recommendation of Nomination and Remuneration Committee, the Board has proposed to increase the remuneration being paid to Mrs. Rachana Hingarajia, Company Secretary also a Woman Director to Rs. 60,00,000/- (Rupees Sixty Lakhs Only) p.a. with effect from 1<sup>st</sup> April, 2022. Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mrs. Rachana Hingarajia, the Board believes that the remuneration proposed to be paid is commensurate and in the interest of the Company.

Except Mrs. Rachana Hingarajia, to whom the resolution relates to, none of the other Directors, Key Managerial Personnel and their relatives, other than to the extent of their shareholding in the Company, are concerned / interested, financially or otherwise, in the above resolution.

The Board recommends the resolution for the approval of the Shareholders by way of Ordinary Resolution.

**Item No. 7:**

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, cost audit is applicable to the Companies having an overall turnover from all its products and services of Rs. 100 Crore or more during the immediately preceding financial year and the aggregate turnover of the individual product(s) or service(s) for which cost records are required to be maintained is Rs. 35 Cr or more. Hence, our Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company.

Therefore, in accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the shareholders of the Company.

On the recommendation of the Audit Committee, the Board has, considered and approved the appointment of M/s. Kejriwal & Associates, Cost Accountants as the cost auditor for the financial year 2022-23 at a remuneration of Rs. 75,000/- per annum plus applicable taxes and reimbursement of out of pocket expenses.

The Board recommends the resolution for the approval of the Shareholders by way of Ordinary Resolution.

None of the Directors, Key Managerial Personnel and their relatives, other than to the extent of their shareholding in the Company, are concerned / interested, financially or otherwise, in the above resolution.

**Item No. 8 & 9:**

With a view to encourage value creation and value sharing with the employees, the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include the Nomination and Remuneration Committee constituted by the Board shall constitute to act as the Compensation Committee under the Securities and Exchange Board of India (“SEBI”) (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB Regulations”) or their delegated authority) has proposed ‘Sunteck Realty Limited Employees’ Stock Option Scheme 2022’ (“ESOS 2022”) seeking to cover eligible employees of the Company and its subsidiary(ies). As members are aware, employee stock option schemes are considered as an effective tool to attract and retain the best talent and also serves to attract, incentivize and motivate professionals and reward exceptional performance.

As per provisions of Regulation 6 of SBEB Regulations, the Company seeks your approval for:

- i. Implementation of the ESOS 2022; and
- ii. Grant of Options to the eligible employees of the Company / its subsidiary company(ies) as per terms of the ESOS 2022;

Accordingly, the Nomination and Remuneration Committee and the Board of Directors the Company at their respective meetings held on August 11, 2022 have approved the ESOS 2022, subject to the member’s approval.

The main features of the ESOS 2022 are as under:

**a) Brief description of the ESOS 2022:**

ESOS 2022 is intended to reward the Eligible Employees, for their performance and to motivate them to contribute to the growth and profitability of the Company. ESOS 2022 will help to retain talent in the organization as the Company views stock options as an instrument that would enable the Eligible Employees to share the value they create for the Company and align individual objectives with the objectives of the Company in the years to come.

**b) Total number of options to be granted:**

The Options to be granted to the Eligible Employees under ESOS 2022, in one or more tranches, shall be not exceeding 14,00,000 options resulting in issue of equity shares of not exceeding 14,00,000 equity shares. This ceiling will be adjusted for any future bonus issue of shares or stock splits or consolidation of shares and also may further be adjusted at the discretion of the Board for any corporate action(s). The Options which do not vest or have lapsed, would be available for being re-granted at a future date. The Board is authorized to re-grant such Options as per the provisions of ESOS 2022, within the overall limit as stated above, subject to the SBEB Regulations.

**c) Identification of classes of Employees entitled to participate in ESOS 2022:**

Following classes of employees are entitled to participate in ESOS 2022:

- (i) Present and Future employees of the Company who has been working in India or outside India; or
- (ii) Director of the Company, whether whole-time or not but excluding independent director; or
- (iii) Employee as defined in (i) or (ii) above of subsidiary, in India or outside India.

Following persons are not entitled to participate in ESOS 2022:

- 1. an employee who is a promoter or a person belonging to the promoter group; or
- 2. a director who either by himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

**d) Requirements of vesting and period of vesting:**

The Options granted can vest only to the Eligible Employees. The Board may, at its discretion, lay down certain performance matrix on the achievement of which such Options can vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted can vest, subject to the minimum vesting period of one year between grant of Options and vesting of Options. The maximum vesting period may be decided by the Board.

**e) Maximum period within which the Options shall be vested:**

The Board may, at its discretion, lay down certain performance matrix on the achievement of which such Options can vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted can vest, subject to the minimum vesting period of one year between grant of Options and vesting of Options. The maximum vesting period shall be Six years from the respective grant date.

**f) Exercise price or pricing formula:**

The exercise price of Options shall be the face value of the equity shares of the Company, which is Re. 1/- each at present or such other price as may be determined by the Board.

**g) Exercise period and the process of exercise:**

The option shall be exercised at such time or times and during such period as may be decided by the Board. However, no options may be exercised prior to completion of 1 year period from option grant date. No option shall have term in excess of Seven years from the date of grant of options.

The vested Options are exercisable by the Eligible Employees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and on execution of such documents, as

may be prescribed by the Board from time to time. The Options shall lapse if not exercised within the Exercise Period.

**h) Eligibility of Employees under ESOS 2022:**

The eligibility criteria for grant of Options shall be determined by the Board based on employee's performance, potential role and criticality for growth of the Company and such other parameters as may be decided by the Board from time to time.

**i) Maximum number of options to be issued per employee and in aggregate:**

The maximum number of Options that may be granted per Eligible Employee under ESOP 2022, in any financial year, shall not exceed one percent of the issued capital of the Company. The maximum number of Options that can be granted shall not exceed one percent of the issued capital of the Company under ESOP 2022.

**j) Maximum quantum of benefits to be provided per employee under the ESOS 2022:**

The maximum quantum of benefit for the eligible employees under the ESOP 2022 is the difference between the exercise price of the options and the market price of the equity shares of the Company as on the date of exercise of options.

**k) Implementation or administration of the ESOS 2022:**

ESOS 2022 shall be implemented and administered directly by the Company and shall not be administered by any Trust.

**l) Source of acquisition of shares under the ESOS 2022:**

ESOS 2022 involves new issue of shares by the Company. There is no secondary acquisition by the trust. The grantees shall be allotted equity shares pari passu the existing class of equity shares of the Company on exercise of the options granted.

**m) Amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc:**

Since ESOS 2022 is not implemented and administered through Trust, this clause is not applicable to the Company.

**n) Maximum percentage of secondary acquisition:**

Since ESOS 2022 is not implemented and administered through Trust, this clause is not applicable to the Company.

**o) Accounting and Disclosure Policies:**

The Company shall follow the Guidance Note on Accounting for employee share-based payments issued in this regard by the competent authorities as amended from time to time, including the disclosure requirements prescribed therein along with that as required under Regulation 14 of the SEBI SBEB Regulations.

**p) Method of Option valuation:**

The Company adopts the fair value method to account for the stock options it grants to employees.

q) **Declaration:**

The Company does not opt for expensing of share based employee benefits using intrinsic value.

r) **Period of Lock-in:**

The Board shall specify the lock-in period in respect of the Shares issued pursuant to exercise of Options.

s) **Terms & conditions for buyback, if any, of specified securities covered granted under the ESOS2022:**

Subject to the provisions of the then prevailing applicable laws, the Board shall determine the procedure for buy-back of Options granted under the ESOS 2022 if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

Consent of the Members is sought under SEBI SBEB Regulations by way of a Special resolution. The resolutions and the terms stated therein as also the terms stated in this explanatory statement herein above shall be subject to the guidelines/ regulations issued/to be issued by statutory authorities in that behalf and the Board shall have the sole and absolute authority to modify the terms hereinabove. A draft copy of ESOS 2022 is available for inspection at the Company's Registered Office / Corporate Office during official hours on all working days (excluding Saturdays, Sundays and Public Holidays) till the date of passing of this resolution.

None of the Directors, Key Managerial Personnel of the Company including their relatives are concerned or interested in the resolutions, except to the extent of their entitlements determined lawfully, if any, under ESOS 2022.

The Board, accordingly, recommends the passing of special resolutions as set out at Item No. 8 and 9 of this notice, for the approval of the members.

**By Order of the Board of Directors  
For Sunteck Realty Limited**

**Mumbai, 11<sup>th</sup> August, 2022**

**Rachana Hingarajia  
Company Secretary**



**Brief Profile of Director seeking appointment/re appointment in the forthcoming Annual General Meeting of the Company:**

<b>Name of Director &amp; DIN</b>	<b>Rachana Hingarajia (DIN: 07145358)</b>
<b>Date of Birth</b>	4th September, 1979
<b>Age</b>	42 years
<b>First Appointment on the Board</b>	31st March, 2015
<b>Brief Resume</b>	Ms. Rachana Hingarajia has over 15 years of experience in Compliance function, Legal, merger & restructuring. She is a Company Secretary and a Law Graduate. She has been associated with the group for more than 15 years and on the Board since March 2015.
<b>Qualifications</b>	Company Secretary and LLB
<b>Expertise in specific functional areas</b>	Compliance function, Legal, merger & restructuring
<b>Number of Board Meetings attended in FY 2021-22</b>	6 (Six)
<b>Directorships held in other Companies</b>	1. Satguru Infocorp Services Private Limited 2. Sunteck Property Holdings Private Limited 3. Sunteck Lifespace Private Limited 4. Rammit Corporate Solutions Private Limited 5. Starteck Lifestyles Private Limited 6. Sunteck Infracon Private Limited 7. Sunteck Realtors Private Limited
<b>*Chairmanship/Membership of the Committees of the other Listed Companies –</b> 1. Audit Committee 2. Stakeholders' Relationship Committee	NIL
<b>No. of Shares held in the Company as on March 31, 2022</b>	8444
<b>Relationship between Directors Inter-se</b>	NIL
<b>Terms and conditions of appointment/re-appointment</b>	Re-appointment as a Director subject to retire by rotation
<b>Remuneration last drawn</b>	Remuneration as disclosed in report on corporate governance forming part of Annual Report for FY 2021-22

*\* Pursuant to SEBI (Listing Regulations and Disclosures Requirement) Regulations, 2015 only two Committees viz. Audit Committee and Stakeholders' Relationship Committee are considered.*

SUNTECK REALTY LIMITED  
ANNUAL REPORT 2021-22

Sunteck 

**INTEGRATING  
SUSTAINABILITY  
BUILDING  
FUTURE**



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Please find our online version at  
<https://www.sunteckindia.com/financials.php>

Or simply scan to download



## **INVESTOR INFORMATION**

BSE Code : 512179

NSE Symbol : SUNTECK

AGM Date : 23<sup>rd</sup> September, 2022

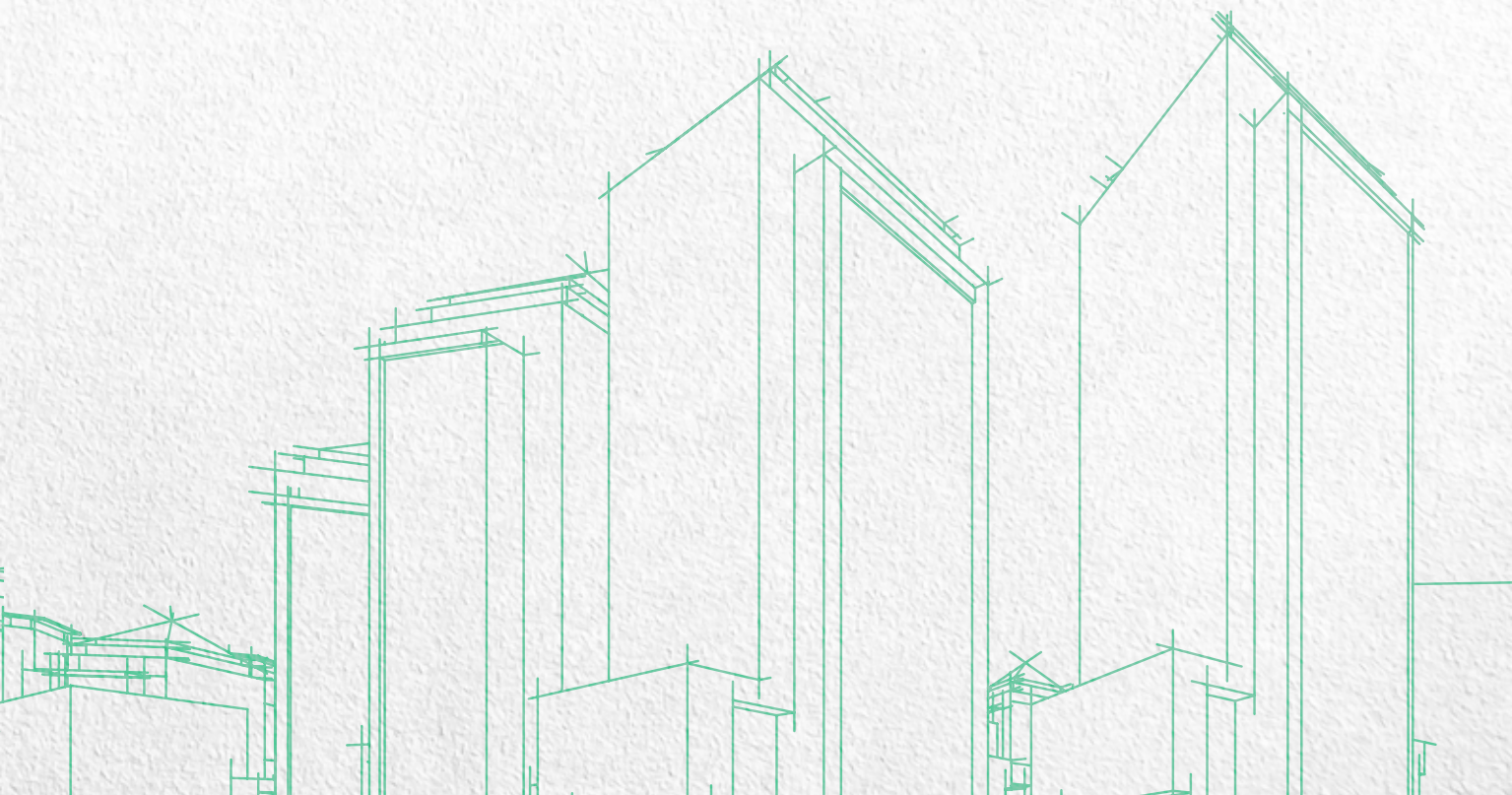
AGM Mode : Video Conferencing (VC)/  
Other Audio-Visual Means  
(OAVM)

# INTEGRATING SUSTAINABILITY BUILDING FUTURE

**SUCCESS IS A ONE-STOP  
DESTINATION BUT GROWTH IS A  
SERIES OF MILESTONES. EVERY  
ACHIEVEMENT PROVIDES A BOOST  
TO TAKE OUR NEXT STEP FURTHER  
AND BETTER.**

Through a strategic framework and our expertise in real estate, we create value for our clients and stakeholders at large. We measure our progress in terms of the successful establishment and sustenance of our projects, alongside client satisfaction. Thus, integrating sustainability across our business operations to ensure long-term success.

Our financial prudence and city-centric development plan keeps in mind the clients' specific requirements and emphasises on providing them maximum returns. We continue to be a trendsetter of iconic destinations, critically contributing towards nation-building. Moreover, at Sunteck, every achievement acts as a strong foundation for our next milestone, supporting us in building future led by sustainability.



# ABOUT US

## SUNTECK REALTY LIMITED (SRL) IS A FASTEST GROWING MUMBAI-BASED REAL ESTATE DEVELOPMENT COMPANY.

Sunteck is amongst the Top Listed Real Estate companies listed on NSE & BSE.

Sunteck holds one of the Strongest Balance Sheets with almost Negligible Debt levels & robust cash flows.

SRL focuses on a city-centric development portfolio of about 50 million square feet spread across 19 projects and 13 Projects completed & delivered.

Sunteck's presence across the spectrum is differentiated by Uber Luxury, Ultra Luxury, Premium & Aspirational Luxury segments. SRL's Flagship Project Signature Island in Bandra-kurla Complex (BKC) is home to some of the most renowned head honchos of leading financial institutions, corporates, global conglomerates & renowned celebrities.



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# BRANDS THAT DRIVE THE CHANGE

Signature

Uber Luxury Residences

Signia

Ultra Luxury Residences

SunteckCity

Premium Luxury Residences  
(Mixed-use Township)

SunteckWorld

Aspirational Luxury Residences  
(Mixed-use Township)

SBR

Sunteck Beach Residences

Marquee Luxury Destination

Sunteck

Commercial & Retail

# CMD'S MESSAGE



## Dear Shareholders,

I sincerely hope this message finds you and your families safe and in good health.

At Sunteck Realty Limited, we have always viewed challenges as opportunities and have successfully tackled these head-on with resilience and determination. Our in-house construction capabilities enable us to maintain accelerated execution and also the stringent supervision on quality. We continue to work towards maintaining customer centric projects and designs that resonate with the requirements of the customer. In the residential segment, I would like to state that we have maintained our luxury quotient across our projects in every segment from uber-luxury to premium luxury in the middle-income and aspirational luxury in the affordable segment.

In the year gone by all your projects have continued to do well driven by strong sustained growth in both pre-sales and collections. In fact,

on both the parameters this is our best ever performance.

As we look towards improving our operational efficiencies that have a lasting impact, we also continue to look at long term growth strategy- Sunteck 3.0 is focused on creating an organization with strong values, robust performance and healthy cash flows. I would like to reiterate our three guiding principles:

1. One, maintain a strong balance sheet and cash flows;
2. Two, continue to do marquee acquisitions in line with our business development strategy;
3. Third, building an exceptional team.

On all these parameters, your company has been a winner. We have one of the strongest balance sheets in the sector with a net debt to equity ratio of 0.19x, we have acquired ~23 million square feet in MMR since the onset of the pandemic and our focus on hiring key resources and creating a strong talent pool. We take pride in the team that we have built at Sunteck in the last 15 years and we are focused on strengthening it further. Going forward, our endeavor is to capitalize on this foundation and continue to grow on all the parameters.

We are beginning the new financial year with considerable momentum and with plans to deliver another year of strong growth. We aim to ensure that we deliver another great year for cash collections and earnings. A big focus area for your company in the year ahead will be business development through acquisitions and execution of projects. Despite the ongoing recovery in the sector, there are a large number of developers continuing to face liquidity pressures, which creates value accretive opportunities for business development. We are confident that new acquisitions will create value as the underlying demand improves given the best affordability in decades.



At Sunteck, we recognise the impact the real estate sector has on both society and environment. Managing these impacts at projects has always been integral to part of our undertakings. Therefore, your company has formulated an ESG strategy for its development projects. This strategy addresses elements such as biodiversity, building safety, energy and resource consumption, greenhouse gas (GHG) emissions, renewable energy, site selection, climate change adaptation, health and wellbeing, sustainable procurement, material sourcing, and land use, amongst others. This strategy sets out Sunteck's direction and guidance for the implementation of ESG best practices, which include the mitigation measures for its construction and operation activities, enabling the Company to minimize its adverse environmental impacts throughout projects' life cycles. We are also aligning our development activities with the requirements of

various certifications and ESG rating agencies, to direct our endeavor of creating sustainable spaces.

While we ended the year on a strong note, the current year will present its own challenges and opportunities. While we invest in our systems and processes, we will ensure that our prudent cash flow management and operational efficiencies further build our agility to emerge stronger from hereon.

I thank you all and the entire Sunteck family - our employees, customers and partners - for your continued trust and support.

Warm regards,

**Kamal Khetan**

Chairman and Managing Director





# KEY HIGHLIGHTS

₹ **13,030** Million

PRE-SALES

₹ **5,131** Million

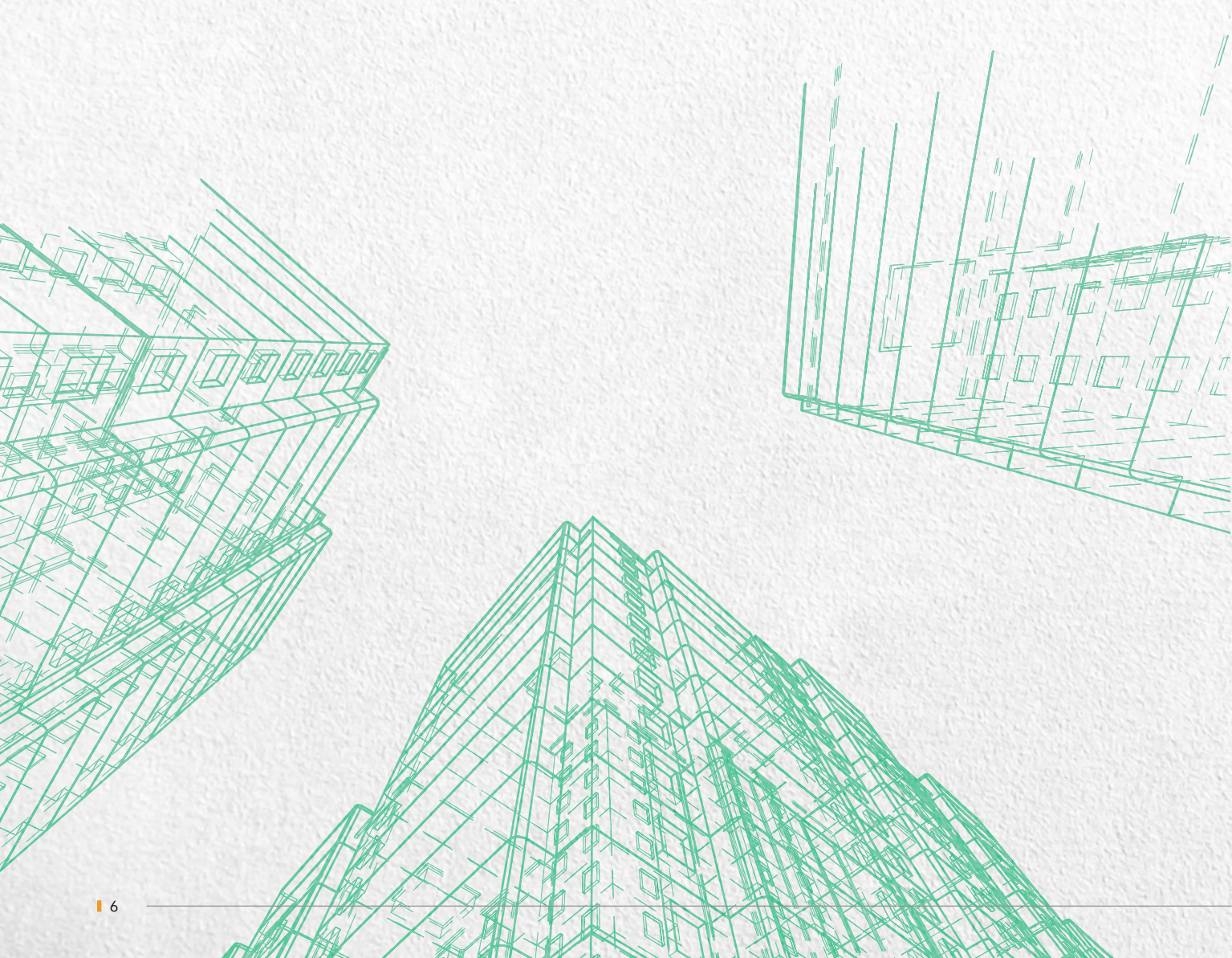
REVENUE FROM OPERATIONS

₹ **10,530** Million

COLLECTIONS

₹ **251** Million

PROFIT AFTER TAX





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# AWARDS



\*\*\*\*\*  
**INTEGRATED TOWNSHIP**

PROJECT OF THE YEAR

MaxX  
**SunteckWorld**  
NAIGAON

P9900002411 | P9900002412 | P99000027956 | P99000024562



\*\*\*\*\*  
**MIXED-USE**

PROJECT OF THE YEAR

FOREST  
**SunteckWorld**  
VASIND, THANE DISTRICT

P51700030578 | P51700030580 | P51700030607



\*\*\*\*\*  
**BEST DEVELOPER  
(MUMBAI)**

PROJECT OF THE YEAR

**Sunteck**



\*\*\*\*\*  
**BEST CONDO  
DEVELOPMENT  
(MUMBAI)**

PROJECT OF THE YEAR

**SunteckWorld**  
NAIGAON

P99000017606 | P99000017627 | P99000024072 | P99000024080  
| P99000024111 | P99000024173



\*\*\*\*\*  
**BEST LANDSCAPE  
ARCHITECTURAL  
DESIGN**

PROJECT OF THE YEAR

**SunteckWorld**  
NAIGAON

P99000017606 | P99000017627 | P99000024072 | P99000024080  
| P99000024111 | P99000024173



Amongst top wealth  
creators in the next  
500 companies - 2019  
**Sunteck Realty**

**FORTUNE INDIA  
AWARDS - 2019**



Iconic Project  
of the year  
**Signia Waterfront**

**ZEE BUSINESS - NATIONAL REAL ESTATE  
LEADERSHIP CONGRESS AND AWARDS - 2019**



Most trusted brand  
of the year  
**Sunteck Realty Ltd.**

**ET NOW - REAL ESTATE  
AWARDS - 2019**

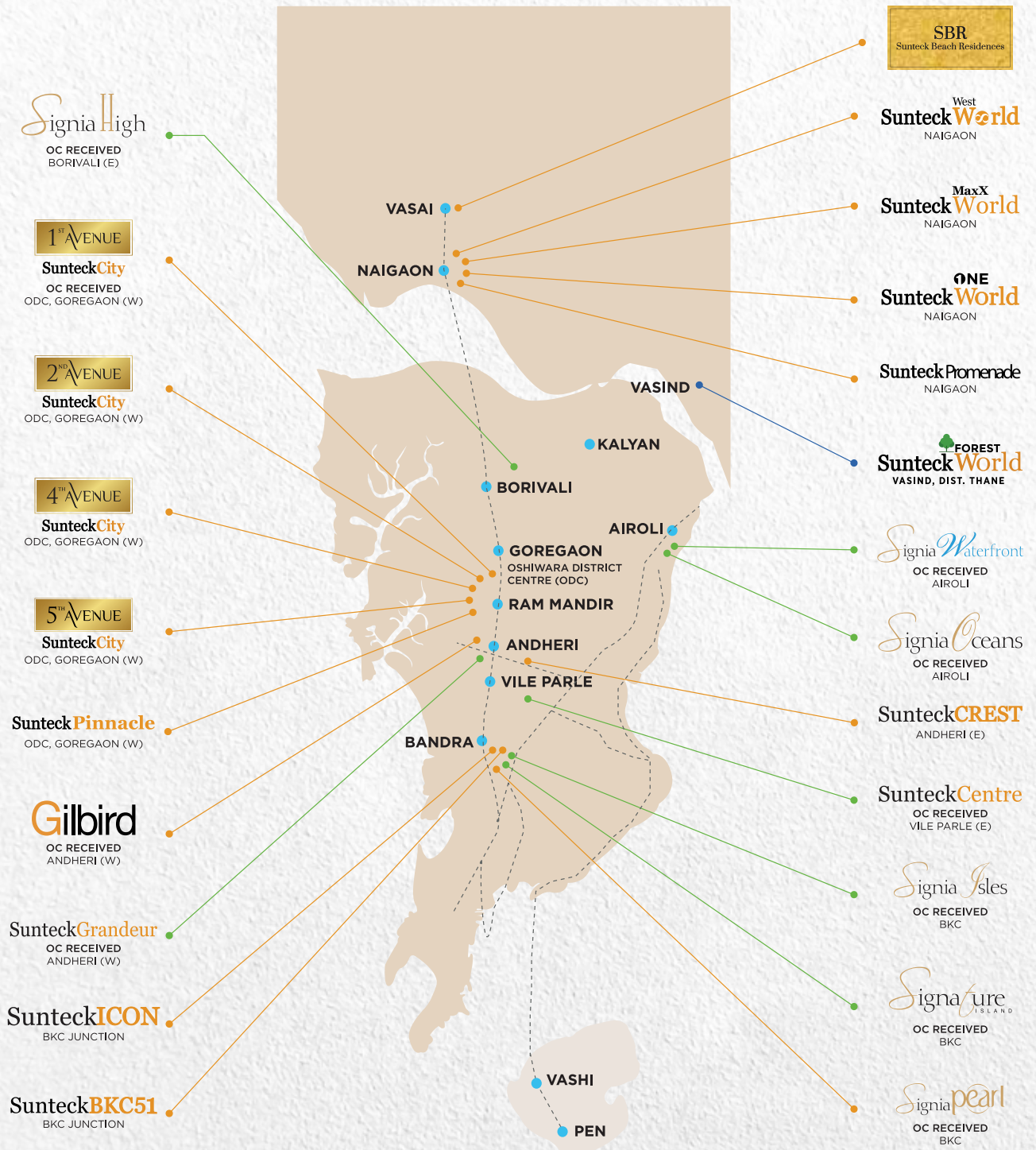


Luxury Project  
of the Year  
**Signia High**

**ET NOW - REAL ESTATE  
AWARDS - 2019**

# SUNTECK FOOTPRINT

## Our Mumbai Presence



● ONGOING PROJECTS    
 ● COMPLETED PROJECTS    
 ● UPCOMING PROJECTS



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# OUR PROJECTS

Signature  
ISLAND  
by Sunteck Realty

**G - BLOCK, BKC**

## Completed Projects - Residential

### OUR ICONIC LANDMARK WITH LIMITED-EDITION DUPLEX RESIDENCES

A Masterpiece with 64 Limited-Edition Duplex Residences clad with Italian marble, private decks and voluminous double-height living rooms, crafted to provide an exclusive, Uber Luxurious lifestyle in Mumbai.



**1 Million sq. ft. delivered and habitable**

Artist's Impression



Actual Image



Actual Image

## Completed Projects - Residential

# Signia pearl

### G - BLOCK, BKC

This rare construction artistry with '4 BHK VENETIAN SUITES' is designed to give you admiring glances everytime you step out.



Artist's Impression



Actual Image of Show Flat



Actual Image of Show Flat



Actual Image of Show Flat



Actual Image



## Completed Projects - Residential

# Signia Isles

### G - BLOCK, BKC

A tall, bold, majestic and inimitable structure with 4 & 5 bed residences reserved for the privileged few. Now ready to move in.



Artist's Impression



Actual Image of Show Flat



Actual Image of Show Flat



Actual Image of Show Flat

## Completed Projects - Residential

# Signia Waterfront

**AIROLI**

Luxury 2 & 3 bed residences – Mumbai’s finest Waterfront residences with lifetime un-interrupted views



Artist's Impression



Actual Image



Actual Image of Show Flat



Actual Image of Podium



## Completed Projects - Residential

# Signia High

### WEH - BORIVALI

- Reaching for the stars is no longer a metaphor when you live in one of these 3.5 BHK or 4.5 BHK palatial residences
- Complete privacy and round-the-clock security to its residents
- Signia High is centrally located at Borivali with the perfect balance of opulence

# 81

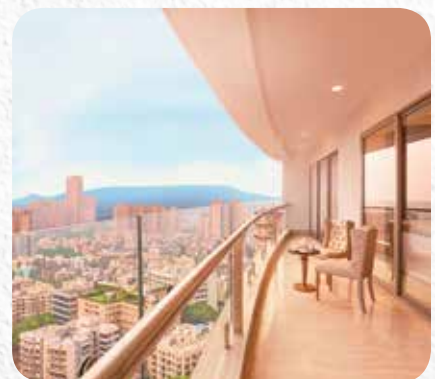
**Limited Edition Residences  
SPREAD ACROSS 2 ACRES**



Artist's Impression



Actual Image of Lobby



Actual Image of Deck



Actual Image of Show Flat



Actual Image of Show Flat

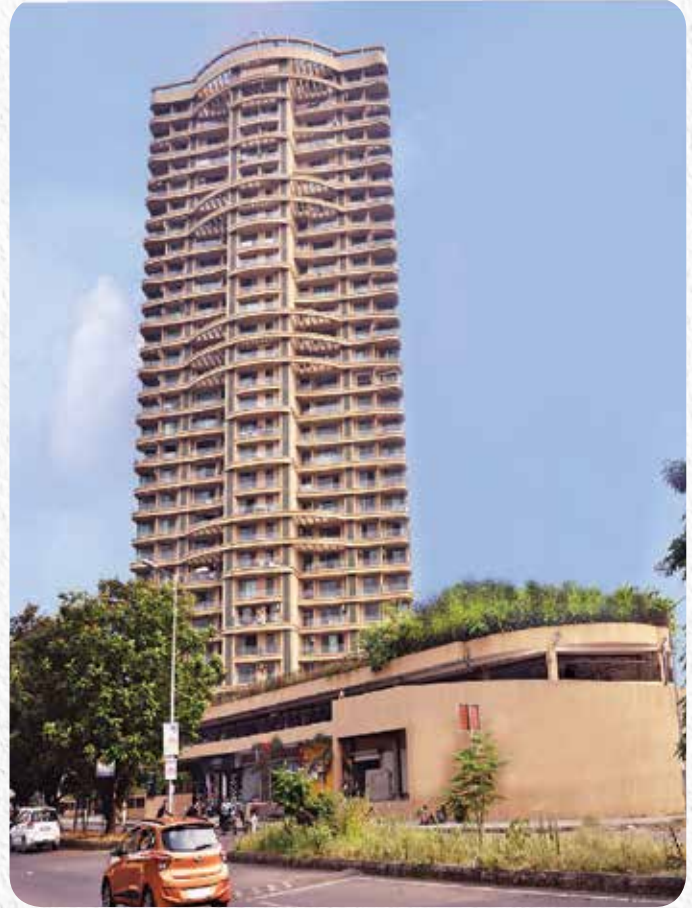


## Completed Projects - Residential

# Signia Oceans

### AIROLI

The sky-kissed castle of 28 storeys is a premium landmark project nestled in the financial powerhouse of Airoli, Navi Mumbai. It houses spacious 2, 3 & 4 bed residences and top-notch amenities. The location has strong connectivity to prominent areas like Vashi, Mulund and Powai.



Actual Image



Actual Image



Actual Image



Actual Image



Actual Image



## Completed Projects - Residential

# Signia Skys

**NAGPUR**

Turning the trends in Nagpur upside down by crafting Signia Skys, we are providing a lifestyle that was till now confined only to the metro audiences. This blend of mystic nature and luxury nestled right in the heart of Nagpur is a true habitat for the connoisseurs. For the first time in history of Nagpur, celebrity designer Sussanne Roshan's interior brand - The Charcoal Project has been tied up as 'Interior Design Partner' for these ready for fit-outs iconic limited edition bespoke 4 bed residences.



Actual Image



Actual Image



Actual Image



Actual Image

**Completed Projects - Residential**

# Gilbird

**ANDHERI (W)**

The Convenience of Connectivity – Imagine a home that is just 5 minutes drive from Andheri railway station with reputed colleges, hospitals and theatre in the vicinity. That is Gilbird for you.



Artist's Impression



Actual Image



## Completed Projects - Residential



### SunteckCity

OSHIWARA DISTRICT CENTRE (ODC)  
GOREGAON (W)



Artist's Impression

### SunteckCity

ODC, GOREGAON (W)

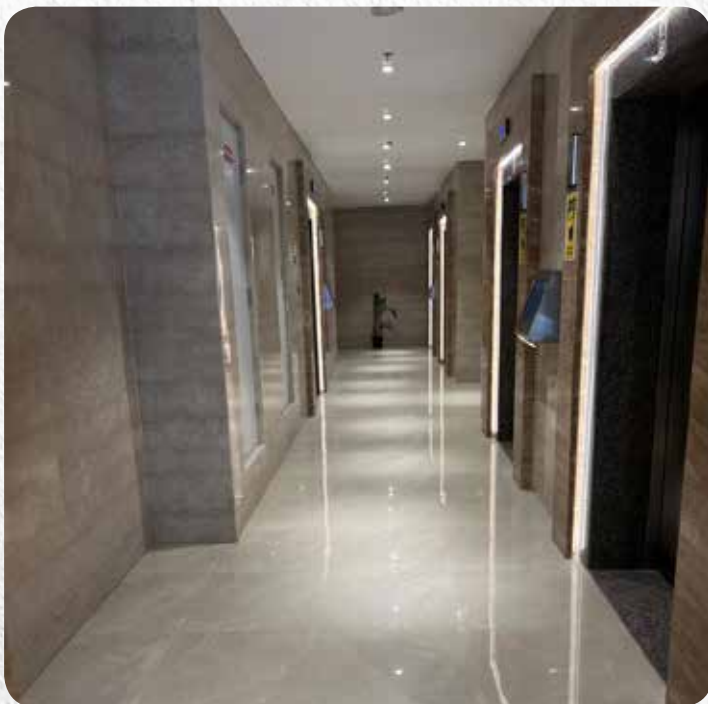
SunteckCity, suburb's largest luxury township, located in the heart of ODC, Goregaon (W), bestows a lifestyle that redefines convenience. Conceptualised as premium, SunteckCity spreads across 23 acres comprising Residential, Retail, Commercial, Entertainment Zone and Fine Dining.



### SunteckCity

OSHIWARA DISTRICT CENTRE (ODC)  
GOREGAON (W)

SunteckCity 1st & 2nd Avenue, Luxurious 2 & 3 Bed Residences



Actual Image of Show Flat



Actual Image of Show Flat

## Completed Projects - Commercial

### Sunteck Kanaka corporate park GOA

The most prosperous business property in Goa.



Actual Image



Actual Image

### Sunteck GRANDEUR ANDHERI (W)

This eminent geometry of glass and metal is now a ready property.

### Sunteck Centre VILE PARLE (E)

The revolutionary work space in every sense is crafted in the heart of Mumbai Suburbs and only limited premises are available on lease basis.



Actual Image



Corporate Overview



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## Ongoing Projects - Residential

Defined as the largest township of the western suburbs, Sunteck WestWorld in Naigaon brings an array of infinite opportunities. With state-of-the-art luxuries, excellent connectivity, upcoming infrastructure and amenities, this project offers serene surroundings with a luxurious lifestyle Sunteck Westworld, Naigaon is now OC received offering luxurious homes that are Ready to move in.

# West Sunteck World

## NAIGAON

**RERA No.**

P99000017606, P99000017627



Artist's Impression

# MaxX Sunteck World

## NAIGAON

Live the MaxX Life in the 150 acre mixed-use township with premium 1, 2 & 3 bed residences.

**RERA No.**

P99000024072, P99000024080, P99000024111  
P99000024173, P99000024562, P99000027956



Artist's Impression



Artist's Impression



Artist's Impression

**Ongoing Projects - Residential**

**ONE**  
**Sunteck World**  
NAIGAON

Number One in Lifestyle, Number One in Location, Number One in Luxury. Sunteck OneWorld provides an amazing view of the hills and a lifestyle second to none. Live amidst nature and luxury, crafted to provide you with the best of everything.

**RERA No.**

P99000032855, P99000032834, P99000033099  
P99000033218, P99000033157



Artist's Impression



Artist's Impression



Artist's Impression



Artist's Impression



## Ongoing Projects - Residential



**FINEST RESIDENCES**

The World of Luxury, Lifestyle & Entertainment is here at 4<sup>th</sup> Avenue, the Finest Residences in the heart of 5<sup>th</sup> Avenue SunteckCity amidst entertainment, mall, hi-street, fine dining restaurants, cafes, food courts and commercial spaces.



Artist's Impression



Artist's Impression



Artist's Impression



Artist's Impression



Artist's Impression



Artist's Impression



## Ongoing Projects - Residential

Introducing Sunteck Beach Residences, an iconic and distinguished address rising by the sea located at Vasai. It brings with itself, a beautiful history and marvellous beachfront living, that rivals the best of seaside living from around the world. This fresh new address offers you a life by the sea that brings with itself all that you seek. Discover a new lifestyle with fine dining options and premium boutiques to high-street luxury, from a romantic getaway to a club culture and night life at par with the world's best. It's exotic and exquisite in every detail.

**RERA No.**

P99000045490, P99000045499  
P99000045599



Beach Residences & Villas  
Suruchi Beach Vasai(W)



Artist's Impression



Artist's Impression



Artist's Impression



Artist's Impression



Artist's Impression



## Ongoing Projects - Commercial

# Sunteck Pinnacle

OSHIWARA DISTRICT CENTRE (ODC),  
GOREGAON (W)

**RERA No.**

P51800028821, P51800030947

Presenting Modern Business spaces, the Commercial Address of the Successful. This architectural marvel is crafted to provide ample workspace. Promoting walk-to-work culture, SunteckPinnacle helps to strike the perfect work-life balance and is located in the heart of the city. With limitless possibilities and uninterrupted view of the city, this is the address where history is created.



Artist's Impression



Artist's Impression



Artist's Impression

## Ongoing Projects - Commercial

# SunteckCREST

## ANDHERI KURLA ROAD

**RERA No.**  
P51800022233

### The Apex of Success

Reaching the pinnacle is not just an achievement but an extraordinary feat. And an extraordinary feat is not something many can achieve. Understanding this need, we created The Apex of Success.

Designed to harbour limitless possibilities coupled with convenience, luxury, amenities, and a vibe that promotes success, Sunteck Crest is the space success largely demands.



Artist's Impression



Artist's Impression



Artist's Impression



## Ongoing Projects - Commercial

# Sunteck **BKC51** BKC JUNCTION

### The gateway to success

A line that reeks of accomplishments, 'The Gateway to Success' accurately defines what we have achieved in the creation of BKC 51. BKC 51 is at the forefront of providing world-class opportunities that promote and cater to creative productivity. Located perfectly, BKC 51 is easily accessible to all focal points nearby thus making it the perfect gateway to the home of success i.e. BKC.



Artist's Impression



Artist's Impression

# Sunteck **ICON** BKC JUNCTION

### The Monument Of Perfection

The build, the shape and the history behind the design makes Sunteck ICON, a monumental perfection in itself. Situated close to the Bandra-Kurla Complex, it is a futuristic and iconic high-end office development for the leaders who believe in leaving a mark in the pages of history. The façade creates a dynamic and elegant external profile, emphasising the horizontality of the overall development and utility of the corner position. This powerful and dynamic expression draws reference from the design of the most iconic building. At the top of the building, the last floor level is set-back from the façade to create an exclusive roof terrace.

**Ongoing Projects - Retail**

# Sunteck Promenade

## NAIGAON

Sunteck Promenade is the largest planned mixed-use retail between Borivali and Virar in the largest Township of the Western Suburbs, SunteckWorld - Naigaon. SunteckWorld is spread across 150 acres (approx.) comprising of Sunteck WestWorld and Sunteck MaxXWorld with a potential of 10,000+ families. Being a part of a mixed-use township, investing in Sunteck Promenade will give you access to 50,000+ captive audience for a lifetime.



Artist's Impression



Artist's Impression



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## Ongoing Projects - Residential



Sunteck ForestWorld is a World of Luxury, Lifestyle and Amenities spread across 40 acres with 50+ amenities in Vasind, Dist. Thane.

**RERA No.**

P51700030580, P51700030607

P51700030578, P51700030819



Artist's Impression



Artist's Impression



Artist's Impression

## Upcoming Projects

### PEN-KHOPOLI



# Sunteck Realty acquires 110 acres to enter second home market

**Developers such as Sunteck, Tata Realty and Infrastructure Ltd, DLF Ltd, Isprava, and others are seeing a demand for larger individual homes, with office space, at higher budgets.**

Real estate firm Sunteck Realty Ltd on Monday said it has acquired about 110 acres on Pen-Khopoli Road, in Mumbai Metropolitan Region (MMR), to enter the second home segment. The acquisition has been done with an asset light joint development agreement strategy.

The land, which has prominent river frontage, will be used to develop plots and luxury bungalows. The new acquisition will add about 4-5 million sq ft of development potential to the company's existing portfolio.

Mumbai-based Sunteck Realty Ltd has made a number of acquisitions over the last 18 months to expand its presence in the MMR market. It acquired a 50-acre land parcel at Shahad (Kalyan) to build a 10 million sq ft residential township with a revenue generation of around 9,000 crore. It also acquired 50 acres in Vasai (west) with 4.5 million sq ft development potential. It is also developing 2.6 million sq ft at Vasind and waterfront luxury residences at Borivali (west) with revenue potential of around 1,800 crore, all totaling to around 18 million sq ft.

"We continue to make astute acquisitions and value-accretive diversifications within the housing market, giving credence to the outlook that the industry is consolidating behind branded, financially strong developers. With the current project offering of a luxurious, larger second home for those yearning to be away from the hustle and bustle of the city, Sunteck is now present across the full value spectrum for our customers," said Kamal Khetan, chairman, Sunteck Realty.

Second homes priced from 50 lakh to 50 crore are seeing a pick-up in demand from wealthy individuals, including tech entrepreneurs, corporate professionals and non-resident Indians (NRIs), as they look to get away from cities amid the pandemic.

Developers such as Tata Realty and Infrastructure Ltd, DLF Ltd, Isprava, and others are seeing a demand for larger individual homes, with office space, at higher budgets, both for individual use and investment, in Goa, Kasauli, Coonoor, Alibaug and other 'away from the city' locations.

### PEN-KHOPOLI



# Sunteck Realty acquires 110 acres land parcel at Pen-Khopoli near Mumbai

**Developers such as Sunteck, Tata Realty and Infrastructure Ltd, DLF Ltd, Isprava, and others are seeing a demand for larger individual homes, with office space, at higher budgets.**

Realty developer Sunteck Realty NSE -0.80 % has acquired a 110-acre river front land parcel at Pen-Khopoli Road near Mumbai through the asset-light strategy of joint development agreement. With this, the company is planning to foray into plotted and bungalow developments.

The land parcel located close to Pen city with direct access to Pen-Khopoli main road has a total development potential of around 5 million sq ft. The company has entered into a revenue share pact with the landowner.

The project to be developed in four phases in around seven years is estimated to have revenue potential of over Rs 2,500 crore. With most approvals already in place, the company is planning to launch the first phase of the project in the next 6-9 months.

This is Sunteck Realty's fifth such acquisition in the last 18 months, helping strengthen its presence in the Mumbai Metropolitan Region (MMR) market. With the addition of over 23 million sq ft to its portfolio, the developer is one of the largest acquirers of projects during this period.

"We continue to make astute acquisitions and value-accretive diversifications within the housing real estate market, giving credence to the outlook that the industry is consolidating behind branded, financially strong developers. With the current project offering of a luxurious, larger second home for those yearning to be away from the hustles and bustles of the city, Sunteck is now present across the full value spectrum for our customers," said Kamal Khetan, Chairman, Sunteck Realty.

"We continue to make astute acquisitions and value-accretive diversifications within the housing real estate market, giving credence to the outlook that the industry is consolidating behind branded, financially strong developers. With the current project offering of a luxurious, larger second home for those yearning to be away from the hustles and bustles of the city, Sunteck is now present across the full value spectrum for our customers," said Kamal Khetan, Chairman, Sunteck Realty.



## Upcoming Projects

### PEN-KHOPOLI



# Sunteck Realty forms partnership to develop 110-acre housing project in Maharashtra

**This land would be used for plotted and luxurious bungalows development, it added.**

Sunteck Realty Ltd on Monday said it has formed a joint development agreement to develop a new housing project in Maharashtra on 110-acre land parcel. In a regulatory filing, Sunteck said it would “enter the highly lucrative second home space with the acquisition of approximately 110 acres on the Pen-Khopoli Road under the asset light JDA (joint development agreement) strategy”

This land would be used for plotted and luxurious bungalows development, it added.

This new acquisition further adds 4-5 million square feet of development potential to the existing portfolio, the filing said. Under the asset light JDA model, the company recently tied up for a 50-acre land parcel at Shahad (Kalyan) with potential to develop 10 million square feet of integrated residential township with a revenue generation of around Rs 9,000 crore.

It also entered into JDA for an approximately 50-acre land parcel in Vasai (West) having a development potential of 4.5 million sq ft and a revenue potential of around Rs 5,000 crore.

“We continue to make astute acquisitions and value-accretive diversifications within the housing real estate market, giving credence to the outlook that the industry is consolidating behind branded, financially strong developers,” said Kamal Khetan, Chairman, Sunteck Realty Ltd.

The company focuses on a city centric development portfolio of about 38 million square feet spread across 19 projects.





## Upcoming Projects

### SHAHAD



## Sunteck Realty plans JDA to develop 10 million sq ft in Mumbai

**The project will see a potential development of about 10 million sq ft and is expected to generate around Rs 9,000 crore over the next 7-8 years, according to the company.**

Sunteck Realty plans to develop integrated residential township in about 50-acre land parcel under the asset light joint development agreement (JDA) model with Amar Dye Chem at Shahad (Kalyan), Mumbai, the company said in a media release.

“Market consolidation in favor of quality and well-funded real estate companies has been an ongoing trend and Sunteck has been a key beneficiary of this trend, continuously expanding its business portfolio with attractive return opportunities,” said Kamal Khetan, chairman, Sunteck Realty.

The project will see a potential development of about 10 million sq ft and is expected to generate around Rs 9,000 crore over the next 7-8 years, according to the company.



### SHAHAD



## Sunteck Realty Ltd plans to invest Rs 2,500-3,000 crore over 7-8 years on a luxury township project in Mumbai

**Project to be under the asset light JDA model with Amar Dye Chem Ltd; Revenue generation of Rs 9,000 crore envisaged over the next seven-eight years.**

Listed Mumbai-based real estate firm Sunteck Realty Limited plans to invest Rs 2,500 to Rs 3,000 crore over a period of seven to eight years during the lifecycle of an integrated luxury residential township it intends developing on a 50-acre land parcel in Mumbai under the asset light joint development agreement model, Kamal Khetan, chairman and managing director, Sunteck Realty told Moneycontrol.

The 50-acre project is expected to see a potential development of approximately 1 crore sq ft (10 mn sq ft), the company said.

The project will be located in Shahad (Kalyan). The luxury integrated residential township in this location will be under the asset light JDA model with Amar Dye Chem Ltd. This would establish the company’s presence in the Eastern suburbs of Mumbai Metropolitan Region (MMR).

The project is expected to generate a top line of around Rs 9,000 crore over the next seven-eight years, further strengthening the cash flow and the balance sheet of the company. While Sunteck Realty has a very strong portfolio in the Western suburbs of the MMR, this project addition will strengthen the company’s portfolio in Eastern markets of the MMR as well, it said.





## Upcoming Projects

### SHAHAD



# Sunteck Realty to develop 50-acre residential project in Mumbai suburbs, eyes ₹9,000 cr revenue

Sunteck Realty Limited, a property developer in Mumbai, plans to develop a 50-acre land parcel at Shahad (Kalyan). The company would develop an aspirational luxury integrated residential township in this location, under the asset light JDA model with Amar Dye Chem Ltd, it announced in an exchange filing on Thursday.

The project is expected to generate a top line of around 9,000 crore over the next 7-8 years, further strengthening the cash flow and the balance sheet of the company. "While Sunteck Realty has a very strong portfolio in the Western suburbs of the MMR, this project addition will strengthen the company's portfolio in Eastern markets of the MMR as well," Sunteck said.

The company said that this would be another acquisition, establishing its presence in the Eastern suburbs of Mumbai Metropolitan Region (MMR).

"Since the first wave of COVID-19 in 2020, Sunteck has been the largest acquirer of highly valueaccretive

projects in the MMR - a trend it sustains even today. In fact, the company has considerably accelerated the acquisition momentum post the 2nd wave," it said. This will be the fourth acquisition by Sunteck since the advent of COVID-19 pandemic. Before the Shahad (Kalyan) project, the company has done three project acquisitions at Vasai, Vasind and Borivali, totaling around 8 mn sq. ft. and this project will add another around 10 mn sq ft, thus, adding in total 18 mn sq ft to Sunteck's portfolio.

"In-line with the trends seen post the pandemic, there is a growing demand for good peripheral locations around major metros. Thus, we are pleased to announce our entry into MMR's robust Eastern micro-market of Shahad (Kalyan). Market consolidation in favor of quality and well-funded real estate companies has been an ongoing trend and Sunteck has been a key beneficiary of this trend, continuously expanding its business portfolio with attractive return opportunities," said Kamal Khetan, Chairman, Sunteck Realty Limited.

### SHAHAD



# Sunteck Realty to develop premium integrated residential township in Shahad

Sunteck Realty plans to develop a marquee ~50-acre land parcel at Shahad (Kalyan). The company would develop an aspirational luxury integrated residential township in this location, under the asset light JDA model with Amar Dye Chem Ltd.

This would be another exceptional acquisition by the company, establishing its presence in the Eastern suburbs of Mumbai Metropolitan Region (MMR).

The project is expected to generate a top line of around Rs 9,000 crore over the next 7-8 years, further strengthening the cash flow and the balance sheet of the company. While Sunteck Realty has a very strong portfolio in the Western suburbs of the MMR, this project addition will strengthen the company's portfolio in Eastern markets of the MMR as well.



# BOARD OF DIRECTORS



## KAMAL KHETAN

### Chairman & Managing Director

- An Electronics and Communication Engineer from Mangalore University.
- Close to 3 decades of experience in the Real Estate industry
- Formulate corporate strategy, acquisition, execution & diversification plans



## ATUL POOPAL

### Executive Director

- Over 3 decades of experience in the field of civil engineering, development regulations and project assessments
- Previous role was with MCGM
- In-depth insights in conceptualising, planning, devising and streamlining approval process.



## RACHANA HINGARAJIA

### Director & Company Secretary

- CS & LLB by qualification; Over 15 years of experience in Compliance function, merger & restructuring.
- Associated with the group for more than 15 years; on board since March 2015.



### **VADDARSE PRABHAKAR SHETTY**

Independent Director

- Over 4 decades of experience in Banking
- Has held C&MD position in UCO, Canara and IDBI Bank.
- Recipient of "Banker of the Year- 2003" award



### **MUKESH JAIN**

Independent Director

- Over 4 decades of experience in Banking, Real Estate and Insolvency
- Presently, practicing law
- Alumnus of SRCC, New Delhi



### **CHAITANYA DALAL**

Independent Director

- Practicing CA
- Over 3 decades of experience in audits including Statutory and CAG audits
- Also, teaches accountancy in colleges of Mumbai University



### **SANDHYA MALHOTRA**

Independent Director

- Close to 2 decades of experience in corporate law compliances
- Presently, practicing CS and law graduate
- Active involvement in human rights and CSR matters

# CREATING SOCIAL IMPACT

Sunteck aims to be a responsible corporate citizen and be socially accountable to itself, its stakeholders, and the community. In line with this vision, the Company has developed various CSR programmes to drive the growth and development of its communities. These initiatives are taken up in coordination with implementation partners, to enhance their reach and impact. Additionally, Sunteck contributes towards helping India attain its commitments related to the SDGs by 2030. This is achieved by aligning its focus areas mentioned in the CSR policy to the UN Sustainable Development Goals. Goal 1: No Poverty, Goal 2: Zero Hunger, Goal 4: Quality Education, Goal 5: Gender Equality, Goal 8: Decent Work and Economic Growth, Goal 10: Reduced Inequality and Goal 13: Climate Action.



**750 +**

**BENEFICIARIES REACHED THROUGH THE HAQDARSHAK PROGRAMME**



**₹ 62.71 lakh**

**CSR spend**



**750 +**

**VOLUNTEERING HOURS RECORDED FOR VASAI BEACH CLEANING**

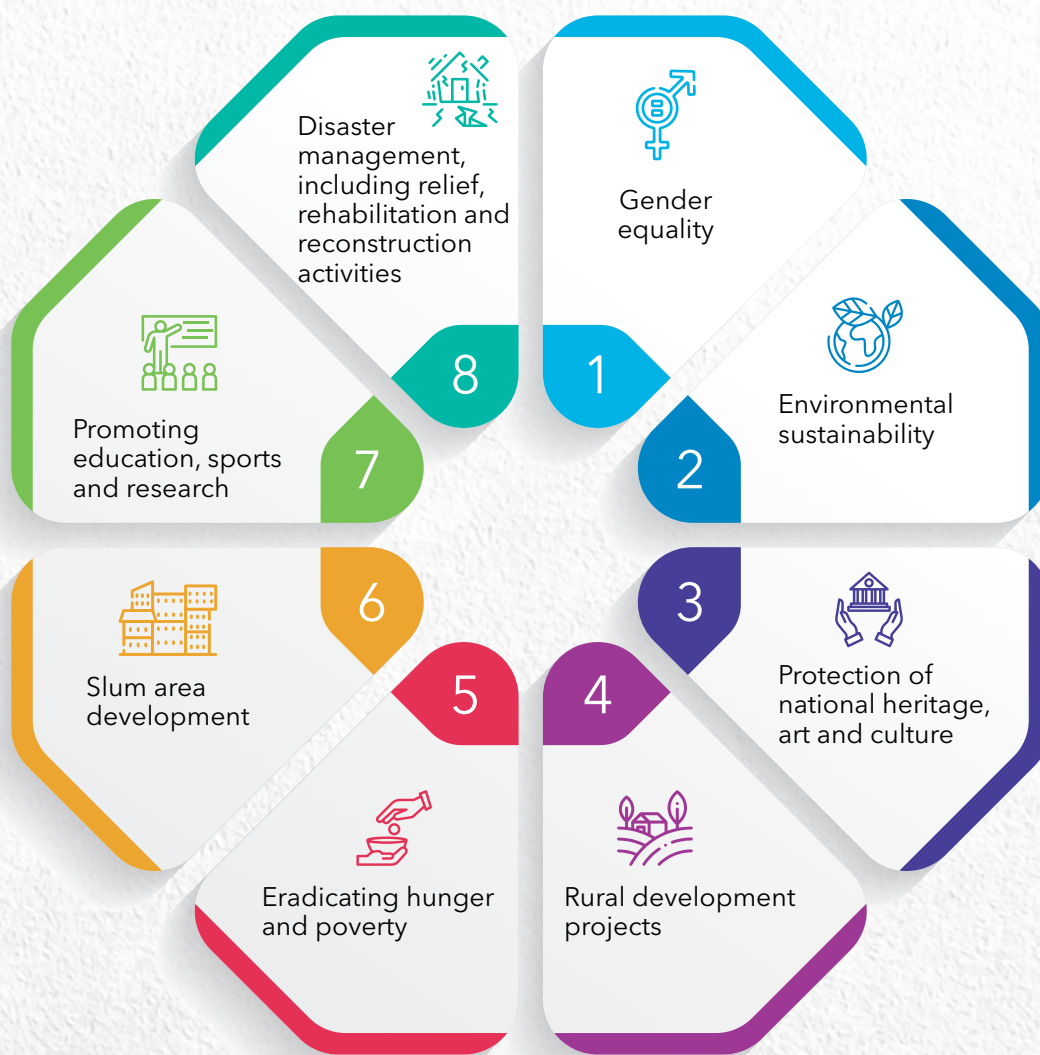


## Creating Sustainable Spaces, Embarking on the ESG Journey

Sunteck Realty Limited believes in leveraging its strengths to create sustainable spaces. It has undertaken initiatives to formalize and strengthen its Environmental, Social and Governance (ESG) performance as it aspires to be a sustainability frontrunner in the real estate sector. It is committed to innovation, agility, transparency and responsibility.

The Company's first ESG report, presented an overview of Sunteck's qualitative and quantitative information, relating to its non-financial performance during this financial year, i.e. from April 1, 2021 to March 31, 2022, highlighting its initiatives to stakeholders, and those that can impact or be impacted by the Company. Going forward, the company intends to communicate its ESG performance annually.

It has also established a robust governance structure that looks after the implementation of the CSR Policy and monitoring of the projects.



## Select Initiatives in FY 2021-22



Suruchi Beach is regarded as one of the cleanest beaches around Mumbai and is home to a host of suru (casuarina) trees.

To maintain the coastal beauty, Sunteck Foundation in association with United Way Mumbai conducted a beach enhancement initiative to develop its surroundings and improve the overall beach quality. As part of this initiative, Sunteck refurbished the pathways to the beach, lined with palm trees and paver blocks. Dia Mirza, Goodwill Ambassador of the United Nations Environment Programme, joined enthusiastic locals to support the drive.

Our beach sustainable drive was performed on 22nd March 2022 from 8:15 AM to 10:30 AM where we got participations from Viva College Virar, 30 students along with their guardian professor were present.

With the help from the student volunteers and our employee volunteers, Sunteck successfully collected 1.3 tons of multi-layer plastics, broken glass and other garbage during the activity. The waste collected was further segregated, cleaned and sent to an authorised recycling centre.



Sustainable Lifestyle Drive at Suruchi Beach, Vasai (W)

## Haqdarshak

A large number of employees in the real estate sector are locally hired labourers. In December 2021, as an initiative for uplifting these workers, Sunteck provided assistance to all site laborers in availing government benefits, updating and receiving their social security details, and entering the formal financial system. The initiative also consisted of awareness sessions on insurance and savings plans by the government. More than 750 beneficiaries were impacted by different aspects of this initiative.



## Enhancement of Vasai's Social infrastructure and Environment

Sunteck enhanced Vasai's infrastructure to drive greater safety, sustainability and development. The Company planted 350+ palm trees and installed 80 streetlights in the Vasai area. New roads were built to increase connectivity in the area.



Before



After

## Mithi River Bank's Beautification

The city has been inundated with contrasting developments across certain areas been highly developed with urban aesthetics at par with modern design and at the same time adjacent areas are undeveloped and unattended. This stretch lies adjacent to the developed G block of the Bandra Kurla Complex, and was full of debris and scrap from old vehicles. It was identified by the MMRDA to be developed into a green area, complimenting the area of BKC. The area is, therefore, developed with an intent to add green cover with aesthetics adding relief to public eyes. The development with mounds having green cover act as a buffer between the Mithi River and slums. Sunteck, under this initiative, will maintain the area for the near future. Approximately 347 trees were planted as part of this effort.

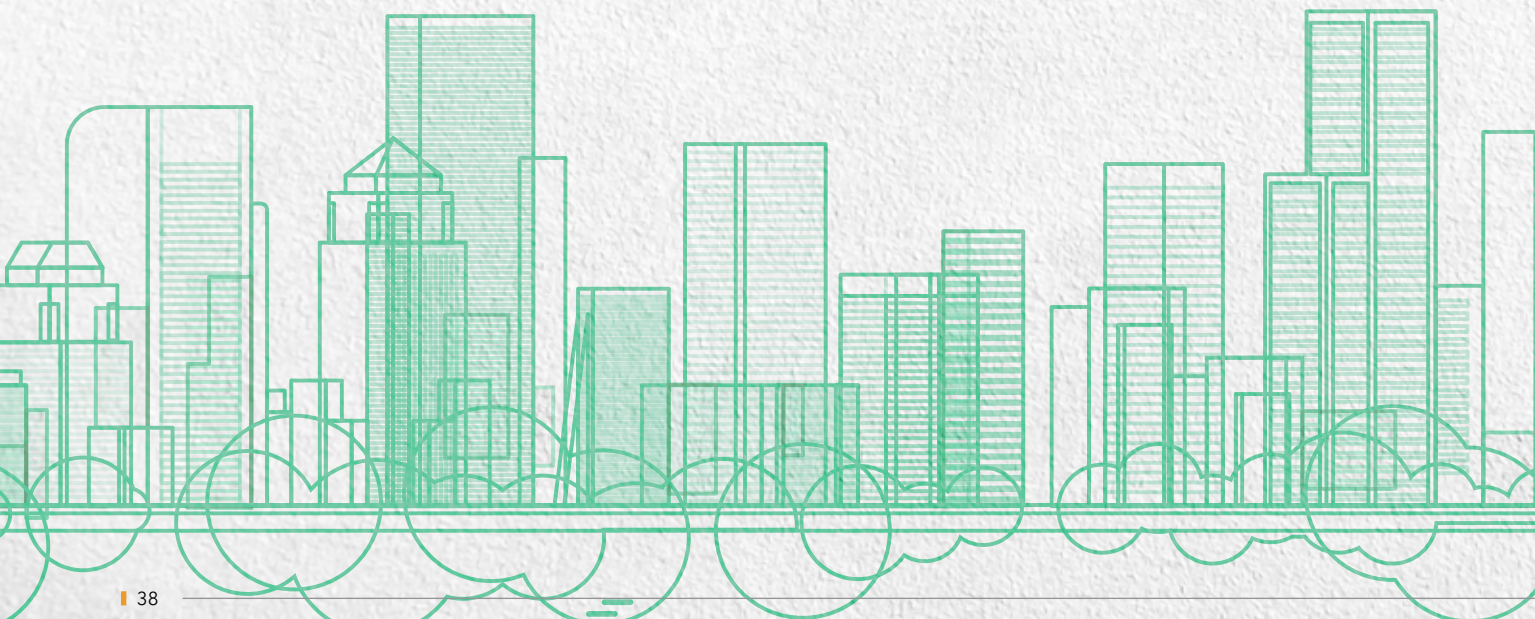


## Vaccination Drive For Suntennials

At Sunteck, we are committed to securing the health and well-being of our employees. Here's a glimpse of the vaccination drive organised for the Suntennials.



VACCINATION DRIVE





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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### **Mr. Kamal Khetan**

Chairman & Managing Director

### **Mr. Atul Poopal**

Executive Director

### **Mr. Vaddarse Prabhakar Shetty**

Independent Director

### **Mr. Mukesh Jain**

Independent Director

### **Mr. Chaitanya Dalal**

Independent Director

### **Mrs. Sandhya Malhotra**

Independent Director

### **Mrs. Rachana Hingarajia**

Director & Company Secretary

## REGISTERED OFFICE

5th Floor, Sunteck Centre, 37-40,  
Subhash Road, Vile Parle (East),  
Mumbai-400057

CIN: L32100MH1981PLC025346

Tel: 91 22 4287 7800 Fax: 91 22 4287 7890

Website: [www.sunteckindia.com](http://www.sunteckindia.com)

E-mail: [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com)

## REGISTRAR AND TRANSFER AGENTS

### **M/s Link Intime India Pvt. Ltd.**

C-101, 247 Park, LBS Marg,

Vikhroli (West), Mumbai - 400 083.

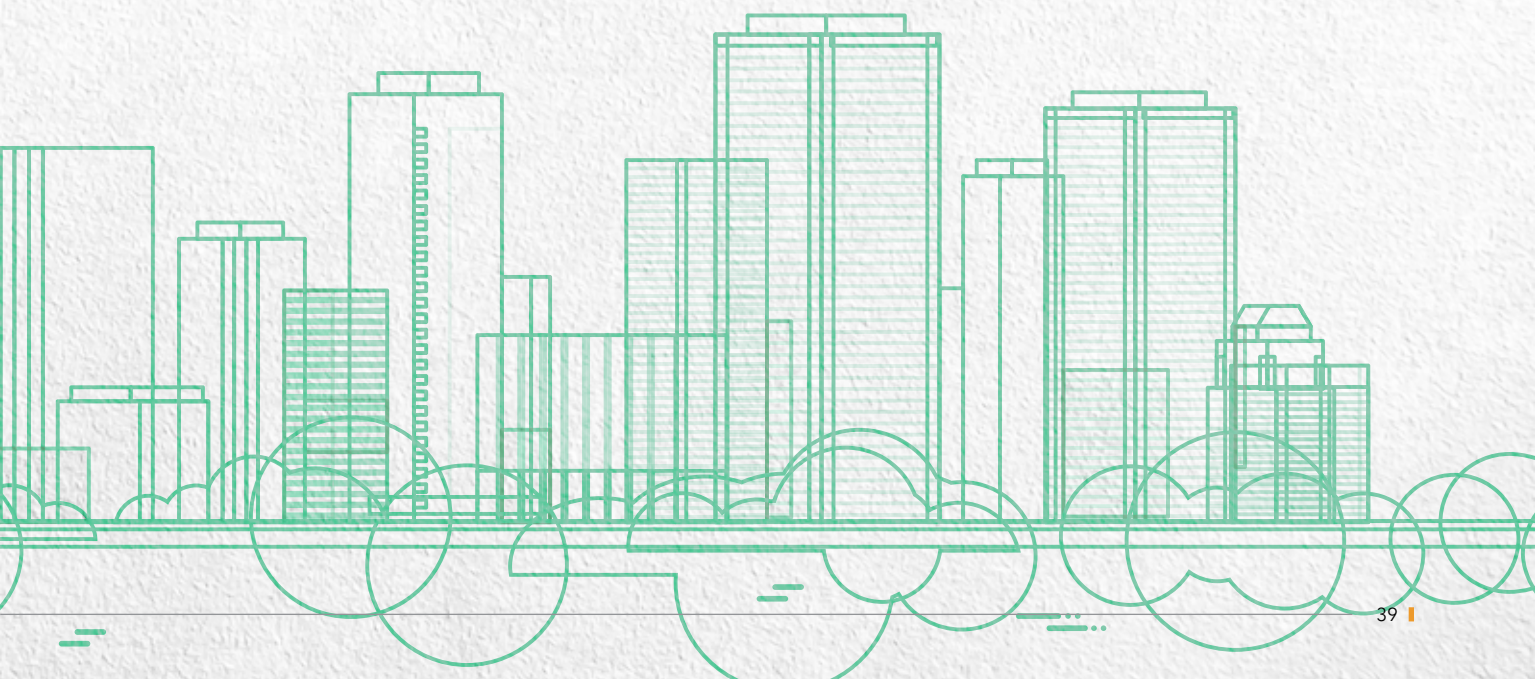
Tel: 91 22 49186270 Fax: 91 22 49186060

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## STATUTORY AUDITORS

### **M/s. Walker Chandiok & Co. LLP**

Chartered Accountants



## DIRECTORS' REPORT

**To  
The Members,  
Sunteck Realty Limited**

Your Directors have the pleasure in presenting the 39<sup>th</sup> Annual Report of the Company on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2022.

### FINANCIAL HIGHLIGHTS

The Company's performance during the financial year ended 31<sup>st</sup> March, 2022 as compared to the previous financial year, is summarised below:

Particulars	Consolidated		Standalone	
	For the year ended on 31 <sup>st</sup> March, 2022	For the year ended on 31 <sup>st</sup> March, 2021	For the year ended on 31 <sup>st</sup> March, 2022	For the year ended on 31 <sup>st</sup> March, 2021
Revenue from Operations	51,307.56	61,405.93	21,854.11	31,411.09
Other Income	2,094.72	1,676.74	1,239.60	2,508.08
Total Income	53,402.28	63,082.67	23,093.71	33,919.17
Total Expenditure	50,264.47	56,676.91	21,649.37	28,847.71
Profit for the period before tax and share of profit/ (loss) of Associates/ Joint ventures and exceptional items	3,137.81	6,405.76	1,444.34	5,071.46
Share of profit/(loss) of Associate/ Joint Ventures	116.69	34.26	-	-
Exceptional Items	-	603.50	-	603.50
Profit Before Tax	3,254.50	5,836.52	1,444.34	4,467.96
Current Tax	285.82	1,026.89	222.48	697.09
Deferred Tax	460.35	615.56	(67.89)	(13.31)
Profit After Tax	2,508.33	4,194.07	1,289.75	3,784.18
Other Comprehensive Income	647.00	(459.43)	68.82	12.29
Total Comprehensive Income	3,155.33	3,734.64	1,358.57	3,796.47

### REVIEW OF OPERATIONS

During the year under review, the consolidated total income for the current year amounted to ₹ 53,402.28 Lakhs compared to ₹ 63,082.67/- Lakhs in the previous year. The profit before tax on consolidated basis stands at ₹ 3,254.50/- Lakhs as compared to ₹ 5,836.52/- Lakhs during the previous year.

The total income earned is ₹ 23,093.71/- Lakhs compared to previous year's revenue of ₹ 33,919.17/- Lakhs on standalone basis. The profit before tax on standalone basis stands at ₹ 1,444.34/- Lakhs compared to profit before tax of ₹ 4,467.96/- Lakhs during the previous year.

### NATURE OF BUSINESS

The Company is engaged in the activities of real estate development of residential and commercial projects. During the year under review, there was no change in the nature of business of the Company.

### DIVIDEND

Your Directors are pleased to recommend final dividend of 150% (i.e. ₹ 1.50/- per equity share of the face value of ₹ 1 each) to the shareholders for the financial year ended 31<sup>st</sup> March, 2022. The dividend shall be subject to the approval of the shareholders at the ensuing Annual General Meeting. Total outflow on account of dividend shall amount to ₹ 21,96,74,992.50/- (Rupees Twenty One Crore Ninety Six Lakh Seventy Four Thousand Nine Hundred Ninety Two and Fifty Paise Only).

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Dividend Distribution Policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned by the Company. The Board of the Company has adopted a Dividend Distribution Policy which is available on the website of the Company <http://www.sunteckindia.com/codes-policies.php>



## DIRECTORS' REPORT (Contd.)

### TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to reserves out of the profits earned during financial year 2021-22.

### SHARE CAPITAL

During the year under review, your Company allotted 55,505 Equity Shares of face Value of ₹ 1/- each (Rupee One Only) to option grantees pursuant to exercise of options under Company's Employee Stock Option Scheme 2017 and 2018 (ESOS 2017 and 2018). All allotted shares rank pari-passu to the existing shares of the Company in all respects.

Pursuant to the above allotment, the paid up capital of the Company increased to 14,64,49,995 Equity shares of ₹ 1/- each aggregating to ₹ 14,64,49,995/- (Rupees Fourteen Crore Sixty Four Lakh Forty Nine Thousand Nine Hundred and Ninety Five Only).

### DEPOSITS

In terms of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year financial year 2021-22, your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

### SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

As on 31<sup>st</sup> March, 2022, the Company had 24 subsidiaries which includes 3 foreign companies and 4 LLPs. Additionally, the Company has 4 joint venture / associates which includes 1 foreign company and 2 LLPs.

During the year, the Company through its wholly owned subsidiary, Mithra Buildcon LLP, acquired 100% equity shares and compulsorily convertible debentures, representing 100% on a fully diluted basis, of Industele Property Private Limited (Industele), pursuant to which Industele, became a step down subsidiary of the Company.

Further, during the year, Industele acquired 99% equity stake in Rammit Corporate Solutions Private Limited (Rammit) by conversion of 100 optionally convertible debentures into 10,00,000 equity shares of face value of ₹ 10 each. As a result of such conversion, Rammit and Prija Trading Private Limited (Prija), a wholly owned subsidiary of Rammit, have become step down subsidiaries of the Company.

Further, pursuant to an order dated 30<sup>th</sup> May, 2022 of the Regional Director, Western Region, Mumbai with respect to Scheme of amalgamation of Prija (Transferor Company) with Rammit (Transferee Company) in accordance with the provisions of Section 233 of the Companies Act, 2013 ('Scheme'), Prija has ceased to be a step down subsidiary of the Company.

During the year, Sunteck Lifespace Private Limited and Sunteck Infracon Private Limited have become the wholly owned subsidiaries of the Company.

Post 31<sup>st</sup> March, 2022, Sunteck Realtors Private Limited has become the wholly owned subsidiary of the Company. Further, Starlight Systems (I) LLP, a wholly owned subsidiary of the Company has been converted into a private company limited by shares i.e. Starlight Systems (I) Private Limited with effect from 29<sup>th</sup> April, 2022 and it continues to be the wholly owned subsidiary of the Holding Company. The Certificate of Incorporation in the name of Starlight Systems (I) Private Limited was issued by the Registrar of Companies, Central Registration Centre on 2<sup>nd</sup> May, 2022.

As per Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company, its subsidiaries, associates and joint venture entities in accordance with applicable Accounting Standards issued by The Institute of Chartered Accountants of India, forms part of this Annual Report. The performance and financial position of each of the subsidiaries, associates and Joint Venture companies for the year ended 31<sup>st</sup> March, 2022 is attached to the financial statements hereto in Form AOC 1.

In terms of Section 136 of the Companies Act, 2013, separate audited accounts in respect of each of subsidiaries have been placed on the website of the Company. Further, the Company shall provide a copy of separate audited annual accounts in respect of each of its subsidiary to any member of the Company who asks for it and said annual accounts will also be kept open for inspection at the Registered Office of the Company.

The Company has formulated a policy for determining 'material' subsidiaries and such policy is disclosed on Company's website [www.sunteckindia.com](http://www.sunteckindia.com)

## DIRECTORS' REPORT (Contd.)

### MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

The tenure of Mr. Kamal Khetan (DIN 00017527) as Chairman and Managing Director of the Company shall end on 29<sup>th</sup> May, 2023. In accordance with the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 11<sup>th</sup> August, 2022 re-appointed him as the Chairman and Managing Director of the Company for a further period of Five years with effect from 30<sup>th</sup> May, 2023 upto 29<sup>th</sup> May, 2028, subject to approval of the members of the Company at the ensuing Annual General Meeting (AGM) and such other consents as may be required. The resolution seeking your approval for his re-appointment is incorporated in the Notice of the ensuing AGM.

In compliance with provisions of Section 152 of the Companies Act, 2013, Mrs. Rachana Hingarajia, Director of the Company retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. Appropriate resolution for aforesaid re-appointment is being placed for approval of the members at the ensuing AGM.

The Board of Directors, on recommendation of Nomination and Remuneration Committee, appointed Mr. Mukesh Jain, Mr. Chaitanya Dalal and Mr. V. P. Shetty as Independent Directors of the Company with effect from 18<sup>th</sup> September, 2021 and 11<sup>th</sup> November, 2021 respectively, subject to approval of members.

At the AGM held on 30<sup>th</sup> September, 2021, the Members have approved the appointment of Mr. Mukesh Jain and Mr. Chaitanya Dalal, as Independent Directors with effect from 18<sup>th</sup> September, 2021 for a term of five consecutive years.

During the year, the Board of Directors sought approval of the shareholders of the Company through Postal Ballot process for appointment of Mr. V. P. Shetty, as an Independent Director and continuance of his appointment beyond attaining the age of 75 years. The resolution was passed with requisite majority of the members on 24<sup>th</sup> March, 2022.

The term of office of Mr. Ramakant Nayak and Mr. Kishore Vussonji as an Independent Director came to an end on conclusion of the 38<sup>th</sup> AGM of the Company held on 30<sup>th</sup> September, 2021. Consequently, they ceased to be a Director and member of the Committees of the Company after the conclusion of 38<sup>th</sup> AGM of the Company.

The Board of Directors places on record its sincere appreciation for the valuable contribution made by Mr. Ramakant Nayak and Mr. Kishore Vussonji during their tenure as Directors of the Company.

The Board has received declarations from the Independent Directors as per the requirement of Section 149(7) of the Companies Act, 2013 and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013. The Board confirms that the Independent Directors who were required to, have duly passed the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

The certificate under Regulation 34(3) of Listing Regulations forms part to this report.

Mr. Manoj Agarwal shall ceased to act as Chief Financial Officer of the Company with effect from 1<sup>st</sup> September, 2022. Mr. Prashant Chaubey was appointed as Chief Financial Officer of the Company with effect from 2<sup>nd</sup> September, 2022.

### DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

#### Board Meetings

The Board of Directors met 6 times during the financial year ended 31<sup>st</sup> March, 2022 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

#### Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2022, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March, 2022 and of the profits of the Company for the year ended on that date;



## DIRECTORS' REPORT (Contd.)

- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Committees of the Board

#### a) Audit Committee

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. Kindly refer to the section on Corporate Governance, under the head, 'Audit Committee' for matters relating to constitution, meetings and functions of the Committee.

#### b) Nomination and Remuneration Committee

A Nomination and Remuneration Committee is in existence in accordance with the provisions of subsection (3) of Section 178 of the Companies Act, 2013. Kindly refer to the section on Corporate Governance, under the head, 'Nomination and Remuneration Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee.

#### c) Corporate Social Responsibility Committee

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company during the year are set out in Annexure I of this report as per the format prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended thereto.

The CSR Policy may be accessed on the Company's website at the link <https://www.sunteckindia.com/codes-policies.php>

#### d) Other Board Committees

For details of other Board Committees' viz. Stakeholders Relationship Committee and others, kindly refer to the section 'Committees of the Board of Directors' which forms part of the Corporate Governance Report.

### Vigil Mechanism for the Directors and Employees

In compliance with provisions of section 177(9) and (10) of the Companies Act, 2013 read with Regulation 22 of the Listing Regulations, your Company has adopted whistle blower policy for Directors and employees to report genuine concerns to the management of the Company. The whistle blower policy of the Company is posted on the website of the Company and may be accessed at <https://www.sunteckindia.com/codes-policies.php>

### Risk Management

The Company's management systems, organisational structures, processes, standards, code of conduct and behaviors together form the system that governs how the Group conducts the business of the Company and manages associated risks. The Board has constituted Risk Management Committee for monitoring and reviewing of the risk assessment, mitigation and risk management plan from time to time.

The approach is based on identification, evaluation, and mitigation of operational, strategic and environmental risks, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

### Annual Evaluation of Directors, Committee and Board

A formal evaluation mechanism has been adopted for evaluating the performance of the Board, the Committees thereof, individual Directors and the Chairman of the Board. The evaluation is based on criteria which include, among others, providing strategic perspective, integrity and maintenance of confidentiality and independence of judgment, Chairmanship of Board and Committees, attendance, time devoted and preparedness for the Meetings, quality,

## DIRECTORS' REPORT (Contd.)

quantity and timeliness of the flow of information between the Board Members and the Management, contribution at the Meetings, effective decision making ability, monitoring the corporate governance practices, role and effectiveness of the Committees and effective management of relationship with stakeholders. Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of its directors individually and the committees of the Board and the same is reviewed by the Nomination and Remuneration Committee.

### Particulars of Remuneration

The information as required under the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure IV attached hereto.

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is available for inspection by the members at registered office of the Company during business hours on working days up to the date of the ensuing AGM. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a copy would be sent.

### DISCLOSURE RELATING TO EMPLOYEE STOCK OPTION SCHEMES

In compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended thereto, the details of Employees Stock Option Schemes of the Company as on 31<sup>st</sup> March, 2022 are furnished in Annexure II attached herewith and forms part of this Report and is also available on the website of the Company <https://www.sunteckindia.com/financials.php>. The ESOS Schemes of the Company are in compliance with the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014.

### PARTICULARS OF LOANS, ADVANCES, GUARANTEES, OR INVESTMENTS

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the Listing Regulations, details of Loans, guarantees and investments given/made during the financial year under review are part of the financial statements.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party (ies) are in the ordinary course of business and on arm's length basis. There are no material significant related party transactions made by the Company with Promoters, Directors, or Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. In view of the above, the requirement of giving particulars of contracts / arrangements / transactions made with related parties, in Form AOC-2 are not applicable for the year under review.

The Policy on related party transactions and procedures dealing with related party transactions as approved by the Board may be accessed on the Company's website at <https://www.sunteckindia.com/codes-policies.php>

Disclosure on related party transactions is provided in notes to financial statements.

### DISCLOSURES UNDER SECTION 134(3)(L) OF THE COMPANIES ACT, 2013

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and the date of this report.

### INTERNAL FINANCIAL CONTROLS

The Company has adequate Internal Financial Controls in place with reference to financial statements and is operating effectively. The Company's IFC framework commensurate with its size, scale and complexity of operations. The controls, based on the prevailing Business conditions and processes have been reviewed by the Company to strengthen the same wherever required. In compliance with the provisions of section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, the internal control systems are supplemented by Internal Audit carried out by independent firm of Chartered Accountants for periodical review by management. The Audit committee reviews the reports submitted by the Internal Auditors in its meeting.



## DIRECTORS' REPORT (Contd.)

### DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

### STATUTORY AUDIT AND AUDITORS' REPORT

Pursuant to the provisions of Section 139 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. Walker Chandiook & Co LLP, Chartered Accountants, (Firm Registration number-001076N/ N500013) were appointed as the Statutory Auditors of the Company for a term of 5 years to hold office from the conclusion of the 37<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2020 till the conclusion of 42<sup>nd</sup> Annual General Meeting to be held in the year 2025. The Company has received a certificate from Walker Chandiook & Co. LLP that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

#### Observations of statutory auditors on accounts for the year ended 31<sup>st</sup> March, 2022:

There are no qualifications, reservations or adverse remarks made by M/s. Walker Chandiook & Co LLP. Chartered Accountants, Statutory Auditors of the Company, in their report for the financial year ended 31<sup>st</sup> March, 2022.

### SECRETARIAL AUDIT

As required under provisions of Section 204 of the Companies Act, 2013, the Secretarial Audit report of the Company carried out by Mr. Veeraraghavan N., Company Secretary in practice for 2021-22, in Form MR-3, forms part to this report. Pursuant to Regulation 24A of Listing Regulations, the Secretarial Audit Reports in respect of the material unlisted subsidiaries of your Company viz., Skystar Buildcon Private Limited and Satguru Corporate Services Private Limited 2021-22, forms part of this report. The said reports does not contain any qualification, reservation or adverse remark or disclaimer.

### COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, Maintenance of Cost records and Cost Audit is applicable which has been complied with by the Company. On the recommendation of the Audit Committee, the Board has re-appointed M/s. Kejriwal & Associates, Cost Accountants (Firm Registration No. 101363), to audit the cost accounts of the Company for the financial year ending on 31<sup>st</sup> March, 2022. Remuneration payable to the Cost Auditor needs to be ratified by the members of the Company and hence, a resolution seeking members' ratification for the remuneration payable to the Cost Auditor is included in the Notice convening the AGM.

### ANNUAL RETURN

The Annual Return in Form MGT-7 for the financial year ended 31<sup>st</sup> March, 2022, is available on the website of the Company at <https://www.sunteckindia.com>.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company adopts good practices by using rainwater harvesting thereby lowering fresh water intake and reducing run-offs. The Company uses Dual Fitting Tanks and LED lights which reduces the burden on energy usage in the construction area. The Company uses steel products for rolling mills which saves considerable amount of natural resources and energy required to convert steel from ores. Fly ash and GGBS are the waste generated from the thermal power plant and steel plants respectively used in concrete which consumes waste generated by other industries and also produce more durable concrete. Sites are covered with G1 sheets which reduces the equipment noise and prevents dust getting blown up in air in windy days. The use of STP water for flushing and gardening reduces the burden on natural water resources. Wherever possible solar PV panels for common area lighting are used which in turn reduces the carbon footprints.

The details of foreign exchange earnings and outgo during the year under review is as below:

- i) Foreign Exchange Earned: ₹ NIL (P.Y. Nil )
- ii) Foreign Exchange Outflow: ₹ 212,533,872 (P.Y. ₹ 9,85,82,679)



## DIRECTORS' REPORT (Contd.)

### INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2014

During the year under review, no case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company has a policy and framework for employees to report sexual harassment cases at workplace and the process ensures complete anonymity and confidentiality of information. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the provisions of the Companies Act, 2013, the Company has complied with the Secretarial Standard on the Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

### OTHER DISCLOSURES

#### Corporate Governance

The report on Corporate Governance and the certificate from Company Secretary in Practice regarding compliance with the conditions of Corporate Governance have been furnished in the Annual Report and forms a part of the Annual Report.

#### Management Discussion and Analysis Report

The Management Discussion and Analysis report has been separately furnished in the Annual Report and forms a part of the Annual Report.

#### Business Responsibility Report

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report of the Company for the financial year ended 31<sup>st</sup> March, 2022 is attached as Annexure III which forms part of this Report.

#### Fraud Reporting

No fraud has been reported during the audit conducted by Statutory Auditors, Secretarial Auditors and Cost Auditors of the Company.

#### Unclaimed and Unpaid Dividends, and transfer of shares to IEPF

Kindly refer section on Corporate Governance, under head 'Unclaimed and Unpaid Dividends, and transfer of Shares to IEPF' for the amounts of unclaimed and unpaid dividends lying with the Company.

### ACKNOWLEDGEMENT AND APPRECIATION

Your Directors would like to express their sincere appreciation and gratitude for the co-operation and assistance from its shareholders, bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the contribution and commitment made by every member of the Sunteck Family.

**For and on behalf of the Board of Directors**

**Kamal Khetan**

Chairman & Managing Director  
(DIN: 00017527)

Mumbai, 11<sup>th</sup> August, 2022



## ANNEXURE - I

- Brief outline on CSR Policy of the Company- The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Kamal Shrigopal Khetan	Managing Director	2	2
2	Ms. Sandhya Rohit Malhotra	Non-Executive and Independent Director	2	1
3	Ms. Rachana Vipul Hingarajia	Executive Director	2	1

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company -<https://www.sunteckindia.com/codes-policies.php>
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not Applicable
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- Not Applicable

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Crs)	Amount required to be set-off for the financial year, if any (₹ in Crs)
-	-	-	-

- Average net profit of the Company as per section 135(5) - ₹ **102.17 Crores**
- Two percent of average net profit of the Company as per section 135(5) - ₹ **2.04 Crores**
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years - **Not Applicable**
  - Amount required to be set off for the financial year, if any - **Nil**
  - Total CSR obligation for the financial year (7a+7b- 7c) - ₹ **2.04 Crores**
- CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in Crores)	Amount Unspent (₹ in Crores)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
<b>0.02</b>	<b>2.03</b>	<b>30<sup>th</sup> April, 2022</b>	<b>Not Applicable</b>	<b>Not Applicable</b>	<b>Not Applicable</b>

## ANNEXURE - I (Contd.)

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (₹ in Crores).	(8) Amount spent in the current financial Year (₹ in Crores).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Crores).	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	Beautification work of various gardens, pathways, road dividers, nursery, public places, etc.	(iv) ensuring environmental Sustainability	Yes	Maharashtra	Mumbai/ Palghar	4 years	0.50	0.01	0.49	Yes	-	-
2.	Slum Area Development	(xi) Slum area development	Yes	Maharashtra	Mumbai	4 years	0.35	-	0.35	Yes	-	-
3.	Society Upliftment	(iii) reducing inequalities faced by socially and economically backward groups	Yes	Maharashtra	Mumbai	4 years	0.35	-	0.35	Yes	-	-
4.	Environmental Sustainability	(iv) ensuring environmental Sustainability	Yes	Maharashtra	Mumbai/ Palghar	4 years	0.30	0.01	0.29	Yes	-	-
5.	Promoting Health and Hygiene	(i) promoting health care including preventive health care	Yes	Maharashtra	Mumbai	4 years	0.30	-	0.30	Yes	-	-
6.	Promoting Education	(ii) promoting Education and employment enhancing vocation skills	Yes	Maharashtra	Mumbai	4 years	0.25	-	0.25	Yes	-	-
<b>TOTAL</b>							<b>2.05</b>	<b>0.02</b>	<b>2.03</b>			

**ANNEXURE - I (Contd.)**

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (₹ in Crores).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration Number
-	-	-	-	-	-	-	-	-	-

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable - **Not Applicable**(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - ₹ **0.02 Crores**(g) Excess amount for set off, if any - **Not Applicable**

Sl. No.	Particular	Amount (₹ in Crores).
(i)	Two percent of average net profit of the Company as per section 135(5)	2.04
(ii)	Total amount spent for the Financial Year	0.02
(iii)	Excess amount spent for the financial year [(ii)-(i)]	N.A.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	N.A.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Crores)	Amount spent in the reporting Financial Year (₹ in Crores).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (₹ in Crores).
				Name of the Fund	Amount (in Rs).	Date of transfer.	
	2020-21	1.59	0.61	N.A.	N.A.	N.A.	0.98
	2019-20	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	2018-19	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	<b>TOTAL</b>	<b>1.59</b>	<b>0.61</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>0.98</b>

## ANNEXURE - I (Contd.)

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project for FY 2021-22 (₹ in Crores)	(7) Amount spent on the project in the reporting Financial Year (₹ in Crores)	(8) Cumulative amount spent at the end of reporting Financial Year. (₹ in Crores)	(9) Status of the project - Completed /Ongoing
1.	FY 31 <sup>st</sup> March, 2021_1	Beautification work near Mithi River	2020-21	4 years	0.43	0.22	0.56	Ongoing
2.	FY 31 <sup>st</sup> March, 2021_2	Promoting Stem-cells transplant	2020-21	4 years	0.21	-	0.50	Ongoing
3.	FY 31 <sup>st</sup> March, 2021_3	Promoting Education	2020-21	4 years		0.06	0.09	Ongoing
		Slum Area Development	2020-21	4 years	0.53	0.16	0.16	Ongoing
4.	FY 31 <sup>st</sup> March, 2021_4	Promoting Health and Hygiene	2020-21	4 years	0.43	0.17	0.19	Ongoing
		<b>TOTAL</b>				<b>0.61</b>		

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) - Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).

The Company believes that CSR should be in the field which has substantial social impact and which co-relate with the philosophy of the Company to improve the quality of life. During the Financial Year 2021-22, the Company has earmarked projects which are active (as listed in 8(b) above) and will make efforts to spend the unspent amount on these ongoing projects. The unspent amount has been already transferred to the dedicated Unspent CSR Account.

**For Sunteck Realty Limited**

**Kamal Khetan**

Managing Director & Chairman of CSR Committee

DIN: 00017527

Mumbai, 11<sup>th</sup> August, 2022



## Annexure II

### Disclosure of Information in respect of Employees Stock Option Schemes:

Particulars	Employee Stock Options Scheme 2017	Employee Stock Options Scheme 2018	Employee Stock Options Scheme 2019
Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time	Refer notes to financial statements		
Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Indian Accounting Standard (Ind AS) 102	₹ 0.88/-		
Date of shareholders' approval	26 <sup>th</sup> September, 2017	27 <sup>th</sup> September, 2018	27 <sup>th</sup> September, 2019
Total number of options approved for grants under the Scheme	12,50,000	14,00,000	14,00,000
Vesting requirements	As specified by the Nomination and Remuneration Committee subject to minimum 1 year from the date of grant		
Exercise Price or Pricing formula	₹ 225	₹ 325	*
Maximum term of options granted	As may be decided by the Nomination and Remuneration Committee as per the prevalent regulatory provisions.		
Source of Shares (primary, secondary or combination)	Primary Allotment		
Variation of terms of options	N.A.	N.A.	N.A.
Method used to account for ESOS.	The Company adopts the fair value method to account for the stock options it grants to the employees.		
Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.			
Number of options outstanding as on 1 <sup>st</sup> April, 2021	1,73,176	11,692	N.A.
Number of options granted during 2021-22	Nil	3,537	NA
Number of options forfeited/lapsed during 2021-22	42,622	2,768	NA
Number of options vested during 2021-22	45,733	2,923	NA
Number of options exercised during 2021-22	51,505	4,000	NA
Number of shares arising as a result of exercise of options during 2021-22	51,505 equity shares	4,000 equity shares	NA
Money realised by exercise of options, if Scheme implemented directly by the Company	₹ 1,15,88,625	13,00,000	NA
Loan repaid by the Trust during the year from exercise price received	N.A.	N.A.	NA
Number of options outstanding at the end of the year	79,049	8,461	NA

## Annexure II (Contd.)

Particulars	Employee Stock Options Scheme 2017		Employee Stock Options Scheme 2018		Employee Stock Options Scheme 2019
Number of options exercisable at the end of the year		25,183		2,000	NA
Weighted average exercise price and weighted average fair value of options whose exercise price equals or exceeds or is less than market price of the stock-					
a) Weighted average exercise price per stock option		₹ 225		₹ 325	NA
b) Weighted Average Fair Value of options	₹ 175.50/- for options whose vesting is effective from 1 <sup>st</sup> October, 2018 and ₹ 197.25 for options whose vesting is effective from 1 <sup>st</sup> December, 2019.		₹ 143.25/- for options whose vesting is effective from 1 <sup>st</sup> February, 2020 and ₹ 184.11/- for options whose vesting is effective from 1 <sup>st</sup> October, 2022		NA
Employee-wise details of options granted to -					
(i) Senior Managerial Personnel/Key Managerial Personnel	1. Mr. Atul Poopal (ED) - 55,556 2. Mrs. Rachana Hingarajia (CS) - 20,000 3. Mr. Manoj Agarwal (CFO) - 8,889			N.A.	N.A.
(ii) Any other employee who receives a grant, in any one year of option amounting to 5% or more of option granted during that year#		NA		NA	NA
(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant		Nil		Nil	Nil
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following weighted-average information-					
	<b>Series I</b>	<b>Series II</b>	<b>Series I</b>	<b>Series II</b>	
a) Risk-free interest rate	6.73%	7.64%	7.31%	6.92%	
b) Expected life	3.83 years	3.83 years	2.40 years	2.40 years	
c) Expected volatility	38.81%	40.44%	40.12%	42.21%	
d) Expected dividends	0.43%	0.49%	0.49%	0.52%	
e) Closing price of the underlying share in market at the time of option grant	₹ 326.05/-	₹ 346.10/-	₹ 342.25/-	₹ 381.35/-	



## Annexure II (Contd.)

Particulars	Employee Stock Options Scheme 2017	Employee Stock Options Scheme 2018	Employee Stock Options Scheme 2019
Method used and the assumptions made to incorporate the effects of expected early exercise	Not Applicable		
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Expected Annualised Volatility (Standard deviation) is variation of stock prices on recognised stock exchange. Annualised volatility is calculated based on spread between daily opening and closing prices of the Company's Share on BSE Limited over the last 5 years.		
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	The Black-Scholes Option Pricing Model is used as suggested under Ind AS - 102, which requires the consideration of certain variables such as volatility (standard deviation), risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option. These variables significantly influence the fair value and any change in these variables could significantly affect the fair value of the option.		

# Employees who have ceased to be associated with the Company are not considered.

\* No grants have been made under ESOS 2019.

**For and on behalf of the Board of Directors**

**Kamal Khetan**

Chairman & Managing Director  
(DIN: 00017527)

Mumbai, 11<sup>th</sup> August, 2022



## Annexure III

### Business Responsibility Report

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

The Directors of the Company present the Business Responsibility Report of the Company for the financial year ended on the 31<sup>st</sup> March, 2022 pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The report states initiatives taken by the Company on the nine principles of the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business framed by the Ministry of Corporate Affairs.

1.	Corporate Identity Number (CIN) of the Company	L32100MH1981PLC025346							
2.	Name of the Company	Sunteck Realty Limited							
3.	Registered Address	5 <sup>th</sup> Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai 400057							
4.	Website	<a href="http://www.sunteckindia.com">www.sunteckindia.com</a>							
5.	E-mail Id	<a href="mailto:cosec@sunteckindia.com">cosec@sunteckindia.com</a>							
6.	Financial Year reported	2021-22							
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	<table border="1"> <thead> <tr> <th>Name and Description of Main Products/Services</th> <th>NIC Code of the Product/Service</th> </tr> </thead> <tbody> <tr> <td>Construction of buildings carried out on own-account basis or on a fee or contract basis</td> <td>41001</td> </tr> <tr> <td>Real estate activities with own or leased property</td> <td>68100</td> </tr> </tbody> </table>	Name and Description of Main Products/Services	NIC Code of the Product/Service	Construction of buildings carried out on own-account basis or on a fee or contract basis	41001	Real estate activities with own or leased property	68100	
Name and Description of Main Products/Services	NIC Code of the Product/Service								
Construction of buildings carried out on own-account basis or on a fee or contract basis	41001								
Real estate activities with own or leased property	68100								
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Development of residential and commercial projects Leasing of property							
9.	Total number of locations where business activity is undertaken by the Company	i. Number of International Locations: The Company has a marketing office in UAE. Also, the Company has a subsidiary in Mauritius.							
	i. Number of International Locations:	ii. Number of National Locations: The Company has undertaken projects at Mumbai, Jaipur, Goa and Nagpur.							
	ii. Number of National Locations								
10.	Markets served by the Company Local/State/National/International	Sunteck Realty Limited serves customers in national as well as international locations.							

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Details as on 31 <sup>st</sup> March, 2022
1.	Paid up Capital (₹)	₹ 14,64,49,995/-
2.	Total Turnover (₹)	₹ 23,093.71/- (₹ In Lakhs) (Standalone)
3.	Total profit after taxes (₹)	₹ 1,289.75/- (₹ In Lakhs) (Standalone)
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 62.71/- Lakhs, which is 4.86% as percentage of profit after tax.
5.	List of activities in which expenditure in 4 above has been incurred	<ul style="list-style-type: none"> <li>a. Education</li> <li>b. Environment Sustainability</li> <li>c. Health &amp; Hygiene</li> </ul>



## Annexure III (Contd.)

### SECTION C: OTHER DETAILS

Sr. No.	Particulars	References
1.	Does the Company have any Subsidiary Company/ Companies?	Yes; the list of subsidiaries is provided in Annual Return uploaded on the website of the Company.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)?	The group carries on business responsibility collectively.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

### SECTION D: BR INFORMATION

Sr. No.	Particulars	References
1.	Details of the Director/Directors responsible for implementation of the BR policy/policies	DIN Number: 07295878 Name: Mr. Atul Poopal Designation: Executive Director
2.	Details of the BR head	DIN Number: 07295878 Name: Mr. Atul Poopal Designation: Executive Director Telephone Number: 022 42877800 Email-id: cosec@sunteckindia.com

## Annexure III (Contd.)

### 1. PRINCIPLE-WISE (AS PER NVGS) BR POLICY/POLICIES

#### a) Details of Compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics	Sustainability	Employees' Wellbeing	Stakeholders' welfare	Human Rights	Environment	Regulatory Policy	Equitable Development	Customer Responsibility
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	The Company has formulated the policies and adopted best practices in its volition. However, while formulating policies and adopting the same, the Company has been sensitive to the stakeholders interest.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Company always endeavors to incorporate in its policies the best practices in the industry.								
4	Has the policy been approved by the Board?  If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The approval of the Board for the policies has been obtained where it is mandatory/ necessary.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Wherever mandated statutorily the Board oversees the implementation of policies and in other cases, the BR Head oversees such implementation.								
6	Indicate the link for the policy to be viewed online?	The statutory policies of the Company are available on the website of the Company on the link <a href="http://www.sunteckindia.com/codes-policies.php">http://www.sunteckindia.com/codes-policies.php</a> .								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Internal stakeholders are made aware of the policies. External stakeholders are communicated to the extent possible/applicable.								
8	Does the Company have in-house structure to implement the policy/ policies?	The overall implementation of BR policies of the Company is done through the various committees of the Company such as the Audit Committee, CSR Committee, Internal Complaints Committee under the guidance of the BR head.								



## Annexure III (Contd.)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The grievance redressal mechanism is mentioned under the policies, wherever applicable.								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The policies are reviewed by the Board from time to time and their compliance are reviewed from time to time internally.								

**b) If answer to question at Serial No.1 against any principle, is 'No', please explain why. (Tick up to 2 options)**

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	NOT APPLICABLE								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

## Annexure III (Contd.)

### 2. Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:**

The Board of Directors of the Company assesses various initiatives forming part of the BR performance of the Company as and when necessary.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company is publishing the information on BR in the Annual Report for the financial year 2021-22, which is also available on the website of the Company i.e. [www.sunteckindia.com](http://www.sunteckindia.com).

The Company is publishing the information on sustainability reporting which a part of the Company's ESG report for FY 2021-22 published on website of the Company.

Here is the link: <https://www.sunteckindia.com/esg.php>

Frequency of publication: Annually from FY 2021-22 onwards

### SECTION E: PRINCIPLE -WISE PERFORMANCE

#### PRINCIPLE 1:

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#### Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

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1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

The Code of Conduct of the Company provides guidelines on ethics, bribery and corruption. The Code is applicable to the Directors of the Company, Senior Management and all employees of the Company including Group companies and Joint Ventures. The guidelines are also communicated to most of our associates like vendors, suppliers and it is expected that they will follow it in their dealings with the Company.

The Company has also formulated adopted codes and policies including Whistleblower Policy, Code of Conduct for Fair Disclosures, Insider Trading Policy and Policy on Prevention of Sexual Harassment at Workplace which govern the conduct of all directors and employees of the Company.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company's stakeholders include our shareholders, investors, clients, employees, vendors, partners, government and local communities. The Company has constituted a Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders. The Company received no investor complaints during the year. Further, during the reporting period, we have not received any complaints/ grievances from our stakeholders regarding unethical business practices.

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## Annexure III (Contd.)

### PRINCIPLE 2:

**Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

Development of Residential and Commercial segments

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

**(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

**(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

- Sunteck Realty is taking systematic steps towards prioritizing sustainability. The Company has, therefore, aligned with the requirements outlined by EDGE (Excellence in Design for Greater Efficiencies), a green building standard and international green building certification system aimed at making buildings more resource-efficient. Sunteck's projects are aiming to achieve 20% and more efficiency in its management of Energy, Water and Materials as compared to the baseline buildings with sustainable and green strategies like efficient design of building envelope, energy efficient lighting, low flow water plumbing fixtures, rainwater harvesting and use of recycled and local materials.
- The Company uses Dual Fitting Tanks and LED lights which reduces the burden on energy usage in the construction area.
- The Company uses steel products from rolling mills which saves considerable amount of natural resources and energy required to convert steel from ores. Re-rolling converts scrap steel to construct reinforcement bars.
- The Company has installed sewage treatment plant in its major projects which enables to reduce water consumptions as waste water is recycled
- Fly ash and GGBS are the waste generated from the thermal power plant and steel plants respectively used in concrete which consumes waste generated by other industries, reduces cement consumption and also produce more durable concrete.
- Sites are covered with G1 sheets which reduces the equipment noise and prevents dust getting blown up in air in windy days.
- Wherever possible solar PV panels for common area lighting and solar hot water system for the Company's residential projects as per guidelines by The Ministry of Environment, Forest and Climate Change, India (MoEF) are used which in turn reduces the carbon footprints.
- The Company also provides RO filtered water to labor at site, wherever possible.

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The company has its sustainable building material policy in place and uploaded on the Company's website.

The various materials which are used in the construction activity of the Company are procured from the areas located in and around Mumbai except for natural stones.

The projects are utilizing materials with a recycled content wherever possible.

## Annexure III (Contd.)

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company creates various employment opportunities in its surrounding place of work by employing the local contractors, vendors, labor etc. for the execution of its project activities thereby improving their skills and capabilities.

Also, for support functions like transportation services, housekeeping and others, the Company employs local persons in the vicinity of its operations with an objective of developing them as well as supporting their economic growth.

**5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The waste generated from the construction activity is segregated and reused for various activities such as backfilling, leveling etc. at the project sites. The construction wastage which cannot be reused is sent to the vendors for appropriate recycling.

**PRINCIPLE 3:**

**Businesses should promote the wellbeing of all employees**

**1. Please indicate the Total number of employees.**

453.

**2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

19

**3. Please indicate the Number of permanent women employees.**

The number of permanent women employees is 126.

**4. Please indicate the Number of permanent employees with disabilities.**

Nil

**5. Do you have an employee association that is recognised by management?**

Nil

**6. What percentage of your permanent employees is members of this recognised employee association?**

Nil

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

The Company has a Policy on Prevention of Sexual Harassment at Workplace in accordance with the statutory requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All sexual harassment complaints are diligently reviewed and investigated by an Internal Complaints Committee constituted under the Policy on Prevention of Sexual Harassment at Workplace. No case was reported under the Policy on Prevention of Sexual Harassment at Workplace during 2021-22. The details of the complaints filed and pending are mentioned below:

Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
Child labour/forced labour	NIL	NIL
Sexual harassment	NIL	NIL
Discriminatory employment	NIL	NIL



## Annexure III (Contd.)

### 8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Based on the functions or tasks performed by employees regular skill upgradation training are given to the employees from time to time to enhance the skills of the employees to enable them to keep abreast with the latest developments and other applicable provisions that impact the business of the Company.

The Company focuses on the well-being of all its employees ensuring diversity, zero discrimination and other attributes essential to create a healthy and good working environment. The various policies of the Company such as Code of Conduct, Policy on Prevention of Sexual Harassment at Workplace and Whistle Blower Policy ensure the wellbeing of all the employees of the Company. Also, this year we have strengthen the safety department which is equipped adequately to take appropriate safety measures at the construction site by the Company.

#### PRINCIPLE 4:

**Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.**

##### 1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its various internal and external stakeholders, the major ones being its Customers, Regulatory Authorities, Employees, Vendors, Contractors, Bankers, Investors and Shareholders.

##### 2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders.

The Company does not feel that its stakeholders are marginalised.

##### 3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

Not applicable

#### PRINCIPLE 5:

**Businesses should respect and promote human rights**

##### 1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Yes

##### 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the year, the Company has not received any complaint with respect to violation of human rights.



## Annexure III (Contd.)

### PRINCIPLE 6:

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#### Business should respect, protect, and make efforts to restore the environment

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**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others**

The Company recognises the importance of doing business in harmony with the environment. The Company, its group companies, suppliers, vendors, contractors etc. protect the environment by adhering to all the relevant statutory compliances as mandated by laws.

The Company supports ecological sustainability and green initiatives by promoting and encouraging optimum use of electronic communication and reduce paper wastage.

**2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

The Company has taken initiatives such as rainwater harvesting and recycling of water which is used on a day-to-day basis in the business activity of the Company thereby addressing the global environmental issues. The Company's water consumption intensity has declined steadily over the years as water management initiatives are in place.

The Company uses Dual Fitting Tanks and LED lights which reduces the burden on energy usage in the construction area. The Company uses steel products for rolling mills which saves considerable amount of natural resources, reduces cement consumption and energy required to convert steel from ores. Fly ash and GGBS are the waste generated from the thermal power plant and steel plants respectively used in concrete which consumes waste generated by other industries and also produce more durable concrete.

Sites are covered with G1 sheets which reduces the equipment noise and prevents dust getting blown up in air in windy days. The use of STP water for flushing and gardening reduces the burden on natural water resources.

In addition to this, the Company has aligned with the requirements outlined by EDGE (Excellence in Design for Greater Efficiencies), a green building standard and international green building certification system aimed at making buildings more resource-efficient. The Sunteck ongoing projects are aiming to achieve 20% and more efficiency in its management of Energy, Water, and Materials as compared to the baseline buildings with sustainable and green strategies like efficient design of building envelope, energy efficient lighting, low flow water plumbing fixtures, rainwater harvesting and use of recycled and local materials.

**3. Does the Company identify and assess potential environmental risks? Y/N**

The Company carries out Environmental Impact Assessment for large projects which may have potential impact on the surrounding environment and strategises to minimise the impact for such projects. Soil Erosion control measures are in place in order to avoid contamination of the water table. Issues relating to water percolation is handled by taking proper rain harvesting and recharge measures. All the projects are duly undertaken after taking the Environmental Authority's approval and monitored on regular basis.

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

The Company obtains environmental clearances by satisfying all the terms and conditions required to be complied with. The suggestions provided by the environmental authority are incorporated by the Company in areas related to energy consumption and conservation of water. These include continual improvement in adoption of good practices and rainwater harvesting thereby lowering fresh water intake and reducing run-offs.

**5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes, the Company is aligned with EDGE certification for its ongoing projects which addresses the key climate issues like mitigation of GHG emissions through the efficient building design which reduces energy, water and materials consumption.

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## Annexure III (Contd.)

**6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

The statutory requirements are complied by the Company as per the requirements given by MPCB.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

The Company has not received any show cause/legal notices and none are pending as on end of financial year.

### PRINCIPLE 7:

**Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

**1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Company is a member of The Associated Chambers of Commerce of India (AASOCHAM), National Real Estate Development Council (NAREDCO) and CREDAI-MCHI (Maharashtra Chamber of Housing Industry).

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

No

### PRINCIPLE 8:

**Businesses should support inclusive growth and equitable development**

**1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The CSR initiatives of the Company promote social and economic growth. The Company believes that no organisation can sustain in a society that is deprived of good health and sound education. The Company distributes food grains and provides funds for education purposes thereby helping the marginalised sections of the society.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?**

The CSR initiatives of the Company are generally carried out by the in-house team with support from partner NGOs wherever necessary.

**3. Have you done any impact assessment of your initiative?**

No, we have not done any impact assessments yet.

**4. What is your Company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?**

Please refer Annexure - I attached to the Directors Report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Yes, we actively encourage participation of stakeholders in various programs through personal intervention.

## Annexure III (Contd.)

### PRINCIPLE 9:

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#### Businesses should engage with and provide value to their customers and consumers in a responsible manner

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**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

Customer complaints redressal systems are in place to effectively address any customer complaint in an efficient and timely manner. As on 31<sup>st</sup> March, 2022, there were 56 pending consumer cases comprising of complaints/ appeal/ suits under various projects of Sunteck Realty Limited and its group companies.

**2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

Since the Company operates in Real Estate industry, there is no labelling requirements for the Company's projects. However, in compliance with the Real Estate (Regulation and Development) Act, 2016 all details with respect to the Company's projects are available on the MahaRera website. However, the Company displays/ discloses all such information as mandated by laws.

**3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

None

**4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

The Company regularly engages in collecting feedback from our customers on our services and deliverables.

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## Annexure IV

### Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**i. Ratio of remuneration of each Director to the median employees' remuneration for the Financial Year:**

Name of the Directors/ KMP	Designation	Ratio of Remuneration to the median remuneration of all employees	% Increase in Remuneration in the Financial Year 2021-22
Kamal Khetan	Managing Director	34.52	-
Atul Poopal	Executive Director	13.69	-
Manoj Agarwal	Chief Financial Officer	13.01	35.71
Rachana Hingarajia	Company Secretary & Executive Director	7.19	31.25

- ii. The percentage increase in the median remuneration of Employees for the financial year was 6.99%.
- iii. There were 453 permanent employees on the rolls of the Company and its group companies as on 31<sup>st</sup> March, 2022.
- iv. Average increase made in the salaries of employees other than the managerial personnel in the financial year was 19.84% whereas there was increase in the managerial remuneration by 3.18%. Increase in remuneration is after taking into consideration performance of an individual and the Company.
- v. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**Notes:**

- For the purpose of determining the ratio of remuneration and percentage increase in remuneration of directors above, only remuneration of Executive Directors is considered.

## REPORT ON CORPORATE GOVERNANCE

In accordance with Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**Listing Regulations**”), the report containing the details of the Governance systems and process at Sunteck Realty Limited for the Financial Year 2021-22 is as under:

### COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Good governance with good intentions is the hallmark of our Company. Our governance policies, structures and processes contribute to the growth of our business and the Board ensures that we have appropriate governance arrangement in place on an ongoing basis and takes necessary steps towards growth and enhancing value for its shareholders.

Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company’s business practices to ensure ethical and responsible leadership both at the Board and at the Management level. Good Corporate Governance being a continuing exercise, your Company stands by its commitment to maintain the best governance and disclosure practices.

The Company is in compliance with the applicable requirement specified in Companies Act, 2013 and Listing Regulations.

### BOARD OF DIRECTORS

#### Composition of the Board

The Board has an optimum combination of Executive and Non-Executive Directors including Woman Directors who are all entrusted with the ultimate responsibility of the management and business affairs of the Company to ensure effective governance. As on the date of the Report, the Board consists of Seven Directors comprising one Executive Promoter Director, four Non-Executive Independent Directors and two Executive Directors who provide valuable guidance to the Management of the Company on various aspects of the Company’s business operations. The Chairman and Managing Director of the Board is an Executive Director. The composition of the Board is in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations, as amended from time to time.

The Board has put in place the policies as part of its succession planning exercise to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

#### Confirmation and Certification

The Company annually obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. Based on the disclosures received from the Directors, the Company has obtained a certificate from Mr. Veeraraghavan N., Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

#### Board Independence

The Independent Directors provide an annual confirmation that they meet the criteria of independence as per Section 149(6) of the Companies Act, 2013 and Regulation 16 of Listing Regulations. Based on the confirmations / disclosures received from the Directors, the Board confirms, that the Independent Directors fulfil the criteria of Independence as specified under Companies Act, 2013 and Listing Regulations and are independent of the management. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. The details of familiarisation programme imparted to Independent Directors are provided on the website of the Company viz. <http://www.sunteckindia.com/>.

#### Number of meetings of the Board

The Board of Directors met six times during the Financial Year i.e. on 27<sup>th</sup> April, 2021, 29<sup>th</sup> June, 2021, 30<sup>th</sup> July, 2021, 18<sup>th</sup> September, 2021, 11<sup>th</sup> November, 2021 and 10<sup>th</sup> February, 2022. The requisite quorum was present for all the meetings of the Board held during the Financial Year 2021-22.



## REPORT ON CORPORATE GOVERNANCE (Contd.)

### DETAILS OF BOARD MEMBERS

The names of Board of Directors of the Company, their attendance at the Company's Board Meetings and last Annual General Meeting, number of Directorships / Committee Memberships in other Companies during the year under review is given below.

Name of the Directors	Category	No. of Board Meetings attended during the period	Attendance at the last AGM held on 30 <sup>th</sup> September, 2021	*No. of Directorship in other Indian public limited companies as on 31 <sup>st</sup> March, 2022 (Excluding Sunteck Realty)	No. of Board Committee positions held in other public limited companies as on 31 <sup>st</sup> March, 2022 (Excluding Sunteck Realty)		No. of shares and convertible instruments held in the Company by Non-Executive directors
					Chairmanship	Member	
Mr. Kamal Khetan (DIN: 00017527)	Promoter Executive Chairman and Managing Director	6	Yes	3	Nil	Nil	NA
Mr. Atul Poopal (DIN: 07295878)	Executive Director	6	Yes	0	Nil	Nil	NA
Mr. Vaddarse Prabhakar Shetty (DIN: 00021773)\$	Non- Executive, Independent	1	NA	5	1	4	Nil
Mr. Chaitanya Dalal (DIN:00185847)#	Non- Executive, Independent	2	Yes	1	Nil	Nil	Nil
Mr. Mukesh Jain (DIN:01316027)#	Non- Executive, Independent	2	Yes	9	1	8	Nil
Mrs. Sandhya Malhotra (DIN: 06450511)	Non- Executive, Independent	6	Yes	2	0	3	Nil
Mrs. Rachana Hingarajia (DIN:07145358)	Executive Director and Company Secretary	6	Yes	6	Nil	Nil	NA
Mr. Kishore Vussonji (DIN: 00444408)%	Non- Executive, Independent	4	Yes	NA	NA	NA	NA
Mr. Ramakant Nayak (DIN:00129854)%	Non- Executive, Independent	4	Yes	NA	NA	NA	NA

The number of Directorship(s), Committee Membership(s)/ Chairmanship(s) of all Directors is within the prescribed limits under Companies Act, 2013 and the Listing Regulations.

\*the number of Directorships in other Public Limited Companies include Private Limited Companies which are subsidiaries of Public Limited Companies

% ceased to be the Director of the Company w.e.f closure of business hours on 30<sup>th</sup> September, 2021 upon completion of second term of appointment as an Independent Director.

# Appointed Mr. Chaitanya Dalal and Mr. Mukesh Jain as an Additional Non Executive Independent Director of the Company w.e.f 18<sup>th</sup> September, 2021 and their appointment approved in the AGM held on 30<sup>th</sup> September, 2021.

\$ Appointed Mr. Vaddarse Prabhakar Shetty as an Additional Non Executive Independent Director of the Company w.e.f 11<sup>th</sup> November, 2021 and his appointment was approved vide resolution passed through Postal Ballot on 24<sup>th</sup> March, 2022.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### Notes:

- None of the Directors were members of more than 10 committees or acted as Chairman of more than five committees across all Public Limited Companies in which they were Directors in terms of Regulation 26 of the Listing Regulations.
- None of the Directors are related to each other.
- None of the Directors held directorship in more than 10 Public Limited Companies.
- None of the Independent Directors of the Company served as Independent Director in more than 7 listed companies.
- Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act.
- Chairmanships / Memberships of Board Committees includes only Audit Committee and Stakeholders' Relationship Committee.

### (i) Name of other listed entities where Directors of the Company are Directors and the category of Directorship:

Sr. No.	Name of the Directors	List of Directorship held in other Listed Companies	Category of Directorship
1.	Mr. Kamal Khetan (DIN: 00017527)	-	-
2.	Mr. Atul Poopal (DIN: 07295878)	-	-
3.	Mr. Kishore Vussonji (DIN: 00444408) %	N.A.	N.A.
4.	Mr. Ramakant Nayak (DIN:00129854) %	N.A.	N.A.
5.	Mrs. Sandhya Malhotra (DIN: 06450511)	1. SW Investments Limited 2. Starteck Finance Limited	Non-Executive Independent Non-Executive Independent
6.	Mrs. Rachana Hingarajia (DIN:07145358)	-	-
7.	Mr. Vaddarse Prabhakar Shetty (DIN: 00021773) \$	-	-
8.	Mr. Chaitanya Dalal (DIN:00185847) #	-	-
9.	Mr. Mukesh Jain (DIN:01316027) #	1. Asian Energy Services Limited	Non-Executive Independent

% ceased to be the Director of the Company w.e.f closure of business hours on 30<sup>th</sup> September, 2021 upon completion of second term of appointment as an Independent Director.

# Appointed Mr. Chaitanya Dalal and Mr. Mukesh Jain as an Additional Non Executive Independent Director of the Company w.e.f 18<sup>th</sup> September, 2021 and their appointment approved in the AGM held on 30<sup>th</sup> September, 2021.

\$ Appointed Mr. Vaddarse Prabhakar Shetty as an Additional Non Executive Independent Director of the Company w.e.f 11<sup>th</sup> November, 2021 and his appointment was approved vide resolution passed through Postal Ballot on 24<sup>th</sup> March, 2022.

### Skills / Expertise / Competencies of the Board of Directors

In line with the applicable provisions of the Act and the Listing Regulations, the Company's Board has an optimum combination of Executive and Non-Executive Directors with half of the Board comprising of Independent Directors. Your Board comprises of qualified members who collectively bring in the skills, expertise and competencies stated

## REPORT ON CORPORATE GOVERNANCE (Contd.)

below that allow them to make effective contribution to the Board and its Committees. The table below highlights the Core Areas of Expertise/Skills/Competencies of the Board members. However, absence of mention of skill/ expertise/competency against a member's name does not indicate that the member does not possess that skill or competency.

Skills/ Competencies	Mr. Kamal Khetan (Chairman & Managing Director)	Mr. Atul Poopal (Executive Director)	Mr. Mukesh Jain (Independent Director)	Mr. Chaitanya Dalal (Independent Director)	Mr. V. P. Shetty (Independent Director)	Mrs. Sandhya Malhotra (Independent Director)	Mrs. Rachana Hingarajia (Executive Director)
Corporate Strategy and Planning	✓	✓	✓	✓	✓	✓	✓
Industry knowledge and experience	✓	✓	✓	✓	✓	✓	✓
Corporate governance	✓	✓	✓	✓	✓	✓	✓
Leadership qualities	✓	✓	✓	✓	✓	✓	✓
Financial expertise	✓	✓	✓	✓	✓	✓	✓
Experience and exposure in policy shaping and industry advocacy	✓	✓		✓	✓		✓
Understanding of relevant laws, rules, regulations and policies	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓		✓
Legal		✓	✓		✓	✓	✓

### COMMITTEES OF THE BOARD OF DIRECTORS

#### (A) AUDIT COMMITTEE:

The terms of reference, inter alia, comprises the following:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company
- approving the payment to Statutory Auditors for any other services rendered;
- reviewing and examining with the management the quarterly and annual financial statements/results and the auditors' report thereon before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of Inter-Corporate Loans and Investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of Internal Financial Controls and Risk Management Systems;
- Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;



## REPORT ON CORPORATE GOVERNANCE (Contd.)

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal audit;
- Discussion with Internal Auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower Mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- reviewing the utilisation of loans and / or advances from / investment in the Subsidiary exceeding ₹ 100 Crores of 10 % of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- Reviewing the compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015 provisions and verifying systems for internal control are adequate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The detailed terms of reference of the Audit Committee is contained in the 'Corporate Governance Code' which is available on the website of the Company at <https://www.sunteckindia.com/pdf/investor-relations/codes-policies/Terms-of-reference-of-Audit-Committee.pdf> Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

As on 31<sup>st</sup> March, 2022, the Audit Committee comprises of three Non-Executive Independent Directors and one Executive Non-Independent Director having requisite accounting and financial management expertise. The Company Secretary officiates as the Secretary of the Committee.

The Audit Committee met four times during the Financial Year i.e. on 29<sup>th</sup> June, 2021, 30<sup>th</sup> July, 2021, 11<sup>th</sup> November, 2021 and 10<sup>th</sup> February, 2022. The requisite quorum was present for all the meetings during the Financial Year 2021-22.

The details of the meetings held and attended by the members of the committee during the Financial Year under review is detailed below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Ramakant Nayak#	Non-Executive, Independent	Chairman	4	2
Mr. Chaitanya Dalal#	Non-Executive, Independent	Chairman	4	2
Mr. Mukesh Jain^	Non-Executive, Independent	Member	4	2
Mr. Kishore Vussonji^	Non-Executive, Independent	Member	4	2
Mr. Kamal Khetan	Executive, Non Independent	Member	4	4
Mrs. Sandhya Malhotra	Non-Executive, Independent	Member	4	4

# Mr. Chaitanya Dalal appointed as the Chairman & member of the committee w.e.f 30<sup>th</sup> September, 2021 and Mr. Ramakant Nayak ceased to be the Chairman and Member of Audit Committee w.e.f 30<sup>th</sup> September, 2021.

^ Mr. Mukesh Jain appointed as the Member of the committee w.e.f 30<sup>th</sup> September, 2021 and Mr. Kishore Vussonji ceased to be the Member of Audit Committee w.e.f 30<sup>th</sup> September, 2021.



## REPORT ON CORPORATE GOVERNANCE (Contd.)

During the financial year 2021-22, total consolidated fees of ₹ 124.98 Lakhs to M/s. Walker Chandio & Co. LLP, who were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 29<sup>th</sup> September, 2020 and all entities in the network firm/network entity of which the Statutory Auditors are a part of, for all the services rendered to the Company, its associates and its subsidiaries.

### (B) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is responsible for evaluating the skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria and appointment procedures. The terms of reference of Nomination and Remuneration Committee are also available on the website of the Company i.e. [www.sunteckindia.com](http://www.sunteckindia.com). The role of Nomination and Remuneration Committee, inter alia, includes:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
- Recommendation to the Board all remuneration in whatever form payable to senior management.

As on 31<sup>st</sup> March, 2022, the Nomination and Remuneration Committee comprises of three Non-Executive Independent Directors. The Company Secretary officiates as the Secretary of the Committee.

During the Financial Year under review, five meeting of the Nomination and Remuneration Committee was held i.e. on 27<sup>th</sup> April, 2021, 30<sup>th</sup> July, 2021, 18<sup>th</sup> September, 2021, 11<sup>th</sup> November, 2021 and 10<sup>th</sup> February, 2022. The necessary quorum was present for the meetings.

The details of the meetings held and attended by the members of the committee during the Financial Year under review is detailed below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Ramakant Nayak#	Non-Executive, Independent	Chairman	5	3
Mr. Chaitanya Dalal#	Non-Executive, Independent	Chairman	5	2
Mr. Kishore Vussonji^	Non-Executive, Independent	Member	5	3
Mr. Mukesh Jain^	Non-Executive, Independent	Member	5	2
Mrs. Sandhya Malhotra	Non-Executive, Independent	Member	5	5

# Mr. Chaitanya Dalal appointed as the Chairman and Member of the committee w.e.f 30<sup>th</sup> September, 2021 and Mr. Ramakant Nayak ceased to be the Chairman and Member of the Committee w.e.f 30<sup>th</sup> September, 2021.

^ Mr. Mukesh Jain appointed as the Member of the committee w.e.f 30<sup>th</sup> September, 2021 and Mr. Kishore Vussonji ceased to be the Member of the Committee w.e.f 30<sup>th</sup> September, 2021.

### Performance evaluation criteria for Board of Directors and Independent Directors:

The performance evaluation of Independent Directors is done by the entire Board of Directors, excluding the Director being evaluated. The performance evaluation indicators includes participation and contribution by a director, monitoring the corporate governance practices, addressing business challenges and risks, effective

## REPORT ON CORPORATE GOVERNANCE (Contd.)

management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of judgment. The Nomination and Remuneration Committee also evaluates the usefulness of such performance parameters, and makes necessary amendments. The term of the Independent Director shall be determined on the basis of the performance evaluation report.

The Nomination and Remuneration Committee also reviews the performance of the Board of Directors at such regular intervals as may be necessary on the basis of performance evaluation indicators.

### REMUNERATION OF DIRECTORS:

The Nomination and Remuneration Committee oversees the remuneration to be provided to the Directors and Senior Managerial Personnel and the major points relating to Remuneration policy are as mentioned below:

Further, the Nomination and Remuneration Policy is available on the website of the Company [www.sunteckindia.com](http://www.sunteckindia.com)

#### A. Remuneration structure of Directors:

- Independent Directors receive remuneration by way of sitting fees for attending meetings of Board and Board Committees (where they are members) as recommended by the Nomination and Remuneration Committee and approved by the Board and shareholders (wherever required) subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.
- The total commission payable to the Independent Directors shall not exceed 1% of the net profit of the Company.
- The remuneration/ compensation/ commission etc. to be paid to Managing Director/Whole-time Director/ Executive Director etc. shall be as per their employment contract/ terms of appointment, subject to the limits and conditions under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and the approval of the shareholders.

#### B. Remuneration structure of Key Managerial Personnel (KMP) and Senior Management is as detailed hereunder:

- The Compensation of a KMP and Senior Management Personnel is done keeping in consideration the prevailing market value of the resource, criticality of role and internal parity of the team.
- The remuneration structure to KMPs and Senior Management personnel may include a variable performance linked component.

Details of remuneration/commission and fees paid to Executive and Non-Executive Directors for the Financial Year 2021-22:

##### a. Independent Directors:

Name of Director	(₹ in Lakhs)
	Sitting Fees <sup>^</sup>
Mr. Ramakant Nayak%	2.30
Mr. Kishore Vussonji%	2.10
Mrs. Sandhya Malhotra	3.50
Mr. Chaitanya Dalal#	1.70
Mr. Mukesh Jain#	1.70
Mr. Vaddarse Prabhakar Shetty\$	0.50

<sup>^</sup> No Commission was paid to Independent Directors during the Financial Year 2021-22.

% ceased to be the Director of the Company w.e.f closure of business hours on 30<sup>th</sup> September, 2021 upon completion of second term of appointment as an Independent Director.

# Appointed Mr. Chaitanya Dalal and Mr. Mukesh Jain as an Additional Non Executive Independent Director of the Company w.e.f 18<sup>th</sup> September, 2021 and their appointment approved in the AGM held on 30<sup>th</sup> September, 2021.

\$ Appointed Mr. Vaddarse Prabhakar Shetty as an Additional Non Executive Independent Director of the Company w.e.f 11<sup>th</sup> November, 2021 and his appointment was approved vide resolution passed through Postal Ballot on 24<sup>th</sup> March, 2022.



## REPORT ON CORPORATE GOVERNANCE (Contd.)

### b. Managing Director and Executive Directors:

Name of Director	Salary	Benefits/Bonus/Stock Options/Commission	(₹ in Lakhs)
			Others (Specify)
Mr. Kamal Khetan Chairman and Managing Director	252.00	Nil	Nil
Mr. Atul Poopal Executive Director	100.00	55,556 stock options	Nil
Mrs. Rachana Hingarajia Executive Director and Company Secretary	52.50	20,000 stock options	Nil

There were no other pecuniary relationships or transactions of Non-Executive, Independent Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive, Independent Directors.

### (C) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee has been constituted in compliance with the provisions of Regulation 20 of Listing Regulations read with section 178 of the Act.

As on 31<sup>st</sup> March, 2022, the Stakeholders' Relationship Committee comprises of three Non-Executive Independent Directors. The Company Secretary officiates as the Secretary of the Committee.

During the Financial Year under review, four meetings of the Stakeholders' Relationship Committee were held i.e. on 27<sup>th</sup> April, 2021, 30<sup>th</sup> July, 2021, 11<sup>th</sup> November, 2021 and 10<sup>th</sup> February, 2022.

The details of the meetings held and attended by the members of the committee during the Financial Year under review is detailed below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Kishore Vussonji#	Non-Executive, Independent	Chairman	4	2
Mr. Mukesh Jain#	Non-Executive, Independent	Chairman	4	2
Mr. Ramakant Nayak^	Non-Executive, Independent	Member	4	2
Mr. Chaitanya Dalal^	Non-Executive, Independent	Member	4	2
Mrs. Sandhya Malhotra	Non-Executive, Independent	Member	4	4

# Mr. Mukesh Jain appointed as the Chairman and Member of the committee w.e.f 30<sup>th</sup> September, 2021 and Mr. Kishore Vussonji ceased to be the Chairman and Member of the Committee w.e.f 30<sup>th</sup> September, 2021.

^ Mr. Chaitanya Dalal appointed as the Member of the committee w.e.f 30<sup>th</sup> September, 2021 and Mr. Ramakant Nayak ceased to be the Member of the Committee w.e.f 30<sup>th</sup> September, 2021.

### Terms of Reference of Stakeholders' Relationship Committee (SRC):

The terms of reference of the SRC, inter-alia are as follows:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

The Company has not received any complaint during the Financial Year 2021-22 and there were no pending complaints from the previous year.

Name, Designation and Address of the Compliance Officer:

**Ms. Rachana Hingarajia**

Company Secretary

Sunteck Realty Limited

5<sup>th</sup> Floor, Sunteck Centre,

37-40 Subhash Road, Vile Parle (East),

Mumbai- 400057

Tel no.:91 22 4287 7800

### (D) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

As on 31<sup>st</sup> March, 2022, the CSR Committee comprises of two Executive Directors and one Non-Executive Independent Director.

During the Financial Year under review, two meetings of the CSR Committee were held i.e. 29<sup>th</sup> June, 2021 and 18<sup>th</sup> March, 2022.

The details of the meetings held and attended by the members of the committee during the Financial Year under review is detailed below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Kamal Khetan	Executive, Non-Independent	Chairman	2	2
Mr. Ramakant Nayak <sup>^</sup>	Non-Executive, Independent	Member	2	1
Mr. Kishore Vussonji <sup>^</sup>	Non-Executive, Independent	Member	2	1
Mrs. Sandhya Malhotra <sup>^</sup>	Non-Executive, Independent	Member	2	1
Mrs. Rachana Hingarajia <sup>^</sup>	Executive, Non-Independent	Member	2	1

<sup>^</sup> Mrs. Sandhya Malhotra and Mrs. Rachana Hingarajia appointed as the Member of the committee w.e.f 30<sup>th</sup> September, 2021 and Mr. Ramakant Nayak and Mr. Kishore Vussonji ceased to be the Member of the Committee w.e.f 30<sup>th</sup> September, 2021.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at [www.sunteckindia.com](http://www.sunteckindia.com). The Annual Report on CSR activities for the financial year 2021-22 forms part of the Board's Report.

### (E) RISK MANAGEMENT COMMITTEE:

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5<sup>th</sup> May, 2021, the top 1000 listed entities on the basis of market capitalisation, as at the end of the immediate previous financial year, shall constitute a Risk Management Committee which shall meet atleast twice in a year. The Risk Management Committee shall have minimum of three members with majority of them being members of the Board of Directors including atleast one Independent Director.

The Company has in place a Risk Management Committee which comprises of one Executive Director, two Non-Executive Independent Directors and two senior Executives of the Company.

During the Financial Year under review, two meetings of the Risk Management Committee were held on 30<sup>th</sup> July, 2021 and 10<sup>th</sup> February, 2022.



## REPORT ON CORPORATE GOVERNANCE (Contd.)

The details of the members of the committee is detailed below:

Name of the Director	Position	No. of Meetings	
		Held	Attended
Mr. Atul Poopal	Chairman	2	2
Mr. Ramakant Nayak <sup>^</sup>	Member	2	1
Mr. Kishore Vussonji <sup>^</sup>	Member	2	1
Mr. Mukesh Jain <sup>^</sup>	Member	2	1
Mr. Chaitanya Dalal <sup>^</sup>	Member	2	1
Mr. Manoj Agarwal	Member	2	2
Mr. Prashant Chaubey	Member	2	2

<sup>^</sup> Mr. Chaitanya Dalal and Mr. Mukesh Jain appointed as the Member of the committee w.e.f 30<sup>th</sup> September, 2021 and Mr. Ramakant Nayak and Mr. Kishore Vussonji ceased to be the Member of the Committee w.e.f 30<sup>th</sup> September, 2021.

### Terms of Reference of Risk Management Committee:

The terms of reference of the Risk Management Committee, inter-alia are as follows:

- To review and guide about the corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments;
- To ensure the integrity of the listed entity's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards;
- To lay down procedures to inform Board members about the risk assessment and minimisation procedures;
- To frame, implement and monitor the risk management plan for the Company;
- To define the roles and responsibilities of the Audit Committee and may delegate monitoring and reviewing of the risk management plan to the Committee and such other functions as it may deem fit.

### OTHER COMMITTEES OF THE BOARD:

The Board of Directors of the Company has constituted various other Committees as per the business needs of the Company and also to raise the governance standards of the Company.

### (F) CORPORATE GOVERNANCE COMMITTEE:

#### The Corporate Governance (CG) Committee comprises of two Executive Directors.

The composition of the members of the Committee as on the 31<sup>st</sup> March, 2022 is as follows:

Name of the Director	Category	Position
Mr. Kamal Khetan	Executive, Non Independent	Chairman
Mrs. Rachana Hingarajia <sup>\$</sup>	Executive, Non Independent	Member

<sup>\$</sup> Mr. Ramakant Nayak ceased to be the Member of the Committee w.e.f 30<sup>th</sup> September, 2021 and Mrs. Rachana Hingarajia appointed as a Member of the Corporate Governance Committee w.e.f 30<sup>th</sup> September, 2021.

#### Terms of Reference of CG Committee:

The terms of reference of the CG Committee, inter alia, includes the following:

- To observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary.
- To provide correct inputs to the media so as to preserve and protect the Company's image and standing.
- To disseminate factually correct information to the investors, institutions and public at large.
- To interact with the existing and prospective FII's and rating agencies, etc.
- To recommend nomination of Directors to the Board.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### (G) MANAGEMENT COMMITTEE:

The composition of the members of the Management Committee as on the 31<sup>st</sup> March, 2022 is as follows:

Name of the Director	Category	Position
Mr. Kamal Khetan	Executive, Non Independent	Chairman
Mr. Atul Poopal	Executive, Non Independent	Member

#### Powers of Management Committee:

The Management Committee oversees the requirement of the entity's business operations on a day-to-day basis. The role of the Management Committee, inter alia, includes execution of Leave and License Agreements, Purchase/ Sale Agreements, JV Agreements etc, borrowing of money otherwise than on Debentures from Banks and other Financial Institutions, investing the funds of the Company, to file/defend various litigation/ arbitration matters in various courts, authority to persons to attend general meetings, become partners and contribute the funds in any LLP etc. The Management Committee has unrestricted access to all Company related information.

### (H) SPECIAL COMMITTEE (CAPITAL RAISING):

The Special Committee comprises of two Executive Directors and one Non-Executive Independent Director.

Name of the Director	Category	Position
Mr. Kamal Khetan	Executive, Non Independent	Chairman
Mr. Ramakant Nayak <sup>^</sup>	Non-Executive, Independent	Member
Mr. Chaitanya Dalal <sup>^</sup>	Non-Executive, Independent	Member
Mrs. Rachana Hingarajia	Executive, Non Independent	Member

<sup>^</sup> Mr. Chaitanya Dalal appointed as the Member of the committee w.e.f 30<sup>th</sup> September, 2021 and Mr. Ramakant Nayak ceased to be the Member of the Committee w.e.f 30<sup>th</sup> September, 2021.

#### Role of Special Committee:

The role of the Special Committee, inter alia, includes finalisation of additional capital requirements in the business of the Company along with the terms and conditions, quantum of capital, alter, vary, add or delete any of the terms and conditions of the issue and, making presentations to prospective investors, approving of the Preliminary Placement Document/Placement Document/Offer Document or such other documents, to accept such amendments, modifications, variations and alterations as may be necessary, finalise the allocation and basis of allotment and to allot the Equity Shares to the successful allottees as permissible in law, executing agreements, seeking approvals from various authorities etc.

#### SEPARATE INDEPENDENT DIRECTORS' MEETINGS:

The Independent Directors shall meet at least once in a year, without the attendance of Executive Directors and Management Representatives. It is recommended that all the independent directors of the Company be present at such meetings.

During the year under review, the Independent Directors met on 18<sup>th</sup> September, 2021 inter alia, to:

1. Evaluate the Performance of Non-Independent Directors and the Board of Directors as a whole;
2. Evaluate the Performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
3. Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

#### SUBSIDIARY COMPANIES

The Company has 2 material unlisted Indian subsidiaries viz., Skystar Buildcon Private Limited and Satguru Corporate Services Private Limited whose income or net worth exceeds ten percent of the consolidated income or net worth of the Company as defined under the Listing Regulations.



## REPORT ON CORPORATE GOVERNANCE (Contd.)

The Company monitors the performance of its subsidiaries, inter alia by following means:

- The Minutes of the Board Meetings of the Subsidiary Companies are noted at the Board Meetings of the Company.
- The Investments made by the Subsidiary Companies are reviewed by the Audit Committee from time to time.
- Details of significant transactions and arrangements entered into by Subsidiary Companies are regularly placed at the Board Meetings of the Company.

During the year, Secretarial Audit was carried out for the material subsidiary Companies and the reports thereon are appended and forms a part of the Annual Report.

The Company has a policy for determining material subsidiaries which is disclosed on its website at the following web link <http://www.sunteckindia.com/codes-policies.php>

### GENERAL BODY MEETINGS

#### i. The Details of the last three Annual General Meetings were held as follows:

Date	Venue	Time	No. of Special Resolution/s
30 <sup>th</sup> September, 2021	Via Video Conferencing/ Other Audio Visual Means	5.00 p.m.	1. Approval for Raising of funds by way of further Issue of Securities.
29 <sup>th</sup> September, 2020	Via Video Conferencing/ Other Audio Visual Means	5.00 p.m.	1. Approval for raising of funds by way of further issue of securities.
27 <sup>th</sup> September, 2019	MIG Cricket Club, MIG Colony, Bandra (East), Mumbai 400051	5.30 p.m.	1. Approval for raising of funds by way of further issue of securities 2. Continuance of appointment of Mr. Ramakant Nayak, Independent Director of the Company beyond attaining 75 years of age 3. Continuance of appointment of Mr. Kishore Vussonji, Independent Director of the Company beyond attaining 75 years of age 4. Approval of "Sunteck Realty Limited Employees' Stock Option Scheme 2019" ("ESOS 2019") for employees of the Company 5. Approval of "Sunteck Realty Limited Employees' Stock Option Scheme 2019" ("ESOS 2019") for employees of the subsidiaries of the Company

#### ii. Details of Extra-Ordinary General Meetings of the Company held are given below:

No Extra-Ordinary General Meeting was held during the Financial Year 2021-22.

#### iii. Details of Resolution passed through Postal Ballot, the persons who conducted the postal ballot exercise and details of the voting pattern:

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated February 10, 2022 for

1. Appointment of Mr. Vaddarse Prabhakar Shetty as an Non-Executive Independent Director of the Company and his continuance of his appointment beyond attaining 75 years of age;
2. Payment of Commission to Non-Executive Director including Independent Directors of the Company which were duly passed and the results of which were announced on 24<sup>th</sup> March, 2022. Mr. Veeraraghavan N., Practising Company Secretary, was appointed as the Scrutiniser to scrutinise the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.



## REPORT ON CORPORATE GOVERNANCE (Contd.)

The details of voting pattern of the Special Resolutions passed through Postal Ballot -

### 1. Appointment of Mr. Vaddarse Prabhakar Shetty as an Non-Executive Independent Director of the Company and his continuance of his appointment beyond attaining 75 years of age;

Particulars	Total No. of Valid Votes	Votes assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	104354169	101191376	96.97	3162793	3.03

### 2. Payment of Commission to Non-Executive Director including Independent Directors of the Company

Particulars	Total No. of Valid Votes	Votes assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	104354135	98530756	94.42	5823379	5.58

**Procedure for postal ballot:** The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021 and 20/2021 dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020, 15<sup>th</sup> June, 2020, 28<sup>th</sup> September, 2020, 31<sup>st</sup> December, 2020, 23<sup>rd</sup> June, 2021 and 8<sup>th</sup> December, 2021 respectively issued by the Ministry of Corporate Affairs.

No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

#### MEANS OF COMMUNICATION:

- Publication of Quarterly/Annual Financial Results:** The Company's quarterly results are generally published in prominent national and regional dailies like Free Press Journal and Navshakti and are also displayed on its website <http://www.sunteckindia.com/>.
- News releases:** Official news releases and official media releases are sent to Stock Exchanges.
- Presentations to Institutional Investors/Analysts:** Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations are also uploaded on the Company's website <http://www.sunteckindia.com/>.

All periodical information including the statutory filings and discussion are filed with BSE and NSE.

#### GENERAL SHAREHOLDER INFORMATION:

- CIN No. : L32100MH1981PLC025346
- Registered Office Address : 5<sup>th</sup> Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai - 400057  
Tel No.: 022-42877800 Fax : 022-42877890  
Email Id: [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com)
- The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/Registrars and Transfer Agents to record additional details of Members, including their Permanent Account Number details (PAN), e-mail address, bank details for payment of dividend, etc. Further, the Securities and Exchange Board of India has mandated the submission of PAN by every participant in the securities market.
- Annual General Meeting to be held:  
Day : Friday  
Date : 23<sup>rd</sup> September, 2022



## REPORT ON CORPORATE GOVERNANCE (Contd.)

- e) Financial Year: The financial year of the Company starts on 1<sup>st</sup> April and ends on 31<sup>st</sup> March of next year. For the financial year ended 31<sup>st</sup> March, 2022, the financial results were announced

First Quarter	30 <sup>th</sup> July, 2021
Second Quarter	11 <sup>th</sup> November, 2021
Third Quarter	10 <sup>th</sup> February, 2022
Fourth Quarter	30 <sup>th</sup> May, 2022

- f) Date of Book Closure :

Saturday, 17<sup>th</sup> September, 2022 to Friday, 23<sup>rd</sup> September, 2022 (both days inclusive)

- g) Dividend Payment Date :

Based on the Company's performance, your Directors are pleased to recommend a final dividend of 150 % i.e. ₹ 1.50/- per equity share having face value of ₹ 1 each to the shareholders of the Company out of the profits of the Company for the financial year 2021-22. The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

If declared by the Shareholders in the Annual General Meeting, the same will be paid within 30 days of declaration of Dividend.

- h) Stock Exchanges on which the Company's Shares are listed:

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai - 400001.

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai - 400051.

The Company confirms that it has paid annual listing fees to both the Stock exchanges for the year 2022-2023.

- i) Dematerialisation of Shares

As on March 31, 2022, all except 10 equity shares of the Company are held in dematerialised form. The breakup of the equity shares held in dematerialised and physical form as on March 31, 2022 is as follows-

Particulars	No. of Shares	Percentage of Equity
NSDL	98998711	67.60
CDSL	47451274	32.40
Physical	10	-
<b>Total</b>	<b>146449995</b>	<b>100.00</b>

- j) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The report, inter alia, confirms that the number of shares issued, listed on the Stock exchanges and that held in demat and physical mode are in agreement with each other.

- k) Outstanding GDRs/ADRs/Warrants/Convertible instruments:

There are no outstanding GDRs/ADRs/Warrants or any Convertible Instruments, as at the year end.

- l) Debt Securities

There are no outstanding Non-Convertible Debentures, as at the end of the financial year.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

m) Commodity Price Risk/Foreign Exchange Risk and Hedging:

The Company did not engage in hedging activities.

n) Plant Locations:

The Company does not have any plant.

o) Stock Code:

BSE Limited	512179
National Stock Exchange of India Limited	SUNTECK
ISIN Number for NSDL & CDSL	INE805D01034

p) Market Price Data: High/Low during each month during the Financial Year 2021-2022:

Month	BSE - Sunteck			S&P BSE Sensex Index		
	High Price (₹)	Low Price (₹)	Close Price (₹)	High Price (₹)	Low Price (₹)	Close Price (₹)
April 2021	298.65	265.00	266.95	50,375.77	47,204.50	48,782.36
May 2021	301.85	250.05	288.60	52,013.22	48,028.07	51,937.44
June 2021	325.70	277.25	294.30	53,126.73	51,450.58	52,482.71
July 2021	406.05	291.65	381.35	53,290.81	51,802.73	52,586.84
August 2021	414.95	336.65	365.50	57,625.26	52,804.08	57,552.39
September 2021	506.95	361.50	482.45	60,412.32	57,263.90	59,126.36
October 2021	524.45	428.00	460.45	62,245.43	58,551.14	59,306.93
November 2021	503.55	411.05	432.60	61,036.56	56,382.93	57,064.87
December 2021	509.80	410.25	490.95	59,203.37	55,132.68	58,253.82
January 2022	589.95	485.00	511.30	61,475.15	56,409.63	58,014.17
February 2022	543.95	417.15	486.70	59,618.51	54,383.20	56,247.28
March 2022	501.90	413.30	435.60	58,890.92	52,260.82	58,568.51

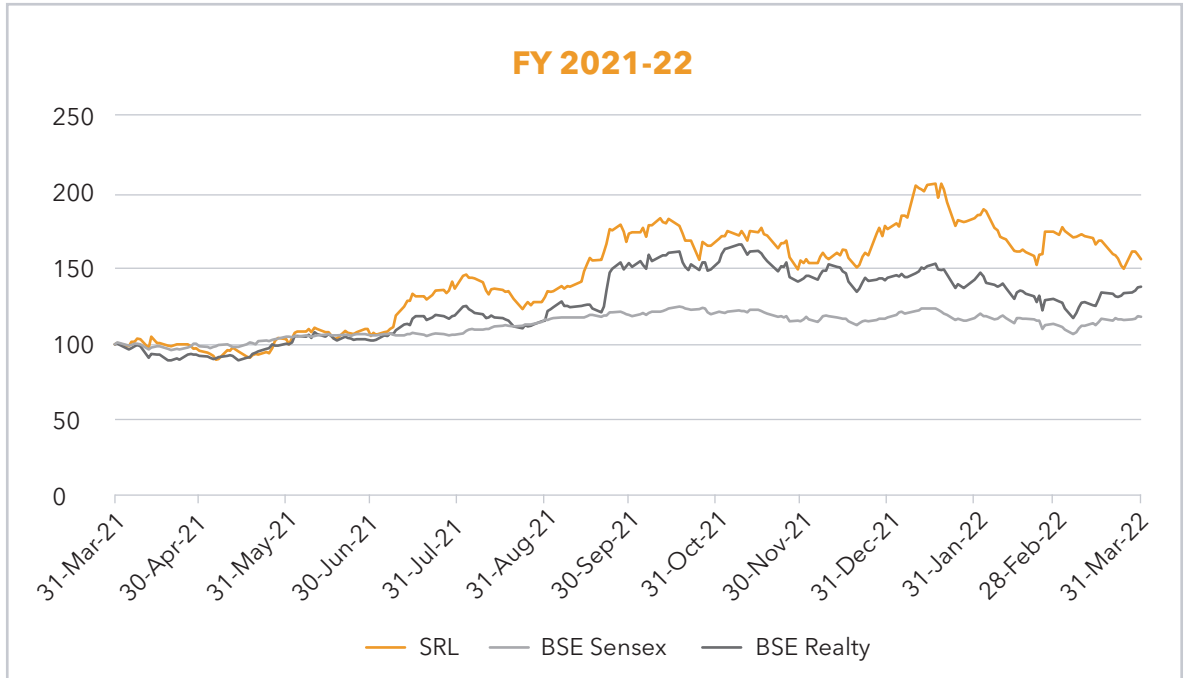
Month	NSE - Sunteck			NSE Nifty 50		
	High Price (₹)	Low Price (₹)	Close Price (₹)	High Price (₹)	Low Price (₹)	Close Price (₹)
April 2021	298.75	251.65	266.85	15,044.35	14,151.40	14,631.10
May 2021	297.25	250.00	286.85	15,606.35	14,416.25	15,582.80
June 2021	324.95	276.90	294.05	15,915.65	15,450.90	15,721.50
July 2021	407.00	295.95	380.70	15,962.25	15,513.45	15,763.05
August 2021	414.95	336.75	365.20	17,153.50	15,834.65	17,132.20
September 2021	507.00	362.75	481.65	17,947.65	17,055.05	17,618.15
October 2021	524.40	427.25	460.45	18,604.45	17,452.90	17,671.65
November 2021	504.00	410.55	433.10	18,210.15	16,782.40	16,983.20
December 2021	509.95	410.00	491.45	17,639.50	16,410.20	17,354.05
January 2022	589.90	484.85	510.35	18,350.95	16,836.80	17,339.85
February 2022	545.00	412.00	486.05	17,794.60	16,203.25	16,793.90
March 2022	501.85	413.00	436.75	17,559.80	15,671.45	17,464.75



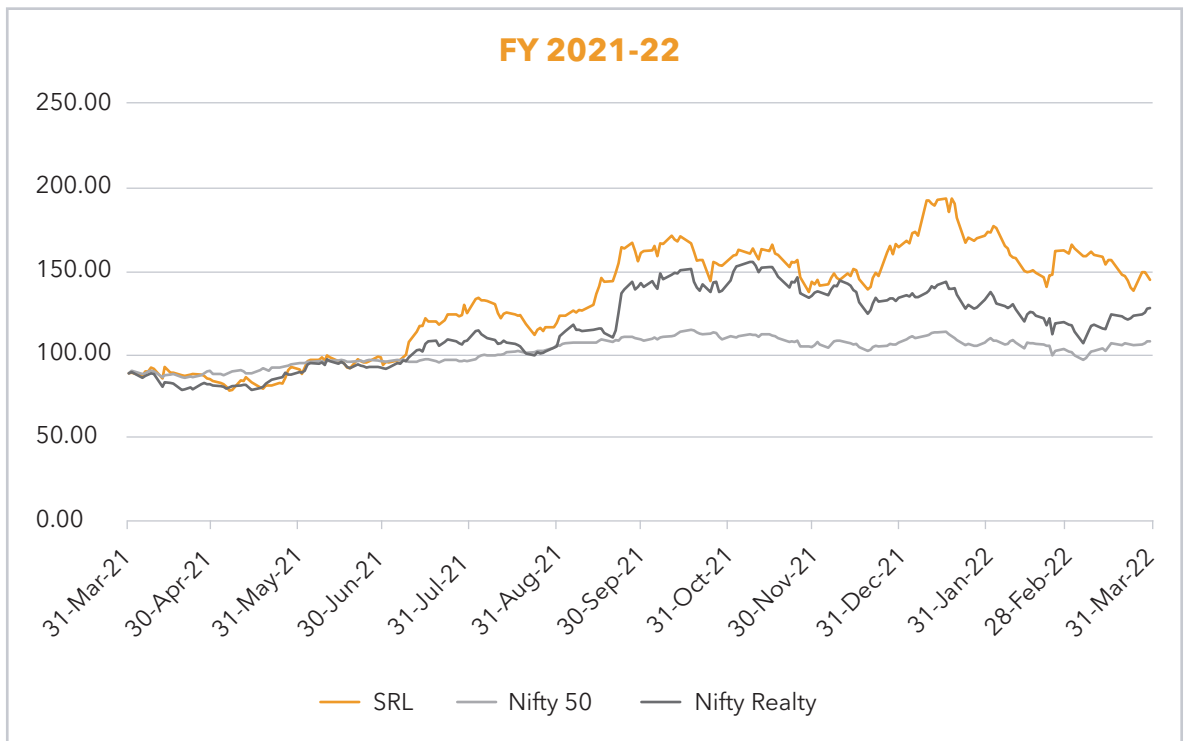
# REPORT ON CORPORATE GOVERNANCE (Contd.)

q) Performance in comparison to broad-based indices such as BSE Sensex, BSE Realty Index, Nifty 50, Nifty Realty Index etc.:

**Comparison of data of closing price of BSE Sensex, BSE Realty Index and Sunteck share price:**



**Comparison of data of closing price of NSE Nifty 50 index, Nifty Realty Index and Sunteck share price**



## REPORT ON CORPORATE GOVERNANCE (Contd.)

- r) Registrar & Share Transfer Agent:  
Link Intime India Private Limited,  
C-101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai - 400083  
Tel : (022) 49186000 Fax: (022) 49186060  
Email id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

- s) Share Transfer System:

In terms of SEBI notification dated 24<sup>th</sup> January, 2022 all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form.

- t) Distribution of shareholding as on 31<sup>st</sup> March, 2022:

Number of Shares (Range)	No of Shareholders*	Percentage of Total Shareholders	Total No. of Shares	Percentage of Total Capital
1- 500	33869	95.43	1664692	1.14
501-1000	669	1.89	524714	0.36
1001-2000	407	1.15	604713	0.41
2001-3000	116	0.33	288741	0.20
3001-4000	82	0.23	296091	0.20
4001-5000	56	0.16	269098	0.18
5001-10000	86	0.24	660054	0.45
10001 & Above	204	0.57	142141892	97.06
<b>Total</b>	<b>35489</b>	<b>100</b>	<b>146449995</b>	<b>100.00</b>

\*The folios having same PAN are not clubbed.

Shareholding Pattern (category wise) as on 31<sup>st</sup> March, 2022:

Sr. No	Category	No. of Shares held	Percentage of total holding
1.	Promoter & Promoter Group	98306095	67.13
2.	Mutual Funds	6244184	4.26
3.	Alternate Investment Fund	13800	0.01
4.	FII / Foreign Portfolio Investor	30263614	20.67
5.	Insurance Companies	691287	0.47
6.	Central Govt/State Govt./President of India	4340	0
7.	Hindu Undivided Family	273448	0.19
8.	Non Resident Indians (Repat and Non Repat)	445535	0.31
9.	LLP	177254	0.12
10.	Foreign Portfolio Investor (Category III)	6920	0
11.	Clearing Members	55277	0.04
12.	Bodies Corporate	2683986	1.83
13.	NBFC Registered with RBI	1000	0
14.	Individuals	7283255	4.97
	<b>Total</b>	<b>14,64,49,995</b>	<b>100.00</b>



## REPORT ON CORPORATE GOVERNANCE (Contd.)

- u) Address for correspondence:

Registrar and Share Transfer Agent	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083. Tel : (22) 49186000 Fax: (22) 49186060 Email Id: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
Investor Relations Department	Sunteck Realty Limited 5 <sup>th</sup> Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (East), Mumbai- 400057. Tel: 022-4287 7800 Fax: 022-4287 7890 Email ID: <a href="mailto:ir@sunteckindia.com">ir@sunteckindia.com</a>

- v) Credit Rating: In February 2022, ICRA has reaffirmed our credit rating for long term loans as [ICRA] AA- (Stable). In October 2021 India Ratings (FITCH) has reaffirmed our company's long term issuer outlook to IND AA- / Positive and short term credit rating of the company to "IND A1+".
- w) Unclaimed and Unpaid Dividends, and transfer of Shares to IEPF:

As on March 31, 2022, the following amounts of dividends remained unclaimed -

Year	Amount (in ₹)
FY 2014-15	99,134
FY 2015-16	24,964
FY 2016-17	1,27,566
FY 2017-18	16,781
FY 2018-19	54,033
FY 2019-20	39,024.25
FY 2020-21	41,179

Pursuant to the provisions of Sections 124 and 125 of the Act read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto, dividend / interest / refund of applications which remains unclaimed / unpaid for a period of 7 years is required to be transferred to IEPF. Further, the IEPF Rules mandate the companies to transfer all shares on which dividend remains unclaimed / unpaid for a period of 7 consecutive years to the demat account of the IEPF Authority. Hence, the Company urges all the shareholders to encash/claim their respective dividend during the prescribed period.

Accordingly, in case of instances where the dividend remains unpaid and unclaimed for 7 years and shares pertaining to which dividend remains unpaid / unclaimed for 7 consecutive years shall be transferred by the Company to IEPF. The Members / claimants whose shares or unclaimed dividends get transferred to IEPF may claim the shares or apply for refund from the IEPF Authority by following the refund procedure as detailed on the website of IEPF Authority at <http://www.iepf.gov.in/IEPF/refund.html>. 330 shares had been transferred during FY 2021-22 by the Company.

The details of the unclaimed/unpaid amount of dividends pertaining to FY 2014-15 to FY 2020-21 have been uploaded on the website of the Company [www.sunteckindia.com](http://www.sunteckindia.com).

- x) In case the securities of the Company are suspended from trading, the reasons thereof:  
Not applicable

### DISCLOSURES:

#### a) CEO/CFO Certification:

The CEO and CFO certification in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations forms part of the Annual Report.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### b) Related Party Transactions:

All Related Party Transactions (RPTs) which were entered into by the Company during the Financial Year under review were on arms' length basis and were in the ordinary course of business and did not attract provisions of section 188 of the Companies Act, 2013 and were also not material RPTs under Regulation 23 of the Listing Regulations.

During the year 2021-22, as required under section 177 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations, all RPTs were placed before the Audit Committee for approval.

A statement showing the disclosure of transactions with related parties as required under Accounting Standard 18 is set out separately in this Annual Report.

There were no material transactions entered into with related parties, during the period under review, which may have had any potential conflict with the interests of the Company.

A Policy on materiality of RPTs and also on dealing with RPTs has been formulated by the Board and is placed on the website of the Company viz. <http://www.sunteckindia.com/codes-policies.php>

### c) Non Compliances/Strictures/Penalties Imposed:

During the last three years, there were no penalties or strictures imposed on the Company by SEBI, Stock Exchange or any statutory authority on any matter related to capital market.

### d) Disclosure of Accounting Treatment:

The Company has followed all relevant Accounting Standards while preparing the Financial Statements.

### e) Whistle Blower Policy/Vigil Mechanism:

Pursuant to section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Board of Directors of the Company had adopted Whistle Blower Policy wherein employees can report genuine concerns about unethical behavior, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against victimisation of employees who avail of the whistle blower mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Company affirms that no employee has been denied access to the Audit Committee.

The said Policy is placed on the website of the Company viz. <http://www.sunteckindia.com/codes-policies.php>

### f) Dividend Distribution Policy:

As per Regulation 43A in the Listing Regulations, Dividend Distribution Policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned by the Company. The Board of the Company has adopted a Dividend Distribution Policy which is available on the website of the Company <http://www.sunteckindia.com/codes-policies.php>

g) During the year, all recommendations of the committees of the Board have been accepted by the Board.

### h) Disclosures under The Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. During the year under review, the Company had not received any Complaints.

- a. Number of complaints filed during the financial year: Nil
- b. Number of complaints disposed of during the financial year: Nil
- c. Number of complaints pending as on end of the financial year: Nil.



## REPORT ON CORPORATE GOVERNANCE (Contd.)

- i) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

₹ in Lakhs

Head	In the books of Company name	Loans given to	31.03.2022	31.03.2021
Loans (current)	Sunteck Realty Limited	Sahrish Construction Private Limited	7,258.65	3,339.42
Loans (current)	Sunteck Realty Limited	Satguru Infocorp Services Private Limited	13.96	-
Loans (current)	Sunteck Realty Limited	Piramal Sunteck Realty Private Limited	1,219.93	538.95
Loans (current)	Sunteck Realty Limited	Sunteck Property Holding Private Limited	0.95	0.50
Loans (current)	Sunteck Realty Limited	Skystar Buildcon Private Limited	15,863.82	1,924.07
Loans (current)	Sunteck Realty Holdings Private Limited	Sunteck Property Holding Private Limited	1,000.00	-
Loans (current)	Advaith Infraprojects Private Limited	Satguru Corporate Services Private Limited	0.75	0.75
Loans (current)	Satguru Corporate Services Private Limited	Shivay Brokers Private Limited	117.75	117.00
Loans (current)	Mithra Buildcon LLP	Industele Property Pvt. Ltd.	4.20	-
Loans (current)	Starlight Systems (I) LLP	Clarissa Facility Management LLP	850.54	1,016.85
Loans (current)	Sunteck Lifestyle Limited	Sunteck Lifestyle Management JLT	1,093.46	1,052.46
Loans (current)	Sunteck Lifestyle International Private Limited	Sunteck Lifestyle Management JLT	16.29	15.80
Loans (current)	Sunteck Lifestyle International Private Limited	Sunteck Lifestyles Ltd.	60.10	58.29
			<b>27,500.40</b>	<b>8,064.09</b>

j) **Code of Conduct:**

Regulation 17(5) of the Listing Regulations, 2015, requires listed companies to lay down a Code of Conduct for directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Board has formulated a code of conduct for the Board members and Senior Management Personnel of the Company and the same is placed on the website of the Company viz. <http://www.sunteckindia.com/codes-policies.php>

All Directors and Senior Management Personnel have affirmed compliance with the code for 2021-22. A declaration to this effect signed by the Chairman and Managing Director is given in this Annual Report.

k) **Management Discussion and Analysis:**

The Management Discussion and Analysis report has been separately furnished in Annual Report and forms a part of the Annual Report.



## REPORT ON CORPORATE GOVERNANCE (Contd.)

### **l) Policy on Insider Trading:**

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and Designated Employees of the Company. The Company has formulated a code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Company is in adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto.

### **m) Certificate under Regulation 34(3) of SEBI (LODR) Regulations, 2015:**

M/s. Veeraraghavan N., Practicing Company Secretary, have issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the board of Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority is appended and forms part of the Annual Report.

### **n) Compliance Certificate on Corporate Governance:**

As required by Schedule V of the Listing Regulations, the Certificate on Corporate Governance is appended and forms part of the Annual Report.

### **o) Disclosure of compliance with Corporate Governance requirements under Regulations 17 to 27 and Regulation 46(2) of the Listing Regulations**

The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

### **p) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance. The Company has reviewed the non-mandatory requirements as specified in the Listing Regulations and it shall be adopted /complied by the Company on need basis.

**For Sunteck Realty Limited**

**Kamal Khetan**

Chairman & Managing Director

DIN: 00017527

Mumbai, 30<sup>th</sup> May, 2022



### DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT:

I hereby confirm that the Company has received from all the Board of Directors and Senior Management Personnel, an affirmation(s) that they have complied with the Code of Conduct as applicable to them in respect of the Financial Year ended 31<sup>st</sup> March, 2022.

**For Sunteck Realty Limited**

**Kamal Khetan**

Chairman & Managing Director  
DIN: 00017527

Mumbai, 30<sup>th</sup> May, 2022

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### Certificate under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Based on my scrutiny of the records, documents and information provided by SUNTECK REALTY LIMITED (the 'Company'), CIN: L32100MH1981PLC025346, having its registered office at 5<sup>th</sup> Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (East), Mumbai - 400 057, for verification and disclosures and declarations given by the Directors to the Company under applicable statutes and also based on the verification of facts regarding the Board of Directors of the Company, available in the public domain, I hereby certify that the none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies either by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority.

**Veeraraghavan N.**

ACS No. 6911

CP No. 4334

UDIN: A006911D000424878

Place: Mumbai

Date: 30<sup>th</sup> May, 2022

## CERTIFICATE BY CEO & CFO

### CERTIFICATE UNDER REGULATION 17(8) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

**I hereby certify that:**

- a) I have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2022 and to the best of my knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2022 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and disclosed to the auditors and the Audit Committee, deficiency in the design or operation of the internal controls, if any, of which I am aware and the steps taken or propose to take to rectify these deficiencies.
- d) I have indicated to the Auditors and the Audit Committee:
  - i) the significant changes, if any, in internal control over financial reporting during the year;
  - ii) significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii) that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Sunteck Realty Limited**

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**Kamal Khetan**  
Chairman & Managing Director

**Manoj Agarwal**  
Chief Financial Officer



Corporate  
Overview



Statutory  
Reports



Financial  
Statements

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**Sunteck Realty Limited**

I have examined all the relevant records of Sunteck Realty Limited ('the Company') for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

My examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me and the representations made by the Directors and the management, I certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the aforesaid Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person or for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**Veeraraghavan N.**  
Practicing Company Secretary  
Membership No. 6911  
C.P. No. 4334  
UDIN: A006911D000424933

# Secretarial Audit Report

## FORM NO. MR - 3 SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2022

Pursuant to Section 204 (1) of the Companies Act 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To  
The Members,  
Sunteck Realty Limited  
(CIN: L32100MH1981PLC025346)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sunteck Realty Limited (CIN: L32100MH1981PLC025346) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022, according to the provisions of:

- (i) The Companies Act, 2013 ( the Act ) and the rules made thereunder;
- (ii) The Securities Contracts ( Regulation ) Act, 1956 ( SCRA ) and the rules made thereunder;
- (iii) The Depositories Act 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ( SEBI Act ) as may be applicable to the Company:
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) Securities and Exchange Board of India ( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (e) Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements ) Regulations, 2018;
  - (f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
  - (j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.



## Secretarial Audit Report (Contd.)

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with following Acts, Laws and Regulations applicable specifically to the Company:

- a) Real Estate (Regulation & Development) Act, 2016
- b) Development Control and Promotion Regulations- 2034 for Greater Mumbai
- c) Maharashtra Regional and Town Planning Act, 1966
- d) Mumbai Municipal Corporation Act, 1888
- e) Maharashtra Land Revenue Code, 1966
- f) Registration Act, 1908
- g) Transfer of Property Act, 1882
- h) Indian Easements Act, 1882,
- i) Maharashtra Stamp Act, 1958
- j) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and
- k) The Land Acquisition Act, 1894.

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

### **I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are carried through with requisite majority. There were no dissenting views from the Board members during the period under review.

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

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**Veeraraghavan N.**

ACS No. 6911

CP No. 4334

UDIN: A006911D000424845

# Secretarial Audit Report

## FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022

Pursuant to Section 204 (1) of the Companies Act 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To  
The Members,  
Satguru Corporate Services Private Limited  
(CIN: U74120MH2011PTC211816)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Satguru Corporate Services Private Limited (CIN: U74120MH2011PTC211816) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022, according to the provisions of :

1. The Companies Act, 2013 ( the Act ) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; Not Applicable
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; Not Applicable
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
  - a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - f. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - h. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
  - i. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;



## Secretarial Audit Report (Contd.)

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with following Acts, Laws and Regulations applicable specifically to the Company:

- a) Real Estate (Regulation & Development) Act, 2016
- b) Development Control and Promotion Regulations- 2034 for Greater Mumbai
- c) Maharashtra Regional and Town Planning Act, 1966
- d) Mumbai Municipal Corporation Act, 1888
- e) Maharashtra Land Revenue Code, 1966
- f) Registration Act, 1908
- g) Transfer of Property Act, 1882
- h) Indian Easements Act, 1882,
- i) Maharashtra Stamp Act, 1958
- j) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and
- k) The Land Acquisition Act, 1894.

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

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

I further report that:

The Board of Directors of the Company is duly constituted. No changes occurred during the financial year under report in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are carried through with requisite majority. There were no dissenting views from the Board members during the period under review.

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

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**Veeraraghavan N.**  
ACS No. 6911s  
CP No. 4334  
UDIN : A006911D000424724



# Secretarial Audit Report

## FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2022

Pursuant to Section 204 (1) of the Companies Act 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To  
The Members,  
Skystar Buildcon Private Limited  
(CIN: U70102MH2010PTC198509)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Skystar Buildcon Private Limited (CIN: U70102MH2010PTC198509) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022, according to the provisions of :

1. The Companies Act, 2013 ( the Act ) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; Not Applicable
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; Not Applicable
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
  - a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
  - f. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - h. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
  - i. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;



## Secretarial Audit Report (Contd.)

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with following Acts, Laws and Regulations applicable specifically to the Company:

- a) Real Estate (Regulation & Development) Act, 2016
- b) Development Control and Promotion Regulations- 2034 for Greater Mumbai
- c) Maharashtra Regional and Town Planning Act, 1966
- d) Mumbai Municipal Corporation Act, 1888
- e) Maharashtra Land Revenue Code, 1966
- f) Registration Act, 1908
- g) Transfer of Property Act, 1882
- h) Indian Easements Act, 1882,
- i) Maharashtra Stamp Act, 1958
- j) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and
- k) The Land Acquisition Act, 1894.

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.

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

I further report that:

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are carried through with requisite majority. There were no dissenting views from the Board members during the period under review.

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

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**Veeraraghavan N.**  
ACS No. 6911s  
CP No. 4334  
UDIN : A006911D000424779

# Management Discussion and Analysis

## GLOBAL ECONOMY

The global economy witnessed swift recovery amidst continued progress with vaccination efforts, supportive macroeconomic policies in the major economies and favourable financial conditions.

Even though post-pandemic reopening of the global economy is expected to provide further impetus to the demand.

Covid-19 has provided a chance for the world to remake itself in order to adapt to new ways of life and commerce. Corporations who have effectively responded to COVID-19's challenges have become more resilient and better equipped to withstand future changes. Increasing worldwide travel has added to the expansion of international trade.

The potential reorganisation of the global supply chain, the ensuing change in export hubs, the emergence of a "new world order," and the gradual transition from globalisation to localisation would be the themes in this scenario to watch out for in the medium term.

## INDIAN ECONOMY

Following the initial COVID-19 wave, FY 2022 was predicted to be a year of recovery due to a normalised resumption of economic activity and better mobility.

On the contrary, the year began with the emergence of a more virulent second wave, resulting in an all-time high number of infections and a high mortality rate. Rather of complete lockdowns during the first wave, the country experienced partial lockdowns in several states. The economy recovered faster than expected because of increased vaccination efforts.

The Union Budget for FY 2022 in India placed a strong emphasis on keeping the budget deficit close to current levels and reinvigorating the investment drive.

Government capital expenditures serve the dual functions of creating jobs and amplifying growth. The RBI continues to maintain an accommodating but cautious monetary posture, supporting the government's initiatives.

Throughout FY 2022, the RBI maintained its accommodating monetary policy by holding reference rates steady.

India's exports of commodities exceeded USD 400 Billion in value during the year, increasing by more than 40% year over year, with engineering products, petroleum products, and gems and jewellery leading the way.

Following a contraction of 7.3% in FY 2020, the Indian economy is expected to grow by 9.2% in real terms in FY 2022 (according to initial advanced projections). GDP is expected to grow in real terms by 8-8.5% in FY 2023. The coming year is expected to see an increase in private sector investment with the financial system in strong shape to support the country's economic recovery. The projection is equivalent to the World Bank's and Asian Development Bank's recent predictions of 8.7% and 7.5% real GDP growth for FY 2023, respectively.

## INDIA REAL ESTATE SECTOR

The market size of India's real estate sector is anticipated to reach USD 1 trillion by FY 2030. The real estate market in India is projected to increase at a CAGR of 19.5%. The market is anticipated to reach USD 650 Billion by FY 2025, representing 13% of India's GDP. Increasing industrial activity, rising income, and urbanisation would encourage a rise in the real estate sector's contribution to the GDP.

As observed in FY 2022, investors are also beginning to gradually return to the real estate market.

Since the pandemic, purchasing a house has been a priority for many individuals. Not only does it provide a sense of security associated with tangible assets, but it also appeared to be significantly more profitable to many investors in the context of the volatility of other asset classes. In addition, the affordability of housing has reached an all-time high in most cities as a result of developer discounts, low lending rates, stamp duty reductions, etc.

Interestingly, long-term investors are currently the most optimistic about residential real estate. At least 50% of investors with an investment horizon of 8-10 years viewed the present home market as somewhat superior to pre-COVID levels. The pandemic's eventual effect on the housing market has been contradictory in that it has rekindled homebuyers'



## Management Discussion and Analysis (Contd.)

need for privacy and housing. A better business and economic climate, greater awareness of the pandemic, and a focus on vaccinations had already helped the residential market stage a smart recovery in FY 2022 and held the promise of a sustained recovery after the second wave had run its course by the end of FY 2022.

In FY 2022, the home market began to recover as sales momentum increased steadily throughout the year. Homebuyer concerns about the Omicron model that surfaced late in FY 2021 did not negatively affect emotions. Residential developments are steadily passing into the hands of stronger developers who have been able to weather the economic storm brought on by the epidemic as the industry continues to consolidate. While ready inventory continues to be a top choice for purchasers, reputable developers with a track record of success are increasingly finding a market for their inventory that is still under construction.

### MUMBAI REAL ESTATE

Government incentives including stamp duty exemptions and lower house loan interest rates, as well as swift market sentiment adjustments and product reorientations by developers, have increased sales and product launches in the Mumbai residential market over the last 12 to 15 months.

MMR has been a major factor in all India sales and product launches. Mumbai's residential sector provided 27% of India's sales volume and 30% of launches in FY 2022. The number of new product releases during FY 2022 increased by 27% year over year. Developers synchronised their launch date with client requirements while releasing new projects in order to capitalise on pent-up demand throughout the festival season and in response to altering consumer views toward home ownership.

Launches in the Western Suburbs micro market increased significantly in FY 2022, accounting for 22% of the total launch volume. 5 Million dollar homes continued to be a popular choice, accounting for 51% of sales in FY 2022. 5-10 Million and over 10 Million each contribute 23% and 26% of the total sale volume for FY 2022, respectively. The average price level has now experienced a little 1% YoY increase in FY 2022 following a sustained pattern of price reduction through FY 2022. Unsold stock increased by 5% YoY. This increase can be attributable to the surge in supplies during that time.

### MMR RESIDENTIAL

In FY 2022, the residential market in the Mumbai metropolitan region had the highest number of launches and sales among the top seven cities in India, contributing 25% and 30% respectively to the overall pie. The year FY 2022 saw a 62% and 75% increase in launches and sales, respectively. In comparison to the previous year, residential launches and sales in the region increased by 88% and 72% in FY 2022, respectively.

Reduction in the government's guiding value for housing schemes and the infusion of funds through the government-backed fund SWAMIH will fund the expansion of the urban infrastructure with several metro train links. After the second wave, the Mumbai trans harbor lines were among the elements that allowed us to build a home in MMR and stimulated residential activity.

Affordable housing priced at ₹ 40 Million led new launches in MMR, which increased by 83% annually.

The price range ₹ 8 Million - ₹ 15 Million saw the largest year-over-year growth of 124%, whereas the price range > ₹ 25 Million saw a year-over-year growth of 33%.

Residential units priced between ₹ 8 Million and ₹ 1.5 Billion will experience the highest growth rate of 124% in FY 2022 compared to the previous year. Comprising roughly 25% of the total new launches in FY 2022, the greatest percentage share among the top seven cities, MMR will experience robust demand for larger and more spacious houses from homebuyers.

In the pre-covid period, the need to live closer to work places in and around the more expensive central business districts prompted many MMR homebuyers to choose compact configurations. However, after the pandemic, the new hybrid and work-from-home environment, as well as numerous urban infrastructure upgrades and competitive mortgage rates, have encouraged prospective buyers to choose luxury residences. Luxury homebuyers favored properties that could give a comprehensive living experience, such as a greater share of open spaces. Huge balconies and decks with adaptable large places for work and recreation.

## Management Discussion and Analysis (Contd.)

### BUSINESS OVERVIEW

Sunteck Realty is one of the fastest growing real estate development companies of the country with focus on city centric developments well spread-out across Mumbai Metropolitan Region (MMR). The Company's business focuses on designing, developing and managing premium residential and commercial properties. The strength of the Company has been to follow an asset light strategy to ensure efficient Return on Equity while delivering projects that provide value for money.

The Company has carved a niche for itself in the luxury segment through brand positioning complimented with various product offerings, efficient designs and an established network of reputed channel partners for market penetration.

Our core focus remains in the Mumbai Metropolitan Region (MMR); we forecast sustained demand, especially in the residential segment, as a result of limited supply of quality land, emerging middle-income segment and rising immigrant population. Our Company's ultra-luxurious residential projects in BKC continue enjoying a monopoly position in the micro market, leading to significant premium pricing. Another major location is ODC - Goregaon (W). Sunteck has also successfully been able to enter the aspirational affordable market segment and has seen an overwhelming response coming from the Naigaon market. Sunteck offers 5 brands under the name of Signature (Uber Luxury Residencies), Signia (Ultra Luxury Residencies), Sunteck City (Mid Income), Sunteck World (Aspirational Luxury) & Sunteck (Commercial). In FY 2022, your company sustained strong pre-sales trajectory driven by sales witnessed in the ready to move in projects across segments such as mid income, aspirational, commercial and luxury.

The Company's strategy is to expedite monetisation of its ongoing and ready projects in near to medium term, thus enabling higher ROEs. Key features of our business model are as follows:

1. **Strategic Land Acquisition** - Periodic acquisitions through Government Tenders, Joint Development, Outright purchase from private corporates and re-development of housing societies has ensured a clear and clean supply of land parcels at relatively lower acquisition cost. Further, most of our land-acquisitions (viz. BKC, ODC Goregaon-W and Naigaon) have been validated through solid research. We consciously undertook peak expansion of our portfolio during and post Lehman crisis around 2009-10 and also during Covid-19 where we were able to strategically expand our presence thereby creating value for the Company. With the ongoing consolidation, a similar opportunity has presented itself today - paving the path for aggressive business development. Through the year, we announced new acquisitions under the asset light strategy at Vasai, Vasind, Borivali and Pen Khopoli.
2. **Premium Positioning** - To differentiate the Company's projects from its peers, your Company has developed various brands whose product offerings resonate well across residential and commercial developments: (a) Signature - uber luxury residences that are aimed at high-net worth individuals, (b) Signia - ultra luxury residences in select suburban micro markets, (c) Sunteck City - large mixed-use developments offering premium luxury residences and (d) World - Aspirational luxury residences and (e) Sunteck - for commercial developments.
3. **Robust Sales** - The Company achieves its target sales through its sales offices, reputed channel partners, wealth managers, institutions and through participation in property exhibitions to attract clientele - both retail and corporate customers. Your company launched an online platform named Sunteck AER to garner digital sales amidst the lockdown because of the ongoing pandemic. Sunteck AER will evolve into a permanent sales channel to enhance sales across the portfolio. Further, your Company emphasises on customer centricity with dedicated services for its customers from the date of purchase until handover of the apartment.
4. **Social Media & Digital marketing** - In today's digital age, the need to adopt digital marketing practices has become imperative. Increased usage of internet and social media platforms by customers in their decision making process across products, including real estate, is now the new norm. Extensive thought through digital campaigns are more likely to propel customer site visits. Keeping up with these trends, Sunteck has enhanced its digital presence in a big way, especially digitisation of property listings, to maintain high conversion rates for our projects. At the beginning of this financial year, your Company launched its digital sales platform - Sunteck AER - to market ongoing and new projects.
5. **Strong tie-ups for execution** - Your Company has built a strong in-house project management team with complete execution capabilities to ensure quality, design and timely completion of its projects. Further, with

## Management Discussion and Analysis (Contd.)

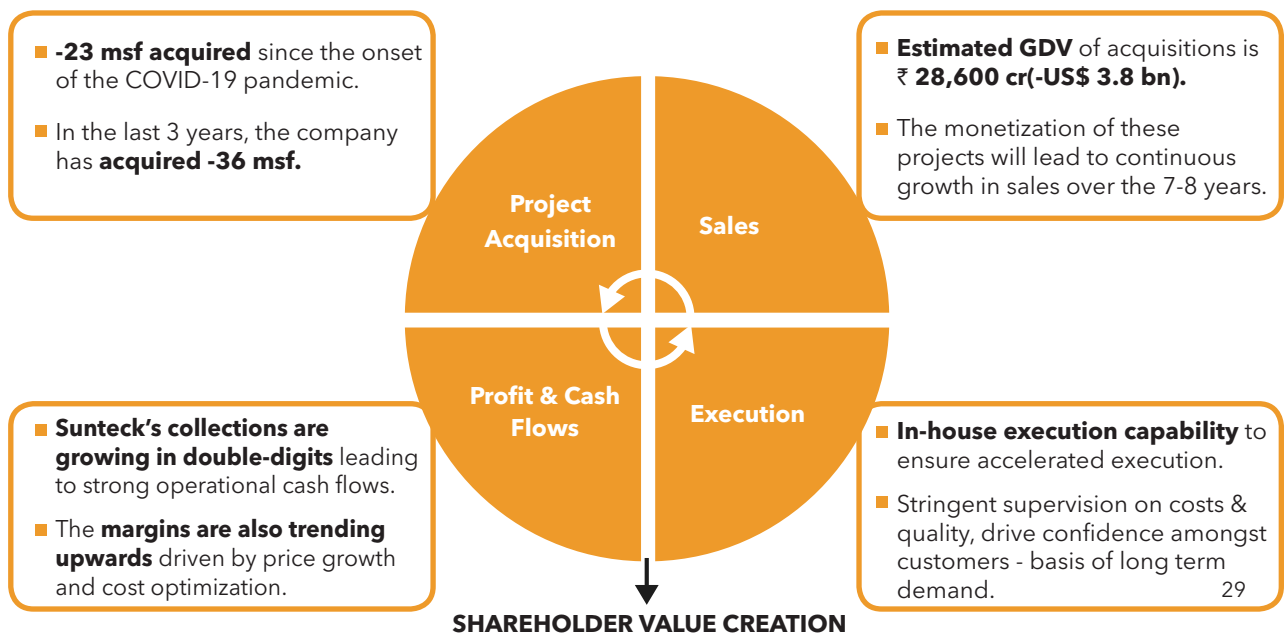
individual teams for each brand, we are well equipped to tackle large scale developments while maintaining our luxury quotient.

6. **Strategic Partners & Associates** - As your Company has grown, it has always been very selective in its partnerships with financial institutions; we always strive to partner with those that bring not only financial strength to the business but share our vision to be the best in the business.
7. **Prudent cash flow management** - Since inception, the Company has always focused on expanding its footprint in micro markets, through extensive research, where we can add value to propel capital appreciation in our projects. Further, your Company has always maintained fiscal discipline by following a differential asset light strategy (JV / JDA) in a capital intensive real estate market of MMR. Prudent cash flow management and efficient capital allocation has enabled your Company to grow exponentially in a short span. Wherever required, we have implemented innovative funding structures to maintain optimal debt levels and ensure minimal stress on our balance sheet.
8. **Presence across pricing spectrum** - With the integration of 'World' brand in our portfolio, your Company has firmly established its position in the aspirational luxury segment as well. Your Company is now present across the pricing spectrum, from uber-luxury to aspirational luxury, in various micro markets.

### GROWTH ENGINES

Your company's approach towards continuous growth has been a key factor, we have successfully added additional growth engines going forward. Our growth engines in terms of the newly envisioned Sunteck 3.0 include Vasai W which would be contributing to the mid income segment, Kalyan & Vasind which would be the affordable aspirational segment and Borivali West towards the luxury segment. This would be directly contributing to the existing growth engines that are BKC which is in our luxury segment, ODC which is in the mid income segment and Naigaon which contributes to the affordable segment.

## The 'Sunteck' approach to 'Continuous Growth'



## Management Discussion and Analysis (Contd.)

Sunteck has always believed in the concept for “Continuous Growth” and we have successfully been able to cater to the same. In terms of execution, we have an in house execution capability that has ensured us accelerated execution. We have also acquired projects strategically and achieved robust sales.

Currently, our portfolio focuses on MMR region with a few projects in other cities. We continue to monetise our three growth engines and are also gearing up to building a rental portfolio of commercial assets. The Company’s growth engines can be divided as follows:

- (a) Bandra Kurla Complex (BKC)** has emerged as the new Central Business District of Mumbai. BKC has evolved over the last decade and continues to remain a preferred choice for international and domestic financial institutions. Demand is expected to increase with ongoing infrastructure initiatives - extension of Santacruz Chembur Link Road, flyover connecting directly to Bandra Worli Sea Link, Phase 3 of Mumbai Metro, etc. Some of the well-known corporates, financial institutions, consulates, educational institutions, hotels, F&B outlets and a hospital already occupy space in BKC. With almost no residential supply except Sunteck Projects, CXOs who aspire a luxurious lifestyle along with close proximity to their work place continue to drive demand in the micro-market. Further, with upcoming commercial supply in BKC, we believe that we are well placed to benefit from it.
- (b) Oshiwara District Centre (ODC)** identified as the next CBD by MMRDA is strategically located and enjoys superior connectivity to major nodes of the city. MMRDA continues to improve the infrastructure; construction of six ninety feet roads in the notified zone of ODC and three metro stations in a radius of 2-3kms over the coming years, would further enhance the micro-market’s profile.

Sunteck City Avenue 1 and Sunteck City Avenue 2 we have successfully been able to start handing over the units. Incrementally, the construction of Sunteck City 4<sup>th</sup> Avenue (Tower 1 & Tower 2) has added to our residential offering in the vicinity. The launch of both the towers in 4<sup>th</sup> Avenue has met with an overwhelming response, and your Company has been able to achieve strong pre-sales. In FY 2022, highest-ever pre-sales was achieved, of which the aspirational segment and mid income segment contributed to more than 70% of the total pre sales for this year.

In close proximity, there are various large commercial developments such as Nirlon Knowledge Park, Nesco and Mind Space with prominent occupiers - MNCs, back offices of international banks (Citi, JP Morgan, Deutsche Bank) as well as IT companies. Keeping in mind the current market dynamics and ongoing pandemic, we are currently working on water-tight plans for Sunteck City 5<sup>th</sup> Avenue, comprising of commercial and retail space.

**With our project Sunteck City** - a large mixed-use development spread, we intend to create a true sense integrated community living.

- (c) Sunteck World** brand in Naigaon continues to witness strong demand in our portfolio. Sunteck Oneworld met with grand success at the time of launch. Sunteck Maxworld construction is going in full speed and the club house constructed is one of the biggest in the area and Westworld the construction has been nearing completion.

Work is in full swing and your Company has been able to achieve record construction progress since breaking ground despite the pandemic, a reflection of your Company’s strong execution skill. We’ve adopted ‘Mivan Technology’, using pre-casted aluminium structures unlike wooden structure for RCC, to significantly reduce slab cycles.

Naigaon project has strengthened our cash flow visibility & enabled portfolio diversification with an entry into aspirational luxury segment. The launch of upcoming phases will further strengthen the cash flows and product offerings.

- (d) New Acquisitions** - Similar to our strategy to enter BKC, ODC and Naigaon - Vasai, Kalyan and Vasind will evolve into our growth engines for your company going forward, as it offers us potential untapped demand in that micro-market. With a focus on middle income and aspirational groups, we intend to offer well designed quality apartments with scenic views - catering to emerging customer needs of residential premises that not only offer a luxurious lifestyle, but also ensures a comfortable ‘Work from Home’ environment - an emerging need based on the ongoing pandemic COVID-19.



# Management Discussion and Analysis (Contd.)

## OPPORTUNITIES

We are seeing an increase in demand and owning a house has become a positive and we are seeing a major shift in demand not only from under constructions but also from our nearing ready inventory.

Interest rates has reduced over the course of the period and customer sentiments has had a shift since the work from home was introduced it has instilled a demand for bigger houses and consumers are on the lookout for luxury homes in the MMR region with trusted and reputed developers.

Most of your Company's inventory is ready or near ready. We were positively oriented by the pre-sales achieved in FY 2022 and most of it is driven by either finished or close to finished inventory in projects like Sunteck City which is our mid-income segment, Sunteck World which is the aspirational segment and Signia which belongs to the luxury segment.

We have seen a paradigm shift in demand and seen an upward rise in the aspirational and middle-income housing segment which has contributed really effectively in terms of pre sales in the previous year, particularly in the desirable MMR real estate market. The Company can command premium pricing and achieve sales throughout the construction phase for all customer segments thanks to its well-established brand.

Our strong balance sheet, reputation for exceptional execution, and brand recognition position us to benefit the most and grow our market share. By making asset-light purchases that guarantee favourable ROEs, we plan to take advantage of the current opportunity while laying the groundwork for future sustainable growth.

## ELEMENTS OF COMPETITIVE ADVANTAGE

Asset Light Strategy	- Efficient RoE Model in capital intensive MMR - JV/JDA Model preferred
Balance Sheet Strength	- Optimal leverage and borrowing cost - Fiscal discipline through prudent cash flow management
Research Based Acquisitions	- Proven ability to identify strategic locations along the growth vector - Aggressive acquisition during market slowdown
Insourced Capabilities	- Independent execution teams for various brands - Firm control on costs and quality
Premium Positioning	- Well established luxury brands catering to diversified income segments - Value creation through marquee projects that elevate micro-market profile

## CONSOLIDATED FINANCIAL PERFORMANCE

Your Company recorded Income from operations of ₹ 513 Crore in 2021-22. PAT stood at ₹ 25 Crore in 2021-22.

As part of the Company's endeavour to reward shareholders, the Board has recommended a final dividend @150% of ₹ 1.5 per equity share having face value of ₹ 1 each to the Shareholders of the Company. The Company's FY 2021-22 proposed dividend payout shall be ~ ₹ 21.96 Crore on the total equity base.

The Net Worth of the Company increased to ₹ 2,790 Crore in FY 2021-22 compared to ~₹ 2,772 Crore in FY 2020-21 on account of the profits. Net Debt to equity ratio stood at 0.19x in FY 2021-22. Our prudent corporate finance practices also ensured efficient finance costs during the year.



## Management Discussion and Analysis (Contd.)

### Abridged Consolidated Profit & Loss Account

Particulars	In Lakhs	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Income from Operations	51,307.56	61,405.93
Other Income	2,094.72	1,676.74
Total Revenue	53,402.28	63,082.67
Total Expenditure	50,264.47	56,676.91
Profit Before Tax	3,137.81	6,405.76
Share of profit/(loss) of associates	116.69	34.26
Exceptional item expense	-	603.50
Tax	746.17	1,642.45
Profit After Tax	2,508.33	4,194.07
Minority Interest (Profit)/loss	-	-
Comprehensive Income/(loss)	647.00	(459.43)
Adjusted Profit After Tax	3,155.33	3,734.64
EPS (₹ / share)		
Basic EPS	1.79	2.98
Diluted EPS	1.79	2.98

### Abridged Consolidated Balance Sheet

Liabilities	FY 2022		FY 2021		Assets	FY 2022		FY 2021	
Shareholders' Funds	2,79,040	2,77,225			Trade Receivables	27,052	33,381		
Minority Interest	-	-			Inventories	4,04,189	2,61,446		
Secured Loans	69,948	59,687			Loans & Advances	11,311	7,917		
Unsecured Loans	8,746	9,103			Cash & Bank balances	9,683	9,905		
Others	1,92,153	58,785			Others	97,652	92,151		
<b>Total</b>	<b>5,49,887</b>	<b>4,04,800</b>			<b>Total</b>	<b>5,49,887</b>	<b>4,04,800</b>		

### Financial Ratios

			FY 2022	FY 2021	Remarks
Debtors Turnover	x	Sales Debtors	1.90	1.84	Driven by higher collections in a year
Inventory Turnover	x	Sales / COGS Inventory	0.13	0.23	Increase in inventories on account of cost incurred in the current year on projects wherein at a point in time is followed as the basis of revenue recognition
Interest Coverage Ratio	x	EBIT / Interest Expense	1.42	1.69	Adequate coverage ratio
Current Ratio	x	Current Assets / Current Liabilities	2.22	5.06	Ratio above 2x indicates adequate Liquidity position.
Debt Equity Ratio	x	Total Borrowings / Total Shareholders' Equity	0.28	0.25	Ratio adequate indicates low leverage position
Operating Profit Margin	%	EBITDA / Total Revenue	19%	22%	EBITDA margin change is due to change in sales mix and lower revenue recognition
Net Profit Margin	%	PAT / Total Revenue	5%	7%	PAT margin change is due to change in sales mix and lower revenue recognition
RoNW	%	PAT / Total Shareholders' Equity	1%	2%	Increase in shareholder equity



## Management Discussion and Analysis (Contd.)

Your Company broadly defines “liquidity” as its ability to generate sufficient funds from both internal and external sources to meet its obligations and commitments. Your Company has funded capital requirements primarily through cash flows generated from its operations. Working capital requirements were met by internal accruals and short term borrowings from Banks to run the operations efficiently.

### INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

In line with the size, scope, and complexity of its operations, the Company has a strong internal financial control system. It has put in place sufficient controls, processes, and policies to ensure the orderly and efficient conduct of its company, including adherence to policies, asset protection, fraud detection and prevention, accuracy and completeness of accounting records. Internal controls over financial reporting have been created using the proper frameworks, ensuring the accuracy of the Company’s financial statements and lowering the risk of error. Regular internal audits and checks ensure that responsibilities are discharged effectively.

Your business is constantly modernizing its IT infrastructure, including its hardware and software. It has a robust ERP platform to automate corporate procedures and boost output and effectiveness. Intelligent reporting tools are in place that give business valuable insights to act decisively quickly.

### HUMAN RESOURCE

Our personnel, in our opinion, are our most valuable assets and are essential to attaining both our vision and growth goals. Diversity, inclusivity, equal opportunity, nondiscrimination, meritocracy, and freedom of expression are the cornerstones of our workplace culture. We support online learning and give employees chances to improve their functional, technical, and behavioral competencies. All of our employees are protected from harm at work thanks to our strict standards.

Even though our employees were dispersed geographically, effective communication remained a top priority. Google Meet and Zoom were widely utilised to accommodate employees, but that was not enough for managers to grasp productivity. We implemented a Self-Productivity Tracker and have had all teams submit these on a monthly basis to HR and Reporting Managers. This aided management in keeping track on the progress of all tasks.

Employees’ health and happiness suffered as a result of the abrupt change in company culture. Which is why the HR team created HR Connect to fix the problem. It was a huge help in preparing for and resolving any future challenges that arose because of this.

Recruiting new Management Trainees and Interns has always been a priority of ours since we know that bringing in a youthful, enthusiastic workforce with new ideas is a great way to jumpstart productivity. In order to create well-rounded professionals in their various departments, they were placed through a rigorous on-the-job rotation programs.

In order to provide the best possible working conditions for our employees, we regularly review our human resources practices. We have conducted an in-depth analysis of our current HR policies and a benchmarking analysis of our leading competitors in order to introduce cutting-edge HR practices.

The corporation has made it a priority to recruit only the most qualified candidates and to provide them with opportunities for growth and advancement within the Company.

In terms of talent management, this past year was primarily focused on expanding our Sales, Customer Relationship Management, and Marketing teams, as well as the senior management executives in charge of these areas. This is in continuation with our efforts over the past year to increase employment across a variety of business segments including Engineering, Procurement, and Construction (EPC), Acquisitions, and Legal and Liaison.

Everyone is encouraged to dream large and think boldly thanks to the Company’s openness to new ideas and the emphasis on putting those ideas into action. The organisation values its employees’ contributions and hopes that their collaborative nature will persist in the next years.

## **FINANCIAL STATEMENTS**

**Consolidated Financial Statements : 105-199**

**Standalone Financial Statements : 200-287**



# Independent Auditor's Report

## To the Members of Sunteck Realty Limited

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### Opinion

1. We have audited the accompanying consolidated financial statements of Sunteck Realty Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint ventures, as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated 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 consolidated state of affairs of the Group and its joint ventures as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures 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 consolidated 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matters

4. We draw attention to:
  - (i) Note 58 to the accompanying consolidated financial statements which describes the uncertainties relating to recoverability of ₹ 1,402.73 lakhs as at 31 March 2022, from a partnership firm ('firm'), included in the other non-current financial assets, in which the Holding Company was associated as a partner till 6 October 2020. On account of certain disputes with the other partner of the firm, the Holding Company had initiated arbitration proceedings against the other partner which was decided in favour of the Holding Company on 4 May 2018, but has been challenged by the other partner before the Bombay High Court. Further, as described in the said note, the financial statements of the firm are not available with the Holding Company and therefore, the Holding Company's share of profit/(loss) for the period from 2015 till 6 October 2020 has not been accounted by the management for preparation of the consolidated financial statements, however the management is of the view that the impact of such share of profit/(loss) would not be material to the accompanying consolidated financial statements since there are no operations in the partnership firm during the aforesaid period. Basis the favourable arbitration award and the legal opinion obtained, the management believes that the aforesaid balances are fully recoverable and hence, no provision for impairment is required to be recognised in respect of such balances as at 31 March 2022.
  - (ii) Note 60 to the accompanying consolidated financial statements, which describes uncertainties regarding the recoverability of a security deposit amounting to ₹ 2,500.00 lakhs, included in the Group's non-current other financial assets outstanding as at 31 March 2022, which was given to a party under a memorandum

## Independent Auditor's Report (Contd.)

of understanding ('MOU') entered by one of its subsidiary companies, Magnate Industries LLP ('MIL'), for joint development of a real-estate project, subject to certain terms and conditions to be complied with. As the terms and conditions could not be fulfilled, the security deposit became due for refund and receivable from the party. The other party has incurred losses and its net-worth is fully eroded as on date. MIL has filed a petition before the National Company Law Tribunal, which was dismissed on certain grounds against which an appeal has been filed before the National Company Law Appellate Tribunal that is pending as on date. Based on the legal opinion obtained and other factors as stated in the aforesaid note, the management is of the view that the aforesaid non-current other financial asset is fully recoverable as at 31 March 2022.

Our opinion is not modified in respect of the above matters.

### Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
<b>(i) Revenue recognition for real estate development contracts</b>	
<p>The accounting policies relating to revenue recognition is set out in Note 2(e) to the consolidated financial statements.</p> <p>As per the principles of Ind AS 115- 'Revenue from Contracts with Customers' (Ind AS 115), revenue from sale of residential/ commercial properties is recognized when the performance obligations are essentially complete and it is probable that the economic benefits will flow to the Group.</p> <p>Revenue from real-estate contracts for some projects is recognised over a period of time (using percentage of completion method), if the necessary conditions/ obligations as mentioned in the Ind AS 115 are satisfied, in all other cases, revenue is recognized at the point in time when the control over the property has been transferred to the buyer. Significant level of judgement is required in identifying contract obligations and whether these obligations are satisfied over a period of time or at the point in time. Further, for determining revenue using percentage of completion method, budgeted project cost is a critical estimate, which is subject to inherent uncertainty as it requires ascertainment of progress of the project, cost incurred till date and balance cost to be incurred to complete the project.</p> <p>Considering the significance of management judgement involved as mentioned above, and the materiality of amounts involved, revenue recognition was identified as a key audit matter for the current year audit.</p>	<p>Our audit procedures on revenue recognised from real estate development contracts included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the appropriateness of the Group's accounting policy for revenue recognition from real estate development contracts in accordance with Ind AS 115;</li> <li>• Obtained an understanding of the systems, processes and controls implemented by the management for recording and calculating revenue;</li> <li>• Assessed the design and implementation of key controls over the recognition of contract revenue, completeness and accuracy of cost and revenue reports generated from the system and tested the operating effectiveness of these controls;</li> <li>• On a sample basis inspected the underlying customer contracts to understand the contractual terms whereby ownership rights will be transfer to the unitholders and assessed appropriateness of management's evaluation of determining revenue recognition from sale of real estate property at a point in time or over time in accordance with the requirements under Ind AS 115;</li> <li>• Reviewed the management's budgeting system and process of calculating the cost to be incurred for completing the remaining performance obligations, which has been reviewed periodically and approved by appropriate levels of management;</li> </ul>



## Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matters
	<ul style="list-style-type: none"> <li>• Compared the aggregate project cost (including costs incurred) with costs of similar projects;</li> <li>• Verified the possession letters issued on sample basis along with the proof of deliveries;</li> <li>• Verified the collection from customers for the units sold from the statement of accounts on a sample basis;</li> <li>• Performed a retrospective review of costs incurred with budgeted costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the project;</li> <li>• Tested revenue recognition for cut-off transactions on sample basis to assess whether the timing of revenue recognition is appropriate; and</li> <li>• Assessed the adequacy of disclosures included in financial statements, as specified in Ind AS 115.</li> </ul>
<p><b>(ii) Carrying values of inventories</b></p> <p>The accounting policies for Inventories are set out in Note 2(k) to the consolidated financial statements.</p> <p>Inventory of the Group comprise of completed real estate units, construction work in progress of ongoing projects and land and development rights. Inventory is valued at cost and net realisable value (NRV), whichever is less.</p> <p>NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale and estimated costs of completion (in case of construction work-in- progress). The inventory of finished goods and construction work-in- progress is not written down below cost when completed flats/ under-construction flats /properties are expected to be sold at or above cost.</p> <p>The cost includes direct and indirect expenditure relating or incidental to construction activity. Various estimates such as prevailing market conditions, stage of completion of the projects, future selling price, selling costs and cost to complete projects are necessary to derive NRV. Refer Note 11 in respect of construction work-in-progress of ₹ 140,958.28 lakhs, land and development rights of ₹ 196,373.20 lakhs and completed units of ₹ 66,264.55 lakhs to the consolidated financial statements.</p>	<p>Our audit procedures included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing and the management process of determining the Net Realisable Value (NRV);</li> <li>• Enquired of the management and inspected the internal controls related to inventory valuation along with the process followed to recover/adjust these and assessed whether impairment is required;</li> <li>• Tested the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred construction budgets and net realisable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls;</li> <li>• Where the management involved specialists to perform valuations, evaluated the objectivity and independence of those specialists;</li> <li>• For land parcels, obtained and verified the valuation of land parcels as per government prescribed circle rates, where relevant;</li> </ul>

## Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matters
<p>Considering the significance of management judgement involved as mentioned above, and the materiality of amounts involved, impairment of was identified as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>• Compared NRV with recent sales or estimated selling price and also checked the general selling costs;</li> <li>• Compared the estimated construction costs to complete each project with the Group's updated budgets. Re-computing the NRV, on a sample basis, to test inventory units are held at the lower of cost and NRV; and</li> <li>• Assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.</li> </ul>
<p><b>(iii) Recoverability of carrying value of investment in/ loan to joint ventures</b></p>	
<p>The accounting policies for carrying value of investment in joint ventures are set out in Note 2(c)(iii) to the consolidated financial statements.</p> <p>The Group's investment portfolio represents a significant portion of the Group's total assets, which primarily consists of investments in equity instruments of joint ventures.</p> <p>The aforesaid investments are accounted using the equity method. The investments are assessed for impairment at each reporting date.</p> <p>The Group's non-current investments and non-current loans amounting to ₹ 13,911.37 lakhs and ₹ 3,989.77 lakhs respectively, as at 31 March 2022 recoverable from GGICO Sunteck Limited (GGICO), a joint venture (JV) company. The Holding Company has acquired 50% share in GGICO, through its wholly owned step-down subsidiary, Sunteck Lifestyle Limited (SLL), for development of real-estate project in Dubai, the execution of which has been delayed. Development of the project by GGICO has been delayed on account of certain disputes with the other JV partner and SLL has initiated arbitration against the other partner which is currently pending before London Court of International Arbitration (LCIA). Further, the other JV partner has also initiated the arbitration proceedings before LCIA against the Holding Company and SLL, which has been admitted by LCIA. In the arbitration initiated by SLL, partial award has been given by the Tribunal, LCIA, as further explained in the Note 59.</p>	<p>Our audit procedures included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for identification of impairment indicators for assessing the recoverability of the carrying value of investment in/loan to joint ventures;</li> <li>• Assessed the appropriateness of the relevant accounting policies of the Group, including those relating to recognition and measurement of investments by comparing with the applicable accounting standards;</li> <li>• Evaluated the design and implementation and tested the operating effectiveness of controls over the Group's process of impairment assessment and approval of forecasts;</li> <li>• Assessed the valuation methods used, financial position of the joint ventures to identify excess of their net assets over the carrying amount of investment and loan by the Group and assessing profit history of the joint venture;</li> <li>• For the exposure, whether the carrying amount exceeded the net assets value, understanding from the Group regarding the basis and assumptions used for the projected profitability;</li> <li>• Verified the inputs used in the projected profitability;</li> <li>• Tested the assumptions and understanding the forecasted cash flows of joint ventures based on our knowledge of the Group and the markets in which they operate;</li> </ul>



## Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matters
<p>Further, the Group has non-current investment in Piramal Sunteck Realty Private Limited ('PSRPL'), a joint venture of the Group, amounting to ₹ 4,240.31 lakhs. The joint venture's non-current financial assets as at 31 March 2022 includes ₹ 1,715.46 lakhs (the Group's share ₹ 857.73 lakhs) pertaining to additional lease premium paid by PSRPL to the City and Industrial Development Corporation ('CIDCO') on account of delay in completion of a project beyond the control of PSRPL as further explained in the Note 61.</p> <p>The assessment of recoverable amount of the Group's investment and loan from joint ventures is considered as significant risk area in view of the materiality of the amounts involved, judgements involved in determining of impairment/ recoverability of the carrying value of the investment and loan from joint ventures, which includes assessment of conditions and financial indicators of the investee, such as current projects, expected sales, future business plan, upcoming projects and the recoverability of certain investments and loan.</p> <p>We focused on this area as a key audit matters due to significant risk and judgement involved in forecasting future cash flows and the selection of assumptions.</p> <p>Considering this matter is fundamental to the understanding of the user of consolidated financial statements, we draw attention to Notes 59 and 61 of the consolidated financial statements, regarding the Group's non-current investment in joint venture companies, GGICO Sunteck Limited and Piramal Sunteck Realty Private Limited respectively.</p>	<ul style="list-style-type: none"> <li>Assessed the comparability of the forecasts with historical information;</li> <li>Analysed the possible indications of impairment and understanding Group's assessment of those indications;</li> <li>Read and evaluated the litigation related documents and obtained an understanding of the current status of the disputed case; and</li> <li>Assessed the appropriateness of the Group's description of the accounting policy and disclosures in respect of the investment in joint ventures (including interest accrued) and whether these are adequately presented in the consolidated financial statements.</li> </ul>

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

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



## Independent Auditor's Report (Contd.)

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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the 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. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group and its joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its joint ventures.

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

11. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.
12. 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 consolidated 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 Holding Company has adequate internal financial controls system 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;



## Independent Auditor's Report (Contd.)

- 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 ability of the Group and its joint ventures 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 Group and its joint ventures 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; and
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its joint ventures, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
13. 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.
  14. 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.
  15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

16. We did not audit the financial statements/financial informations of twenty two (22) subsidiaries, whose financial statements (before eliminating intra-group balances and transactions) reflects total assets of ₹ 300,784.24 lakhs and net assets of ₹ 74,558.40 lakhs as at 31 March 2022, total revenues of ₹ 9,572.71 lakhs and net cash inflows amounting to ₹ 352.80 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive loss) of ₹ 0.09 lakhs for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of two (2) joint ventures, whose financial statements/financial informations have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, are based solely on the reports of the other auditors.

Further, of these subsidiaries and joint ventures, three (3) subsidiaries are located outside India, whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally

## Independent Auditor's Report (Contd.)

accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries and joint ventures located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of Nil for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of one (1) joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of aforesaid joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

### Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries and joint ventures, we report that the Holding Company paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that seventeen (17) subsidiary companies incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to one (1) joint venture company incorporated in India whose financial statements have been audited under the Act, since such company is not a public company as defined under section 2(71) of the Act.
19. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
20. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and joint ventures incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;



## Independent Auditor's Report (Contd.)

- e) The matters described in paragraph 4(i) of the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Holding Company; paragraph 4(ii) of the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Holding Company and Magnate Industries LLP, a subsidiary of the Holding Company; paragraph 6(iii) under the Key Audit Matters section, in our opinion, may have an adverse effect on the functioning of the Holding Company, Sunteck Lifestyle International Private Limited ('SLIPL'), a subsidiary of the Holding Company, Sunteck Lifestyle Limited, a subsidiary of SLIPL and Piramal Sunteck Realty Private Limited, a joint venture of the Holding Company;
- f) On the basis of the written representations received from the directors of the Holding Company, its subsidiary companies and joint venture companies and taken on record by the Board of Directors of the Holding Company, its subsidiary companies and joint venture companies, respectively, and the reports of the statutory auditors of its subsidiary companies and joint venture companies, covered under the Act, none of the directors of the Group companies and its joint venture companies, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures incorporated in India whose financial statements have been audited under the Act:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures as detailed in Notes 39 (i), 39(ii), 39(iii), 58, 59, 60 and 61 to the consolidated financial statements;
  - ii. The Holding Company, its subsidiary companies and joint venture companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and joint venture companies during the year ended 31 March 2022;
  - iv.
    - a. The respective managements of the Holding Company, its subsidiary companies and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in Note 54(i) to the consolidated 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 Holding Company or its subsidiary companies or its joint venture companies 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 Holding Company, or any such subsidiary companies or its joint venture companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The respective managements of the Holding Company, its subsidiary companies and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 54(i) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its

## Independent Auditor's Report (Contd.)

subsidiary companies or its joint venture companies from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies or its joint venture companies 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 by us and that performed by the auditors of the subsidiaries and joint ventures, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. a. The final dividend paid by the Holding Company and its two (2) subsidiary companies during the year ended 31 March 2022 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- b. As stated in Note 48 (b) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- c. The other subsidiary companies under the Act, have not declared or paid any dividend during the year ended 31 March 2022.

### For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

### Rakesh R. Agarwal

Partner

Membership No.: 109632

UDIN: 22109632AJYBEC6510

Place: Mumbai

Date: 30 May 2022



## Annexure I to the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the consolidated financial statements for the year ended 31 March 2022

### List of subsidiaries and joint ventures included in the Consolidated Financial Statements

<b>Subsidiaries</b>	
Skystar Buildcon Private Limited	Starlight Systems Private Limited
Starlight Systems (I) LLP	Sahrish Constructions Private Limited
Satguru Corporate Services Private Limited	Starteck Lifestyle Private Limited
Satguru Infocorp Services Private Limited	Advaith Infraprojects Private Limited
Sunteck Property Holdings Private Limited	Sunteck Real Estates Private Limited
Sunteck Realty Holdings Private Limited	Sunteck Infraprojects Private Limited
Clarissa Facility Management LLP	Mithra Buildcon LLP
Sunteck Lifestyle Limited (UAE)	Magnate Industries LLP
Sunteck Lifestyle International Private Limited (Mauritius)	Sunteck Lifestyle Management DMCC (UAE)
Shivay Brokers Private Limited (w.e.f. 19 November 2020)	Sunteck Lifespace Private Limited (w.e.f. 2 November 2021)
Industele Property Private Limited (w.e.f. 1 November 2021)	Rammit Corporate Solutions Private Limited (w.e.f. 18 February 2022)
Prija Trading Private Limited (w.e.f. 18 February 2022)	Sunteck Infracon Private Limited (w.e.f. 30 March 2022)
<b>Joint Ventures</b>	
Piramal Sunteck Realty Private Limited	Uniworth Realty LLP
Nariman Infrastructure LLP	GGICO Sunteck Limited (UAE)

## **Annexure II** to the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the consolidated financial statements for the year ended 31 March 2022

### **ANNEXURE II**

#### **Independent Auditor's Report on the internal financial controls with reference to 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 consolidated financial statements of Sunteck Realty Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint ventures as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its joint venture companies, which are companies covered under the Act, as at that date.

#### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its joint venture companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective 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 internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its joint venture companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its joint venture companies as aforesaid.

#### **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



## Annexure II

to the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the consolidated financial statements for the year ended 31 March 2022 (Contd.)

and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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 and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies and joint venture companies, the Holding Company, its subsidiary companies and its joint venture companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI .

### Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to fifteen (15) subsidiary companies, which are companies covered under the Act, whose financial statements (before eliminating intragroup transactions and balances) reflect total assets of ₹ 159,411.38 lakhs and net assets of ₹ 29,134.35 lakhs as at 31 March 2022, total revenues of ₹ 7,377.80 lakhs and net cash inflows amounting to ₹ 159.61 lakhs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies and its joint venture companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

### For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

### Rakesh R. Agarwal

Partner

Membership No.: 109632

UDIN: 22109632AJYBEC6510

Place: Mumbai

Date: 30 May 2022



# Consolidated Balance Sheet

As at 31<sup>st</sup> March, 2022

Particulars	Note No.	(₹ in Lakhs)	
		As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	4,736.59	3,341.92
Capital work in progress	3.1	674.35	929.08
Investment properties	4	7,503.03	1,942.62
Goodwill on consolidation	4.1	-	-
Intangible assets	5(a)	9.93	7.60
Intangible assets under development	5(b)	60.25	28.00
Investments in joint venture accounted using equity method	6(a)	23,294.51	22,587.62
Financial assets			
Investments	6(b)	166.97	67.46
Loans	7	3,989.77	3,869.54
Other financial assets	8	4,799.88	4,147.09
Deferred tax assets (net)	9(a)	2,871.80	3,314.38
Income tax assets (net)	38	2,171.45	1,236.29
Other non-current assets	10	154.30	60.52
<b>Total non-current assets</b>		<b>50,432.83</b>	<b>41,532.12</b>
<b>Current assets</b>			
Inventories	11	404,189.43	261,446.04
Financial assets			
Investments	12	-	3,151.56
Trade receivables	13	27,052.30	33,380.92
Cash and cash equivalents	14	6,453.85	5,159.61
Other bank balances	15	3,229.36	4,745.54
Loans	16	7,321.36	4,047.68
Other financial assets	17	10,937.61	13,694.30
Other current assets	18	40,270.28	37,642.27
<b>Total current assets</b>		<b>499,454.19</b>	<b>363,267.92</b>
<b>Total assets</b>		<b>549,887.02</b>	<b>404,800.04</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	19	1,404.50	1,403.94
Other equity	20	277,635.88	275,821.15
<b>Total equity</b>		<b>279,040.38</b>	<b>277,225.09</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	21	43,982.33	55,196.54
Other financial liabilities	22	1,431.04	338.87
Provisions	23	190.57	128.95
Deferred tax liabilities (net)	9(b)	65.43	34.01
Other non-current liabilities	24	28.20	31.03
<b>Total non-current liabilities</b>		<b>45,697.57</b>	<b>55,729.40</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	25	34,711.96	13,593.41
Trade payables	26		
- total outstanding dues of micro enterprises and small enterprises		1,809.80	1,233.25
- total outstanding dues of creditors other than micro enterprises and small enterprises		17,545.02	17,039.26
Other financial liabilities	27	1,420.59	1,038.21
Other current liabilities	28	169,354.38	38,378.83
Provisions	29	266.16	224.57
Current tax liabilities (net)	38	41.16	338.02
<b>Total current liabilities</b>		<b>225,149.07</b>	<b>71,845.55</b>
<b>Total liabilities</b>		<b>270,846.64</b>	<b>127,574.95</b>
<b>Total equity and liabilities</b>		<b>549,887.02</b>	<b>404,800.04</b>

Summary of significant accounting policies

2

The accompanying notes are an integral part of these consolidated financial statements

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

For and on behalf of the Board of Directors

**For Walker Chandiook & Co LLP**Chartered Accountants  
Firm Registration No. 001076N/N500013**Rakesh R. Agarwal**Partner  
Membership No. 109632**Kamal Khetan**Chairman and Managing Director  
DIN: 00017527**Mukesh Jain**Director  
DIN: 01316027**Manoj Agarwal**

Chief Financial Officer

**Atul Poopal**Director  
DIN: 07295878**Vaddarse Shetty**Director  
DIN: 00021773**Rachana Hingarajia**Director and Company Secretary  
DIN: 07145358**Chaitanya Dalal**Director  
DIN: 00185847**Sandhya Malhotra**Director  
DIN: 06450511Place: Mumbai  
Date: 30<sup>th</sup> May, 2022Place: Mumbai  
Date: 30<sup>th</sup> May, 2022



# Consolidated Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>INCOME</b>			
Revenue from operations	30	51,307.56	61,405.93
Other income	31	2,094.72	1,676.74
<b>Total income</b>		<b>53,402.28</b>	<b>63,082.67</b>
<b>EXPENSES</b>			
Cost of construction and development	32	86,184.86	23,237.70
Changes in inventories of work-in-progress and finished properties	33	(60,455.02)	13,268.52
Employee benefits expense	34	5,275.99	3,820.31
Finance costs	35	7,761.00	8,463.60
Depreciation and amortisation expenses	36	728.68	520.35
Other expenses	37	10,768.96	7,366.43
<b>Total expenses</b>		<b>50,264.47</b>	<b>56,676.91</b>
<b>Profit before share of profit of joint ventures</b>		<b>3,137.81</b>	<b>6,405.76</b>
Add: Share of profit of joint ventures (net)		116.69	34.26
<b>Profit before exceptional items and tax</b>		<b>3,254.50</b>	<b>6,440.02</b>
Exceptional item - expense	56	-	603.50
<b>Profit before tax</b>		<b>3,254.50</b>	<b>5,836.52</b>
<b>Tax expense</b>	38		
Current tax		285.82	1,026.89
Deferred tax		460.35	615.56
<b>Profit for the year</b>		<b>2,508.33</b>	<b>4,194.07</b>
<b>Other comprehensive income/ (expense)</b>			
(a) Items not to be reclassified subsequently to profit or loss			
- Gain/ (loss) on fair value of defined benefit plans as per actuarial valuation	43	(33.46)	16.13
- Gain/ (loss) on fair value of equity instruments	46 (iv)	99.50	10.94
- Income tax relating to above items		(13.65)	(7.53)
(b) Items to be reclassified subsequently to profit or loss			
- Translation exchange gain/ (loss) relating to foreign operations		594.61	(478.97)
<b>Other comprehensive income/ (loss) for the year, net of tax</b>		<b>647.00</b>	<b>(459.43)</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>3,155.33</b>	<b>3,734.64</b>
<b>Net profit attributable to :</b>			
Owner's of the parent		2,508.33	4,194.07
Non-controlling interest		-	-
<b>Other comprehensive income/ (loss) attributable to:</b>			
Owner's of the parent		647.00	(459.43)
Non-controlling interest		-	-
<b>Total comprehensive income attributable to:</b>			
Owner's of the parent		3,155.33	3,734.64
Non-controlling interest		-	-
<b>Earnings per equity share of face value ₹ 1 each</b>	41		
Basic (in ₹)		1.79	2.98
Diluted (in ₹)		1.79	2.98

Summary of significant accounting policies

2

The accompanying notes are an integral part of these consolidated financial statements

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

**For and on behalf of the Board of Directors****For Walker Chandio & Co LLP**Chartered Accountants  
Firm Registration No. 001076N/N500013**Kamal Khetan**Chairman and Managing Director  
DIN: 00017527**Atul Poopal**Director  
DIN: 07295878**Chaitanya Dalal**Director  
DIN: 00185847**Rakesh R. Agarwal**Partner  
Membership No. 109632**Mukesh Jain**Director  
DIN: 01316027**Vaddarse Shetty**Director  
DIN: 00021773**Sandhya Malhotra**Director  
DIN: 06450511**Manoj Agarwal**

Chief Financial Officer

**Rachana Hingarajia**Director and Company Secretary  
DIN: 07145358Place: Mumbai  
Date: 30<sup>th</sup> May, 2022Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

## Consolidated Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	3,254.50	5,836.52
<b>Adjustments for</b>		
Depreciation and amortisation expenses	728.68	520.35
Gain on fair valuation of investments	(0.09)	(13.49)
Loss on redemption of debentures	80.87	-
Share-based (reversal) to employees	(55.32)	(19.46)
Interest income	(2,082.23)	(1,663.25)
Finance costs	7,761.00	8,463.60
Sundry balances (written back) / written off (net)	(72.15)	31.83
Exceptional item expense	-	603.50
Property, plant and equipment written off	-	2.76
Provision for expected credit loss	-	210.50
Share of profit of joint ventures	(116.69)	(34.26)
Provision for corporate social responsibility	304.17	446.32
<b>Operating profit before working capital changes</b>	<b>9,802.74</b>	<b>14,384.92</b>
<b>Adjustments for:</b>		
(Increase)/ decrease in inventories (Refer note 3 below)	(148,402.82)	12,934.25
Decrease in trade receivables	6,313.71	3,115.56
(Increase) in loans, other financial assets, other non-current and current assets	(3,175.71)	(12,835.15)
Increase / (decrease) in trade payables	1,029.48	(3,386.21)
Increase in other financial liabilities, provisions and other current and non-current liabilities	132,857.32	13,184.09
<b>Cash flows (used in)/ generated from operations</b>	<b>(1,575.28)</b>	<b>27,397.46</b>
Direct taxes paid (net)	(1,517.84)	(2,314.45)
<b>Net cash flow (used in)/ generated from operating activities - [A]</b>	<b>(3,093.12)</b>	<b>25,083.01</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment, investment properties and intangible assets (Refer notes 2 and 3 below)	(1,826.78)	(1,645.98)
Proceeds from sale of property, plant and equipment	-	21.52
(Infusion)/ withdrawal of capital in joint ventures (net)	(590.20)	1,390.56
Receipts on redemption of debentures	3,070.69	-
Interest received	1,843.97	1,562.83
Loans (given to)/ repayment of joint ventures (net)	(680.98)	119.23
Movement in other bank balances	1,516.18	3,553.00
<b>Net cash flow generated from investing activities - [B]</b>	<b>3,332.88</b>	<b>5,001.16</b>



# Consolidated Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares (including securities premium)	128.89	50.87
Proceeds from long-term borrowings (net of processing fees)	30,585.00	21,742.00
Repayment of long-term borrowings	(17,270.40)	(37,543.33)
Repayments of current borrowings (net)	-	(3,933.30)
Dividends paid	(1,419.95)	(1,416.29)
Finance cost paid	(7,433.80)	(8,602.54)
<b>Net cash flow generated from/ (used in) financing activities - [C]</b>	<b>4,589.74</b>	<b>(29,702.59)</b>
<b>Net increase in cash and cash equivalents - [A+B+C]</b>	<b>4,829.50</b>	<b>381.58</b>
Cash and cash equivalents at the beginning of the year	1,030.72	649.92
Effect of exchange rate fluctuation on cash and cash equivalents	1.19	(0.78)
<b>Cash and cash equivalents at the end of the year (Refer notes 14 and 25)</b>	<b>5,861.41</b>	<b>1,030.72</b>
<b>Component of cash and cash equivalents</b>		
Cash on hand	334.28	324.93
Balances with banks :		
in current accounts	4,640.20	3,561.00
in term deposits with original maturity of less than three months	1,479.37	1,273.68
Less: Bank overdrafts	(592.44)	(4,128.89)
	<b>5,861.41</b>	<b>1,030.72</b>

**Notes:**

- The consolidated cash flow statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.
- Including capital work in progress, capital advance, payable for capital goods, goodwill on consolidation and intangible assets under development.
- Significant non cash movement during the year includes transfer of property from inventories to investment properties amounting to ₹ 5,659.42 Lakhs (31<sup>st</sup> March, 2021: Nil).

The accompanying notes are an integral part of these consolidated financial statement

This is the Consolidated Statement of Cash Flow referred to in our report of even date

**For and on behalf of the Board of Directors****For Walker Chandio & Co LLP**Chartered Accountants  
Firm Registration No. 001076N/  
N500013**Kamal Khetan**Chairman and Managing Director  
DIN: 00017527**Atul Poopal**Director  
DIN: 07295878**Chaitanya Dalal**Director  
DIN: 00185847**Rakesh R. Agarwal**Partner  
Membership No. 109632**Mukesh Jain**Director  
DIN: 01316027**Vaddarse Shetty**Director  
DIN: 00021773**Sandhya Malhotra**Director  
DIN: 06450511**Manoj Agarwal**

Chief Financial Officer

**Rachana Hingarajia**Director and Company Secretary  
DIN: 07145358Place: Mumbai  
Date: 30<sup>th</sup> May, 2022Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

## Consolidated Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2022

	Amount (₹ in Lakhs)
<b>A. Equity share capital (Refer note 19)</b>	
<b>As at 1<sup>st</sup> April, 2020</b>	<b>1,403.72</b>
Changes in equity share capital during the year	0.22
<b>As at 31<sup>st</sup> March, 2021</b>	<b>1,403.94</b>
Changes in equity share capital during the year	0.56
<b>As at 31<sup>st</sup> March, 2022</b>	<b>1,404.50</b>

### B. Other equity (Refer note 20)

Particulars	Other equity							Total other equity		
	Reserve and surplus									
	Capital reserve on merger	Securities premium	Share based payment reserve	Capital reserve	Statutory reserve	General reserve	Retained earnings		Equity instrument through other comprehensive income	Foreign currency translation reserve
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>3.12</b>	<b>96,621.22</b>	<b>251.48</b>	<b>82,560.77</b>	<b>7.21</b>	<b>152.79</b>	<b>96,097.94</b>	<b>(24.61)</b>	<b>151.23</b>	<b>275,821.15</b>
Profit for the year	-	-	-	-	-	2,508.33	2,508.33	-	-	2,508.33
Other comprehensive income/(loss) for the year	-	-	-	-	-	(23.96)	(23.96)	76.35	594.61	647.00
Dividends paid [Refer note 48(b)]	-	-	-	-	-	-	(1,413.61)	-	-	(1,413.61)
Premium on issuance of equity shares (Refer note 42)	-	128.33	-	-	-	-	-	-	-	128.33
Transfer from share based payment reserve on exercise of stock options	-	97.57	(97.57)	-	-	-	-	-	-	-
Net reversal of share based payment (net) (Refer note 42)	-	-	(55.32)	-	-	-	-	-	-	(55.32)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>3.12</b>	<b>96,847.12</b>	<b>98.59</b>	<b>82,560.77</b>	<b>7.21</b>	<b>152.79</b>	<b>97,168.70</b>	<b>51.74</b>	<b>745.84</b>	<b>277,635.88</b>

# Consolidated Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2022

Particulars	Reserve and surplus						Other comprehensive income		Total other equity	
	Capital reserve on merger	Securities premium	Share based payment reserve	Capital reserve	Statutory reserve	General reserve	Retained earnings	Equity instrument through other comprehensive income		Foreign currency translation reserve
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>3.12</b>	<b>96,549.64</b>	<b>291.86</b>	<b>82,560.77</b>	<b>7.21</b>	<b>152.79</b>	<b>93,305.90</b>	<b>(32.85)</b>	<b>630.20</b>	<b>273,468.64</b>
Profit for the year	-	-	-	-	-	-	4,194.07	-	-	4,194.07
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	11.30	8.24	(478.97)	(459.43)
Dividends paid [Refer note 48(b)]	-	-	-	-	-	-	(1,413.33)	-	-	(1,413.33)
Premium on issuance of equity shares (Refer note 42)	-	50.65	-	-	-	-	-	-	-	50.65
Transfer from share based payment reserve on exercise of stock options	-	20.93	(20.93)	-	-	-	-	-	-	-
Net reversal of share based payment (net) (Refer note 42)	-	-	(19.45)	-	-	-	-	-	-	(19.45)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>3.12</b>	<b>96,621.22</b>	<b>251.48</b>	<b>82,560.77</b>	<b>7.21</b>	<b>152.79</b>	<b>96,097.94</b>	<b>(24.61)</b>	<b>151.23</b>	<b>275,821.15</b>

The accompanying notes are an integral part of these consolidated financial statements

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N/N500013

**Rakesh R. Agarwal**  
Partner  
Membership No. 109632

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**Kamal Khetan**  
Chairman and Managing Director  
DIN: 00017527

**Mukesh Jain**  
Director  
DIN: 01316027

**Manoj Agarwal**  
Chief Financial Officer

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**For and on behalf of the Board of Directors**

**Atul Poopal**  
Director  
DIN: 07295878

**Vaddarse Shetty**  
Director  
DIN: 00021773

**Rachana Hingarajia**  
Director and Company Secretary  
DIN: 07145358

**Chaitanya Dalal**  
Director  
DIN: 00185847

**Sandhya Malhotra**  
Director  
DIN: 06450511



Corporate Overview



Statutory Reports



Financial Statements

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022

### 1. CORPORATE INFORMATION

Sunteck Realty Limited ('the Holding Company' or 'the Company') [CIN: L32100MH1981PLC025346] and its subsidiaries and joint-ventures collectively referred to as "Group". The Group is primarily engaged in the business of real estate construction/ real estate development and incidental services.

The Holding Company is a limited company, domiciled in India. The Holding Company was incorporated on 1<sup>st</sup> October, 1981 and has its registered office at 5<sup>th</sup> Floor, Sunteck Centre Subhash Road, Vile Parle (East) Mumbai. Maharashtra - 400057.

The Holding Company's shares are listed on two recognised stock exchanges in India - the Bombay Stock Exchange and the National Stock Exchange.

These consolidated financial statements ('financial statements') of the Group for the year ended 31<sup>st</sup> March, 2022 were approved by the Board of Directors on 30<sup>th</sup> May, 2022.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### a) Basis of preparation

The Holding Company has prepared the financial statements to comply in all material aspects with the provisions of the Companies Act, 2013 ("the Act") and rules framed thereunder. In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Act and the guidelines issued by Securities and Exchange Board of India, to the extent applicable.

The financial statements have been prepared on a historical cost convention and accrual basis, except for the certain financial assets and liabilities that are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Group's normal operating cycle in respect of operations relating to under construction real estate projects may vary from project to project depending upon the size and duration (from launch till occupation certificate period) of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects and other business are based on 12 months period. Assets and liabilities have been classified into current and non-current based on the operating cycle of respective businesses.

These financial statements are presented in Indian rupee, which is the functional currency of the Holding Company. All financial information is presented in Indian rupees.

#### b) Critical estimates and judgements

The preparation of the financial statements, in conformity with the recognition and measurement principal of Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### **i. Useful lives of property, plant and equipment and investment properties**

Property, plant and equipment and investment property represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each reporting date.

### **ii. Goodwill impairment**

The Group estimates the value in use of the cash generating unit (CGU) based on the future cash flow after considering current economic condition and trends, estimated future operating results and anticipated future economic and regulatory conditions.

Goodwill is tested for impairment, relying on a number of factors including operating results, business plan and future cash flow. Calculating the future net cash flow expected to be generated to determine if impairment exists and to calculate the impairment involve significant assumptions, estimation and judgment. The estimated cash flows are prepared using internal forecast.

### **iii. Classification of assets and liabilities into current and non-current**

The management classifies the assets and liabilities into current and noncurrent categories based on management's expectation of the timing of realisation of the assets or timing of contractual settlement of liabilities.

### **iv. Compensation liability in case of project under development**

The management requires to make estimates of payments to be made in connection with the temporary accommodation facilities provided to the tenants and corpus payments for acquiring land developments rights in case of redevelopment projects.

### **v. Impairment of financial and non-financial assets**

In assessing impairment, management estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.

### **vi. Fair value measurements**

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. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### **vii. Expected credit loss**

The Group applies Expected Credit Losses ("ECL") model for measurement and recognition of loss allowance on the following: • Trade receivables and lease receivables. • Financial assets measured at amortised cost (other than trade receivables and lease receivables). • Financial assets measured at fair value through other comprehensive income (FVTOCI). In accordance with Ind AS 109 - Financial Instruments, the group applies ECL model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

For this purpose, the Group follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In case of other assets, the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve months ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

### viii. Revenue recognition

The Group recognises revenue including other fee such as club house charges etc. over the time of completion of project where criteria of Ind AS 115 are met. This requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

### ix. Provisions and contingent liabilities

A provision is recognised when the Group has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

### x. Share-based payments

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

### xi. Valuation of deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the period in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

### xii. Defined benefit obligation

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### c) Principles of consolidation and equity accounting

#### i. Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the profit/ (loss) for the year and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet.

#### ii. Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investment in a joint venture is accounted for using the equity method (refer note (iii) below) from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

#### iii. Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described herein.

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**iv. Changes in ownership interests**

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated Statement of Profit and Loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

**v. Business combination / Goodwill on consolidation**

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in Statement of Profit and Loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as Goodwill in the consolidated financial statements. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the synergies of the acquisition. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually.

**d) Foreign currency transactions**

**(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (₹), which is functional and presentation currency of the Holding Company.

**(ii) Initial recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs.

**(iii) Measurement of foreign currency items at the balance sheet date**

Foreign currency monetary items of the Group are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Non-monetary items



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

### (iv) Foreign operations / entities

The result and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### e) Revenue recognition

#### (i) Revenue from real estate development/sale, maintenance services and project management services

##### Revenue from contracts with customers

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products (residential or commercial completed units) or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

The Group satisfies the performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where any one of the above conditions are not met, revenue is recognised at the point in time (completed contract basis) at which the performance obligation is satisfied.

In case, revenue is recognised over the time, it is being recognised from the financial year in which the agreement to sell or any other binding documents containing salient terms of agreement to sell is executed. In respect of 'over the period of time', the revenue is recognised based on the percentage-of-completion method ('POC method') of accounting with cost of project incurred (input method) for the respective projects determining the degree of completion of the performance obligation.

The period over which revenue is recognised is based on entity's right to payment for performance completed. In determining whether an entity has right to payment, the entity shall consider whether it

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

would have an enforceable right to demand or retain payment for performance completed to date, if the contract were to be terminated before completion for reasons other than entity's failure to perform as per the terms of the contract.

The Group bills to customers for construction contracts as per agreed terms. The Group adjusts the transaction price for the effects of the significant financing component included in the contract price in the case of contracts involving the sale of property under development, where the Group offers deferred payment schemes to its customers.

The revenue recognition of real estate property under development requires forecasts to be made of total budgeted costs with the outcomes of underlying construction contracts, which further require assessments and judgments to be made on changes in work scopes and other payments to the extent they are probable and they are capable of being reliably measured. In case, where the total project cost is estimated to exceed total revenues from the project, the loss is recognised immediately in the Statement of Profit and Loss.

Revenue in excess of billing (unbilled revenue) are classified as contract asset while invoicing in excess of revenues (bill in advance) are classified as contract liabilities.

### (ii) Revenue from Joint Development Agreement (JDA)

For projects executed through JDA, the land owner provides land and the Group undertakes to develop the project on such land. The revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/ development rights received under JDA is measured at either fair value of development rights or the fair value of the estimated construction service rendered 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 JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Group under the JDA. 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 time of signing of development agreement and is not 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.

### (iii) Rent

Rental income is recognised on a time proportion basis as per the contractual obligations agreed with the respective tenant.

### (iv) Maintenance income

Income arising from billing of maintenance charges to tenants/customers is recognised in the period in which the services are being rendered. A receivable is recognised by the Group when the services are rendered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. Further, the Group considers the terms of the contract and its customary business practices to determine the transaction price.

### (v) Interest

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### (vi) Forfeiture income

Forfeiture income is recognised on cancellation of unit by unitholder and when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### (vii) Dividend

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Other income is recognised as and when due or received, whichever is earlier.

### f) Cost of revenue (cost of real estate projects)

Cost of project, includes cost of land (cost of development rights/ land under agreements to purchase) liaisoning costs, estimated internal development costs, external development charges, overheads, construction costs and development/ construction materials, which is charged to the statement of profit and loss based on the revenue recognised as explained in policy under revenue recognition, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

"Costs to obtain contracts" such as brokerage fees paid for obtaining sales contracts, are recognised as assets when incurred and amortised over the period of time or at the point in time depending upon recognition of revenue from the corresponding property sale contract.

### g) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to deductible temporary differences (in case of deferred tax assets) and taxable temporary differences (in case of deferred tax liabilities).

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group entities operates and generates taxable income.

#### Deferred tax

Deferred income tax is provided using the balance sheet approach on deductible and taxable temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and carry forward unused tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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 taxable entity and same taxation authority. Current tax assets and tax liabilities are offset where the Group 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.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income (OCI) or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India which is likely to give future economic benefit in the form of availability of setoff against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

### h) Leases

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

#### Group as a lessee

At the date of the commencement of the lease, the Group recognises a right-of-use asset representing its right to use the underlying asset for the lease term and a corresponding lease liability for all the lease arrangements in which it is a lease, except for leases with a term of twelve months or less (short-term leases) and low value leases.

At present, all contracts in the Group are of low lease value and for these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

#### Group as a lessor

Leases for which the Group is a lessor classified as finance or operating lease. Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### i) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

### j) Impairment of non- financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

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

### k) Inventories

Inventories comprise of land and development rights, construction materials, work-in-progress, completed unsold flats/units. These are valued at lower of the cost and net realisable value.

Land and development rights	Land and development rights (including development cost) are valued at lower of cost and net realisable value. Costs include land acquisition cost and initial development cost.
Construction materials	Construction materials are valued at cost if the completed unsold flats/units in which they will be incorporated are expected to be sold at or above cost, else lower of cost and net realisable value. Cost is determined on a weighted average basis.
Work-in-progress (Real Estate under development)	Work-in-progress is valued at cost if the completed unsold flats/units are expected to be sold at or above cost otherwise at lower of cost and net realisable value. Cost includes direct expenditure relating to construction activity (including land cost) and indirect expenditure during the construction period to the extent the expenditure is related to construction or is incidental thereto.
Completed unsold flats/units	Lower of cost and net realisable value.

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

### l) Financial instruments

#### (i) Classification

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of both:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses will either be recorded in profit or 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 Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### Measurement of loan instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### Measurement of equity instruments

The Group subsequently measures all equity investments at fair value except investment in joint ventures. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### (iii) Impairment of financial assets

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss.

### (iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### (v) Interest income from financial assets

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

### m) Classification and subsequent measurement of financial liabilities

All financial liabilities are recognised initially at its fair value adjusted by directly attributable transaction costs. The measurement of financial liabilities depends on their classification as described below:

#### Financial liabilities at fair value through profit or loss

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

The Group has not designated any financial liability as at fair value through profit and loss.

#### Financial liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised.

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

### n) Offsetting 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 net basis or to realise the assets and settle the liabilities simultaneously.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### o) Property, plant and equipment (including capital work in progress)

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Borrowing costs relating to acquisition of property, plant and equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the statement of profit and loss.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

### p) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Intangible under development (IUD) comprises of direct cost, related incidental expenses and attributable borrowing cost, if any, on intangible assets which are not ready for their intended use. IUD usually pertain to a product development project which has reached a defined milestone according to an established project management model and its technological and economic feasibility is viable. Expenditure on research activities is recognised in statement of profit and loss as incurred. Intangible assets under development are subject to impairment testing at each reporting date and assessed for impairment and impairment loss, if any.

### q) Depreciation and amortisation

- (i) Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. Freehold land is not depreciated.
- (ii) Depreciation on property, plant and equipment and investment property has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for furniture and fixtures and air conditioner wherein based on technical assessment of management, useful life has been estimated to be different from that prescribed in Schedule II to the Act. Residual value is considered as 5% of the original acquisition cost of the assets.

The estimated useful lives of the assets are as follows:

Asset class	Useful life
Building (including classified under investment properties)	60 years
Plant and equipment	15 years
Furniture and fixtures	10 years
Furniture and fixtures (temporary and portable structure)	2 - 3 years
Office equipment	5 years
Air conditioner (classified as office equipment)	10 years
Computers and peripherals	3 years
Vehicles	8 years



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

- (iii) Amortisation is recognised on a straight-line basis over their estimated useful lives. The Group amortises computer software using the straight-line method over the period of 5 years.

The estimated useful life, residual values and depreciation/amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Capital work-in-progress represents expenditure incurred in respect of assets under development and are carried at cost. Cost includes related acquisition expenses, construction cost, borrowing cost capitalised and other direct expenditure.

### r) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

### s) Borrowing costs

Borrowing costs that are directly attributable to the acquisition/construction of qualifying assets are capitalised as part of their costs.

Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the assets for their intended use or sale are in progress.

Borrowing costs consist of interest and other costs that Group incurs in connection with the borrowing of funds. Other borrowing costs are recognised as an expense, in the period in which they are incurred.

Pursuant to a clarification issued by the International Accounting Standards Board ('IASB') in relation to borrowing costs on real-estate projects where revenue is recognised on percentage of completion basis, the Group has with effect from 1<sup>st</sup> April, 2019 excluded such borrowing costs relating to the post-launch period from its estimates of the balance cost to completion, and the same is recognised as finance cost in the Statement of Profit and Loss.

### t) Provisions, contingencies and commitments

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made where there is:

- (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

- (ii) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable. Commitments are future liabilities for contractual expenditure, classified and disclosed as estimated amount of contracts remaining to be executed on capital account and not provided for.

**u) Employee benefits:**

**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Compensated absences**

The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the Group has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

**(iii) Post-employment obligations**

The Group operates the following post-employment schemes:

- (a) defined benefit plan such as gratuity; and
- (b) defined contribution plan such as provident fund.

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

**Defined contribution plan**

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### (iv) Share-based payments

The Group operates equity-settled share based remuneration plans for its employees. All services received in exchange for the grant of any share-based payment are measured at their fair values on the grant date and is recognised as an employee expense, in the profit or loss with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The increase in equity recognised in connection with share-based payment transaction is presented as a separate component in equity under "Employee stock options reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. Grant date is the date when the Group and employees have shared an understanding of terms and conditions on the arrangement.

Where employees are rewarded using share based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth). All share-based remuneration is ultimately recognised as an expense in profit or loss. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holder does not impact the expense recorded in any period.

Market conditions are taken into account when estimating the fair value of the equity instruments granted. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

### v) Contributed equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

### w) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders. Interim dividend is recognised as a liability on the date of declaration by the Board of Directors of the respective entity.

### x) Earnings per share

Basic earnings per share is computed by dividing the profit/ (loss) for the year 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 treasury shares, bonus issue, and bonus element in a rights issue to existing shareholders, share split and reverse share split.

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### y) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III to the Companies Act, 2013 unless otherwise stated.

### z) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting, nature of the products / process, organisation structure as well as differential risks and returns, provided to the Board of Directors, which constitute as chief operating decision maker ('CODM').

### aa) Exceptional Items

When an item of income or expense within profit or loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the year, the nature and amount of such items is disclosed as exceptional items.

### bb) Group Companies considered for consolidation

Name of the entity	% holding	Subsidiary/ Joint venture
Satguru Infocorp Services Private Limited	100%	Subsidiary
Starlight Systems Private Limited	100%	Subsidiary
Sunteck Property Holdings Private Limited	100%	Subsidiary
Satguru Corporate Services Private Limited	100%	Subsidiary
Sahrish Constructions Private Limited	100%	Subsidiary
Sunteck Realty Holdings Private Limited	100%	Subsidiary
Sunteck Lifestyle International Private Limited	100%	Subsidiary
Sunteck Lifestyle Limited	100%	Subsidiary
Sunteck Lifestyle Management DMCC	100%	Subsidiary
Advaith Infracorps Private Limited	100%	Subsidiary
Sunteck Infracorps Private Limited	100%	Subsidiary
Starteck Lifestyle Private Limited	100%	Subsidiary
Sunteck Real Estates Private Limited	100%	Subsidiary
Skystar Buildcon Private Limited	100%	Subsidiary
Starlight Systems (I) LLP	100%	Subsidiary
Clarissa Facility Management LLP	100%	Subsidiary
Mithra Buildcon LLP	100%	Subsidiary
Magnate Industries LLP	100%	Subsidiary
Shivay Brokers Private Limited (w.e.f. 19 <sup>th</sup> November 2020)	100%	Subsidiary
Industele Property Private Limited (w.e.f. 1 <sup>st</sup> November 2021)	100%	Subsidiary
Prija Trading Private Limited (w.e.f. 18 <sup>th</sup> February 2022)	100%	Subsidiary
Sunteck Lifespace Private Limited (w.e.f. 2 <sup>nd</sup> November 2021)	100%	Subsidiary
Rammit Corporate Solutions Private Limited (w.e.f. 18 <sup>th</sup> February 2022)	100%	Subsidiary
Sunteck Infracon Private Limited (w.e.f. 30 <sup>th</sup> March 2022)	100%	Subsidiary
Piramal Sunteck Realty Private Limited	50%	Joint venture
Nariman Infrastructure LLP	50%	Joint venture
Uniworth Realty LLP	50%	Joint venture
GGICO Sunteck Limited (UAE)	50%	Joint venture



## Summary

of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### cc) Treasury Shares

The Holding Company has issued equity shares which are held by its subsidiaries, before their becoming subsidiaries of the Company. The shares held by these subsidiaries are treated as Treasury shares and are recognised at cost, and eliminated from Company's equity share capital in consolidated financial statements.

### dd) Recent pronouncements

#### (i) Amendment to Ind AS 16, Property, Plant and Equipment

The Ministry of Corporate Affairs ("MCA") vide notification dated 23<sup>rd</sup> March, 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

#### (ii) Amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated 23<sup>rd</sup> March, 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

#### (iii) Amendment to Ind AS 103, Business Combinations

The Ministry of Corporate Affairs ("MCA") vide notification dated 23<sup>rd</sup> March, 2022, has issued an amendment to Ind AS 103 and has added a new exception in the standard for liabilities and contingent liabilities.

#### (iv) Amendment to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated 23<sup>rd</sup> March, 2022, has issued an amendment to Ind AS 109 which clarifies that which fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

These amendments are not expected to have a material impact on the Company or future reporting periods and on foreseeable future transactions.

These financial statements have been prepared in accordance with amended Schedule III to the Companies Act, 2013.



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 3 PROPERTY, PLANT AND EQUIPMENT

								(₹ in Lakhs)
Particulars	Land - freehold#	Building#	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
<b>Gross block</b>								
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>349.70</b>	<b>1,314.14</b>	<b>883.96</b>	<b>1,324.41</b>	<b>181.69</b>	<b>234.76</b>	<b>128.10</b>	<b>4,416.76</b>
Additions	-	-	11.48	0.31	147.62	29.56	17.07	206.04
Disposals	-	-	-	(26.37)	-	(1.00)	-	(27.37)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>349.70</b>	<b>1,314.14</b>	<b>895.44</b>	<b>1,298.35</b>	<b>329.31</b>	<b>263.32</b>	<b>145.17</b>	<b>4,595.43</b>
Additions	-	-	1,418.15	491.78	-	44.71	50.87	2,005.51
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>349.70</b>	<b>1,314.14</b>	<b>2,313.59</b>	<b>1,790.13</b>	<b>329.31</b>	<b>308.03</b>	<b>196.04</b>	<b>6,600.94</b>
<b>Accumulated depreciation</b>								
<b>Balance as at 1<sup>st</sup> April, 2020</b>	-	<b>165.05</b>	<b>36.09</b>	<b>314.69</b>	<b>92.02</b>	<b>88.81</b>	<b>70.44</b>	<b>767.10</b>
Depreciation charge	-	21.79	56.03	325.67	26.77	27.61	29.58	487.45
Reversal on disposals	-	-	-	(2.39)	-	(0.70)	-	(3.09)
Adjustment	-	-	-	2.05	-	-	-	2.05
<b>Balance as at 31<sup>st</sup> March, 2021</b>	-	<b>186.84</b>	<b>92.12</b>	<b>640.02</b>	<b>118.79</b>	<b>115.72</b>	<b>100.02</b>	<b>1,253.51</b>
Depreciation charge	-	21.80	119.37	364.39	40.28	33.63	31.37	610.84
Reversal on disposals	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	-	<b>208.64</b>	<b>211.49</b>	<b>1,004.41</b>	<b>159.07</b>	<b>149.35</b>	<b>131.39</b>	<b>1,864.35</b>
<b>Net block</b>								
Balance as at 31 <sup>st</sup> March, 2021	349.70	1,127.30	803.32	658.33	210.52	147.60	45.15	3,341.92
Balance as at 31 <sup>st</sup> March, 2022	349.70	1,105.50	2,102.10	785.72	170.24	158.68	64.65	4,736.59

# Land and Building aggregating gross block of ₹ 1,663.84 Lakhs (31<sup>st</sup> March, 2021: ₹ 1,663.84 Lakhs) constructed as per the Joint Development Agreement with the land owners, which will be transferred in the name of the Holding Company after formation of condominium.

# Mortgaged over a portion of certain floors of the building 'Sunteck Centre' located at Vile Parle (East), Mumbai and certain units of building 'Corporate Centre' located at Andheri (East), Mumbai. Further, refer note 44 for information on property, plant and equipment pledged as security by the Group.

#### 3.1 Capital work in progress

		(₹ in Lakhs)
Particulars	<b>Amount</b>	
<b>Balance as at 1<sup>st</sup> April 2020</b>	<b>-</b>	
Additions	929.08	
Disposals	-	
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>929.08</b>	
Additions	674.35	
Transfer to property, plant and equipment	(929.08)	
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>674.35</b>	

Refer note 52 for ageing of capital work in progress.

### NOTE 4 INVESTMENT PROPERTIES

		(₹ in Lakhs)
Particulars	<b>Amount</b>	
<b>Land and buildings</b>		
<b>Gross block</b>		
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>1,930.53</b>	
Additions on acquisition of a subsidiary [Refer note 67(i)]	116.85	
Additions	-	
Disposals	-	
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>2,047.38</b>	
Additions [Refer note (iv) below]	5,659.42	
Disposals	-	
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>7,706.80</b>	



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Amount
<b>Accumulated amortisation</b>	
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>69.24</b>
Additions on acquisition of a subsidiary [Refer note 67(i)]	6.28
Depreciation charge	29.24
Reversal on disposals	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>104.76</b>
Depreciation charge	99.01
Reversal on disposals	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>203.77</b>
<b>Net block</b>	
Balance as at 31 <sup>st</sup> March, 2021	1,942.62
Balance as at 31 <sup>st</sup> March, 2022	7,503.03

### (i) Amounts recognised in statement of profit and loss for investment properties given on lease

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Rental and maintenance income	908.97	494.91
Less: Direct operating expenses (including repairs and maintenance and depreciation) arising from investment properties that generated rental and maintenance income during the year	(119.20)	(118.42)
Less: Direct operating expenses (including repairs and maintenance and depreciation) arising from investment properties that did not generate rental and maintenance income during the year	(41.80)	(20.22)
<b>Net income from investment properties</b>	<b>747.97</b>	<b>356.27</b>

### (ii) Fair value

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Investment properties	27,621.34	10,355.92

#### Estimation of fair value

The fair value of investment properties are based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 except for investment property amounting to ₹ 5,659.42 Lakhs (fair value amounting to ₹ 16,970.99 Lakhs) has been arrived on the basis of recent selling price of related units of the same project.

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building. This valuation is based on valuations performed by an accredited independent valuer. The main inputs used by them are the prevalent market rate. The fair value measurement is categorised in level 3 fair value hierarchy.

- (iii) The Holding Company is in process of transferring the land and building in the name of the Holding Company, gross block aggregating ₹ 366.60 Lakhs (31<sup>st</sup> March, 2021: ₹ 366.60 Lakhs) as a result of amalgamation wherein the title deeds are in the name of transferor and ₹ 1,456.22 Lakhs (31<sup>st</sup> March, 2021: ₹ 1,456.22 Lakhs) constructed as per the Joint Development Agreement with the land owners, which will be transferred in the name of the Holding Company after formation of condominium.
- (iv) During the year properties aggregating ₹ 5,659.42 Lakhs (31<sup>st</sup> March, 2021: Nil) has been transferred from inventories to investment properties.
- (v) The Company has no restriction on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.  
Refer note 44 for information on investment properties pledged as security by the Group.  
Refer note 40 for information regarding future lease rentals receivable.

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### 4.1 Goodwill on consolidation

During the current year, goodwill has been assessed for impairment at CGU level which represents the lowest level at which the goodwill is monitored for internal management purposes. Management has determined the value in use based on past experience and external sources.

During the current year, goodwill on account of acquisition of subsidiaries Rammit Corporate Solutions Private Limited to ₹ 15.16 Lakhs and Industele Property Private Limited to ₹ 0.74 Lakhs has been impaired as there is no promising business prospect which justifies its operational viability, hence value in use is negligible.

#### Movement of Goodwill

Particulars	(₹ in Lakhs)
Particulars	Amounts
<b>Carrying value as at 31 March 2020</b>	-
Addition on acquisition of subsidiary	-
Impairment of goodwill on consolidation	-
<b>Carrying value as at 31 March 2021</b>	-
Addition on acquisition of Industele Property Private Limited [Refer note 67(ii)]	0.74
Addition on acquisition of Rammit Corporate Solutions Private Limited [Refer note 67(iv)]	15.16
Impairment of goodwill on consolidation	(15.90)
<b>Carrying value as at 31 March 2022</b>	-

#### NOTE 5(a) INTANGIBLE ASSETS

Particulars	(₹ in Lakhs)
Particulars	Amounts
<b>Computer software</b>	
<b>Gross block</b>	
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>35.93</b>
Additions	4.73
Disposals	(5.11)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>35.55</b>
Additions	5.26
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>40.81</b>
<b>Accumulated amortisation</b>	
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>26.63</b>
Amortisation charge	3.66
Reversal on disposals	(2.34)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>27.95</b>
Amortisation charge	2.93
Reversal on disposals	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>30.88</b>
<b>Net block</b>	
Balance as at 31 <sup>st</sup> March, 2021	7.60
Balance as at 31 <sup>st</sup> March, 2022	9.93

#### NOTE 5(b) INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	(₹ in Lakhs)
Particulars	Amounts
<b>Computer software</b>	
<b>Gross block</b>	
<b>Balance as at 1<sup>st</sup> April, 2020</b>	-
Additions	28.00
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>28.00</b>
Additions	32.25
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>60.25</b>

Refer note 53 for ageing of intangible assets under development.



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 6 INVESTMENTS (NON-CURRENT)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>6(a) Investments accounted for using the equity method (non-current)</b>		
<b>Investment in joint ventures (Unquoted) (Refer note 50)</b>		
<b>A Investment in equity instruments (Traded)</b>		
<b>Equity shares (fully paid up)</b>		
Piramal Sunteck Realty Private Limited (Refer notes 6.2 and 61) 500,001 (31 <sup>st</sup> March, 2021: 500,001) equity shares of ₹ 10 each	4,240.31	4,123.54
GGICO Sunteck Limited (Refer note 59) 7,050 (31 <sup>st</sup> March, 2021: 7,050) equity shares of AED 10,000 each	13,911.37	13,474.84
<b>B Investment in LLP</b>		
Nariman Infrastructure LLP		
Fixed capital	1.12	1.12
Current capital	4,594.50	4,448.87
Uniworth Realty LLP		
Fixed capital	0.50	0.50
Current capital	546.71	538.75
<b>Total (A)</b>	<b>23,294.51</b>	<b>22,587.62</b>
<b>6(b) Investment in equity instruments (At fair value through other comprehensive income) (Refer note 6.3) \$</b>		
Quoted, fully paid up (Refer note 6.1)		
Punjab Communication Limited 1,000 (31 <sup>st</sup> March, 2021: 1,000) equity shares of ₹ 10 each	0.35	0.20
MRPL Limited 5,000 (31 <sup>st</sup> March, 2021: 5,000) equity shares of ₹ 10 each	2.09	1.93
Unquoted, fully paid up		
Samhrutha Habitat Infrastructure Private Limited 220,378 (31 <sup>st</sup> March, 2021: 220,378) equity shares of ₹ 10 each	75.63	22.99
Saraswat Co-Op. Bank Limited 70 (31 <sup>st</sup> March, 2021 : 70) equity shares of ₹ 10 each	0.01	0.01
SW Capital Private Limited 150,000 (31 <sup>st</sup> March, 2021: 150,000) equity shares of ₹ 10 each	88.89	42.33
Reliance ETF Gold Bees 0.690 units (31 <sup>st</sup> March, 2021: Nil) units of ₹ 698.55 each	# 0.00	-
<b>Total (B)</b>	<b>166.97</b>	<b>67.46</b>
<b>Total (A+B)</b>	<b>23,461.48</b>	<b>22,655.08</b>
Aggregate amount of quoted investments	2.44	2.13
Market value of the quoted investments	2.44	2.13
Aggregate amount of unquoted investments	23,459.04	22,652.95
Aggregate amount of impairment in the value of unquoted investments	-	-

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**6.1** Refer note 47 for price risk

**6.2** The Holding Company has given a “non disposal undertaking” to the lenders of Piramal Sunteck Realty Private Limited for equity shares of Piramal Sunteck Realty Private Limited.

**6.3** Refer note 46 for fair value analysis

\$ All these investments (being strategic in nature) are measured at fair value through other comprehensive income ('FVTOCI') since these are not held for trading purposes and thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding. No dividend have been received from such investments during the year.

# Amount less than ₹ 500

## NOTE 7 LOANS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
(Unsecured, considered good, unless otherwise stated)		
Loans to related parties (Refer notes 45 and 59)#	3,989.77	3,869.54
<b>Total</b>	<b>3,989.77</b>	<b>3,869.54</b>

# Repayable on demand, includes interest free loan amounting to ₹ 3,989.77 Lakhs (31<sup>st</sup> March 2021: ₹ 3,869.54 Lakhs) given to joint venture.

Refer note 47 for information about credit risk.

**7.1** Particulars of loans to promoters, key managerial personnel and related parties

(₹ in Lakhs)

Particulars	Outstanding amount (₹ in Lakhs)		% to total loans	
	As at	As at	As at	As at
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Amount payable on demand - related parties	3,989.77	3,869.54	76.58%	87.77%

**7.2** Break up security details

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Loans considered good - secured	-	-
Loans considered good - unsecured	3,989.77	3,869.54
Loans which have significant increase in credit risk	-	-
Loans - credit impaired - unsecured	-	-



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 8 OTHER FINANCIAL ASSETS (NON-CURRENT)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(Unsecured, considered good, unless otherwise stated)		
Earnest money and security deposits	3,197.15	2,562.86
Deposits with bank with more than 12 months maturity	200.00	181.50
Other receivables (Refer note 58)	1,402.73	1,402.73
<b>Total</b>	<b>4,799.88</b>	<b>4,147.09</b>

**NOTE 9 DEFERRED TAX ASSETS/ (LIABILITIES) (NET)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>9(a) Deferred tax assets</b>		
<b>Deferred tax assets/ (liabilities) arising on account of:</b>		
i Difference between book balance and tax balance of property, plant and equipment, investment properties and intangible assets	(103.26)	(70.36)
ii Provision for employee benefits	127.88	99.17
iii Income Computation and Disclosure Standard IX - Borrowing Cost (ICDS) adjustments	1,463.54	2,037.83
iv Gain from investments	(28.28)	(73.38)
v MAT credit entitlement	1,313.02	1,302.43
vi Provision for expected credit loss	117.62	126.08
vii Discounting of security deposits	(14.84)	(16.64)
viii Unearned revenue	13.39	15.37
ix Unabsorbed tax losses	85.52	85.52
x Provision on intercompany elimination	(251.08)	(221.76)
xi Others	148.29	30.12
<b>Net deferred tax assets</b>	<b>2,871.80</b>	<b>3,314.38</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>9(b) Deferred tax liabilities</b>		
<b>Deferred tax liabilities/ (assets) arising on account of:</b>		
i Difference between book balance and tax balance of property, plant and equipment, investment properties and intangible assets	0.37	0.46
ii ICDS adjustments	65.06	33.55
<b>Net deferred tax liabilities</b>	<b>65.43</b>	<b>34.01</b>

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**Movement in deferred tax assets/ (liabilities) :**

Particulars	(₹ in Lakhs)											
	Property, plant and equipment investment properties and intangible assets	Provision for employee benefits	ICDS Adjustments	Gain from investments	MAT credit entitlement	Provision for expected credit loss	Discounting on security deposits	Unearned revenue	Unabsorbed tax losses	Provision on inter Company elimination	Others	Total
<b>As at 1<sup>st</sup> April, 2020</b>	<b>(59.79)</b>	<b>88.70</b>	<b>2,711.21</b>	<b>(141.83)</b>	<b>1,259.98</b>	<b>115.08</b>	<b>2.43</b>	<b>(3.06)</b>	-	<b>(198.98)</b>	<b>129.72</b>	<b>3,903.46</b>
(Charged)/ credited:												
- to profit or loss	(11.03)	15.30	(706.93)	71.15	42.45	11.00	(19.07)	18.43	85.52	(22.78)	(99.60)	(615.56)
- to other comprehensive income	-	(4.83)	-	(2.70)	-	-	-	-	-	-	-	(7.53)
<b>As at 31<sup>st</sup> March, 2021</b>	<b>(70.82)</b>	<b>99.17</b>	<b>2,004.28</b>	<b>(73.38)</b>	<b>1,302.43</b>	<b>126.08</b>	<b>(16.64)</b>	<b>15.37</b>	<b>85.52</b>	<b>(221.76)</b>	<b>30.12</b>	<b>3,280.37</b>
(Charged)/ credited:												
- to profit or loss	(32.81)	19.21	(605.80)	68.25	10.59	(8.46)	1.80	(1.98)	-	(29.32)	118.17	(460.35)
- to other comprehensive income	-	9.50	-	(23.15)	-	-	-	-	-	-	-	(13.65)
<b>As at 31<sup>st</sup> March, 2022</b>	<b>(103.63)</b>	<b>127.88</b>	<b>1,398.48</b>	<b>(28.28)</b>	<b>1,313.02</b>	<b>117.62</b>	<b>(14.84)</b>	<b>13.39</b>	<b>85.52</b>	<b>(251.08)</b>	<b>148.29</b>	<b>2,806.37</b>



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 10 OTHER NON-CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Capital advances	71.87	60.23
Prepaid expenses	82.43	0.29
<b>Total</b>	<b>154.30</b>	<b>60.52</b>

**NOTE 11 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(As certified by management)		
Land and development rights	196,373.20	108,815.49
Construction materials	593.40	203.33
Construction work- in- progress	140,958.28	81,550.39
Finished properties	66,264.55	70,876.83
<b>Total</b>	<b>404,189.43</b>	<b>261,446.04</b>

Refer note 44 for inventories pledged as security against borrowings.

**NOTE 12 INVESTMENTS (CURRENT)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Investment in debt instruments (At fair value through profit and loss)*</b>		
Unquoted, fully paid up debentures		
Eskay Infrastructure Development Private Limited (Refer note 12.1)		
Nil (31 <sup>st</sup> March, 2021: 62,692) 0.1% non-convertible debentures of ₹ 1,000 each	-	779.96
Samagra Wealthmax Private Limited (Refer note 12.1)		
Nil (31 <sup>st</sup> March, 2021: 162,638) 0.1% non-convertible debentures of ₹ 1,000 each	-	2,021.39
Starteck Infraprojects Private Limited (Refer note 12.1)		
Nil (31 <sup>st</sup> March, 2021: 28,182) 0.1% non-convertible debentures of ₹ 1,000 each	-	350.21
<b>Total</b>	<b>-</b>	<b>3,151.56</b>
Aggregate amount of quoted investments	-	-
Market value of the quoted investments	-	-
Aggregate amount of unquoted investments	-	3,151.56
Aggregate amount of impairment in the value of investments	-	-

**12.1** As per the terms, the non-convertible debentures has been redeemed during the current year.

\* Refer note 46 for fair value analysis



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 13 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Trade receivable considered good - secured (Refer note 13.6)		
From others	72.92	26.14
Trade receivable considered good - unsecured		
From related parties (Refer note 45)	-	0.72
From others	26,979.38	33,354.06
Trade receivable considered doubtful	423.13	582.50
Less: Loss allowance	(423.13)	(582.50)
<b>Total</b>	<b>27,052.30</b>	<b>33,380.92</b>

#### 13.1 Break up security details

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Trade receivable considered good - secured	72.92	26.14
Trade receivable considered good - unsecured	26,979.38	33,354.78
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired - unsecured	423.13	582.50

#### 13.2 Trade Receivables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,987.49	9,155.53	1,919.97	11,312.80	663.92	12.60	27,052.30
(ii) Undisputed Trade Receivables - which have significant increase in credit risk"	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	154.23	162.10	106.80	423.13
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross balance as at 31<sup>st</sup> March, 2022</b>	<b>3,987.49</b>	<b>9,155.53</b>	<b>1,919.97</b>	<b>11,467.02</b>	<b>826.02</b>	<b>119.40</b>	<b>27,475.43</b>
Less: Loss allowances							(423.13)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>3,987.49</b>	<b>9,155.53</b>	<b>1,919.97</b>	<b>11,467.02</b>	<b>826.02</b>	<b>119.40</b>	<b>27,052.30</b>



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,172.13	17,799.99	2,937.86	9,424.95	45.99	-	33,380.92
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	36.83	395.67	140.57	9.43	582.50
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross balance as at 31<sup>st</sup> March, 2021</b>	<b>3,172.13</b>	<b>17,799.99</b>	<b>2,974.68</b>	<b>9,820.62</b>	<b>186.56</b>	<b>9.43</b>	<b>33,963.42</b>
Less: Loss allowances							(582.50)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>3,172.13</b>	<b>17,799.99</b>	<b>2,974.68</b>	<b>9,820.62</b>	<b>186.56</b>	<b>9.43</b>	<b>33,380.92</b>

**13.3** Trade receivables are non-interest bearing and are generally on credit terms of 15 days.

**13.4** Refer note 44 for trade receivables offered as security against borrowings.

**13.5** Refer note 47 for movement of expected credit loss and other relevant details related to trade receivables.

**13.6** Secured against the security deposit received from the tenants

### NOTE 14 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Cash on hand	334.28	324.93
Balances with banks		
in current accounts	4,640.20	3,561.00
in term deposits with original maturity of less than three months *	1,479.37	1,273.68
<b>Total</b>	<b>6,453.85</b>	<b>5,159.61</b>

\* Held as lien against credit facilities. (Refer note 44)

### NOTE 15 OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Deposits with original maturity of more than 3 months but less than 12 months	2,667.41	4,431.19
Fixed deposit held as margin money against credit facilities	303.99	303.99
Earmarked bank balances#		
Unpaid dividend account	4.03	10.36
Unspent corporate social responsibility account	253.93	-
<b>Total</b>	<b>3,229.36</b>	<b>4,745.54</b>

Refer note 44 for security pledged against borrowings.

# There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at each reporting date.

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 16 LOANS (CURRENT)

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Loans		
- to related parties - joint ventures# (Refer notes 45 and 50)	1,219.93	538.95
- to employees	51.60	1.97
- to others	6,049.83	3,506.76
<b>Total</b>	<b>7,321.36</b>	<b>4,047.68</b>

Refer note 47 for information about credit risk.

#Repayable on demand. The rate of interest was 12% p.a. (31<sup>st</sup> March 2021: 12% p.a.)

##### 16.1 Particulars of loans to promoters, key managerial personnel and related parties

(₹ in Lakhs)

Particulars	Outstanding amount (₹ in Lakhs)		% to total loans	
	As at	As at	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Amount payable on demand - related parties	1,219.93	538.95	23.42%	12.23%

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>16.2</b> Loans due from private companies in which director of the Company is director	1,219.93	538.95

##### 16.3 Break up security details

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Loans considered good - secured	-	-
Loans considered good - unsecured	7,321.36	4,047.68
Loans which have significant increase in credit risk	-	-
Loans - credit impaired - unsecured	-	-

#### NOTE 17 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
(Unsecured, considered good, unless otherwise stated)		
Earnest money and security deposits	8,058.71	12,013.97
Interest accrued but not due on fixed deposits	38.06	69.68
Interest accrued on loan from related parties (Refer note 45)	293.22	-
Interest accrued on loan from others	120.75	-
Other receivables	2,426.87	1,610.65
<b>Total</b>	<b>10,937.61</b>	<b>13,694.30</b>

Refer note 47 for information about credit risk



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 18 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Advance to vendors	5,996.38	5,812.08
Balance with government authorities	3,814.04	2,964.04
Prepaid expenses	1,532.22	905.29
Contract assets (Refer note 49)	28,643.32	27,619.80
Others	284.32	341.06
<b>Total</b>	<b>40,270.28</b>	<b>37,642.27</b>

#### NOTE 19 EQUITY SHARE CAPITAL

Particulars	As at		As at	
	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
<b>(a) Authorised share capital</b>				
Equity shares of ₹ 1 each	188,600,000	1,886.00	188,600,000	1,886.00
Preference shares of ₹ 10 each	1,260,000	126.00	1,260,000	126.00
<b>Total</b>	<b>189,860,000</b>	<b>2,012.00</b>	<b>189,860,000</b>	<b>2,012.00</b>

Particulars	As at		As at	
	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of ₹ 1 each (Refer note (iii) below)	140,449,995	1,404.50	140,394,490	1,403.94
<b>Total</b>	<b>140,449,995</b>	<b>1,404.50</b>	<b>140,394,490</b>	<b>1,403.94</b>

#### (i) Reconciliation of equity share capital at the beginning and at the end of the year

Particulars	As at		As at	
	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
At the beginning of the year	140,394,490	1,403.94	140,371,879	1,403.72
Add: Issued during the year - ESOP/ ESOS (Refer note 42)	55,505	0.56	22,611	0.22
<b>Outstanding at the end of the year</b>	<b>140,449,995</b>	<b>1,404.50</b>	<b>140,394,490</b>	<b>1,403.94</b>

#### (ii) Rights, preferences and restrictions attached to equity shares

The Holding Company has only one class of equity share having a par value of ₹ 1 each with an entitlement of one vote per share held. The Holding 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 Holding Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (iii) Shares held by subsidiaries

6,000,000 (31<sup>st</sup> March, 2021: 6,000,000) equity shares of ₹ 1 each fully paid up out of issued, subscribed and paid up share capital are held by its subsidiary companies which have been eliminated for the purpose of consolidation.

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**(iv) Details of shareholders holding more than 5% shares in the Holding Company (before elimination)**

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	Number of shares	% holding	Number of shares	% holding
Matrabhav Trust	46,569,296	31.80%	46,569,296	31.81%
Paripurna Trust	17,021,488	11.62%	17,021,488	11.63%
Astha Trust	15,424,487	10.53%	15,424,487	10.54%

(v) The Holding Company has not issued any bonus shares, issued shares for consideration other than cash and nor there has been any buy back of shares during five years immediately preceding 31<sup>st</sup> March, 2022.

**(vi) Shares reserved for issue under options**

For details of shares reserved for issue under the employee stock option scheme (ESOS) of the Holding Company (Refer note 42)

**(vii) Equity shares held by promoters in the Holding Company (before elimination)**

Promoter's Name	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
<b>Individuals</b>					
Akrur Kamal Khetan	2,240,620	1.53%	2,240,620	1.53%	Nil
Anupma Kamal Khetan	2,352,660	1.61%	2,352,660	1.61%	Nil
Shanti Shrigopal Khetan	100,000	0.07%	100,000	0.07%	Nil
Kamal Shrigopal Khetan	150	0.00%	150	0.00%	Nil
Manisha Kamal Khetan	150	0.00%	150	0.00%	Nil
<b>Body corporate</b>					
Samagra Wealthmax Private Limited	3,834,829	2.62%	3,834,829	2.62%	Nil
Satguru Infocorp Services Private Limited	3,000,000	2.05%	3,000,000	2.05%	Nil
Starlight Systems Private Limited	3,000,000	2.05%	3,000,000	2.05%	Nil
Eskay Infrastructure Development Private Limited	2,258,410	1.54%	2,258,410	1.54%	Nil
Glint Infraprojects Private Limited	2,189,631	1.50%	2,189,631	1.50%	Nil
Starteck Infraprojects Private Limited	314,374	0.21%	314,374	0.21%	Nil
<b>Others (trusts)</b>					
Matrabhav Trust	46,569,296	31.80%	46,569,296	31.81%	#
Paripurna Trust	17,021,488	11.62%	17,021,488	11.63%	#
Astha Trust	15,424,487	10.53%	15,424,487	10.54%	#
<b>Total</b>	<b>98,306,095</b>	<b>67.13%</b>	<b>98,306,095</b>	<b>67.16%</b>	

# There is a change in percentage holding as new shares were allotted on account of exercise of employee share options.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 20 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Reserves and Surplus		
- Capital reserve on merger	3.12	3.12
- Securities premium	96,847.12	96,621.22
- Share based payment reserve	98.59	251.48
- Capital reserve on consolidation	82,560.77	82,560.77
- Statutory reserve	7.21	7.21
- General reserve	152.79	152.79
- Retained earnings	97,168.70	96,097.94
Other comprehensive income		
- Equity instrument through other comprehensive income	51.74	(24.61)
- Foreign currency translation reserve	745.84	151.23
<b>Total</b>	<b>277,635.88</b>	<b>275,821.15</b>

Note : For movement in other equity refer consolidated statement of changes in equity

#### Nature and purpose of other equity and reserves:

##### (a) Capital reserve on merger

During merger, the excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of merger.

##### (b) Securities premium

Securities premium is used to record the premium on issue of financial securities such as equity shares, preference shares, compulsory convertible debentures, employee stock options plan/ employee stock option scheme. The reserve is utilised in accordance with the provision of the of the Companies Act, 2013.

##### (c) Share based payment reserve

Share based payment reserve is used to recognise the fair value of options on the grant date, issued to employees under employee stock option plan.

##### (d) Capital reserve on consolidation

Gain on bargain purchase, i.e., excess of fair value of net assets acquired over the fair value of consideration in a business combination is recognised as capital reserve on consolidation.

##### (e) Statutory reserve

The Group created Statutory reserve out of profits as required by the law and is usually not distributed as dividend to shareholders. The reserve is utilised for meeting the contingencies or to increase its capital.

##### (f) General reserve

General reserves are created out of profits and kept aside for general purpose and financial strengthening of the Group, they don't have any special purpose to fulfill and can be used for any purpose in future.

##### (g) Retained earnings

Retained earnings represents the cumulative profits of the Group and the effects of measurements of defined benefit obligations routed through OCI.

##### (h) Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

##### (i) Equity instrument through other comprehensive income

Equity instrument through other comprehensive income represents the investment is revalued at fair value at each year end, with the gain or loss being taken through other comprehensive income.

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 21 BORROWINGS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Secured loans</b>		
Term loans		
- from banks	7,714.30	21,574.58
- from financial institutions	27,631.97	24,629.06
<b>Unsecured</b>		
From others	8,636.06	8,992.90
<b>Total</b>	<b>43,982.33</b>	<b>55,196.54</b>

Above borrowings are net of installments falling due within a year in respect of all the above loans aggregating ₹ 28,009.52 Lakhs (31<sup>st</sup> March, 2021 : ₹ 3,354.52 Lakhs) that have been grouped under "Current maturities of non-current borrowings" (Refer note 25)

Borrowings are net of prepaid finance charges.

Refer note 47 for liquidity risk borrowings.

Refer note 44 for nature of securities and terms of repayment for borrowings.

#### NOTE 22 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Security deposits (Refer note 45)	1,431.04	338.87
<b>Total</b>	<b>1,431.04</b>	<b>338.87</b>

#### NOTE 23 PROVISIONS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Provision for employee benefits		
Gratuity [Refer notes 43 (a) and (d)]	190.57	128.95
<b>Total</b>	<b>190.57</b>	<b>128.95</b>

#### NOTE 24 OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Unearned rent income	28.20	31.03
<b>Total</b>	<b>28.20</b>	<b>31.03</b>



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 25 BORROWINGS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Secured loans</b>		
From banks		
- working capital loans (overdrafts facilities)	592.44	4,128.89
- working capital demand loan	6,000.00	6,000.00
Current maturities of non-current borrowings		
- term loans from banks	19,389.43	142.44
- term loans from financial institutions	8,620.09	3,212.08
<b>Unsecured loans</b>		
From others	110.00	110.00
<b>Total</b>	<b>34,711.96</b>	<b>13,593.41</b>

Borrowings are net of prepaid finance charges.

Refer note 47 for liquidity risk borrowings.

Refer note 44 for nature of security and terms of repayment for borrowings.

#### 25.1 Net debt reconciliation :

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Cash and cash equivalents	6,453.85	5,159.61
Non-current borrowings (including current maturities and interest payable)	(72,125.41)	(58,639.42)
Current borrowings	(6,702.44)	(10,238.89)
<b>Net debt reconciliation</b>	<b>(72,374.00)</b>	<b>(63,718.70)</b>

(₹ in Lakhs)

Particulars	Cash and cash equivalents	Non-current borrowings (including current maturities and interest payable)	Current borrowings *	Total
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>8,323.39</b>	<b>(74,573.11)</b>	<b>(17,716.77)</b>	<b>(83,966.49)</b>
Cash flows (net)	(3,163.78)	-	-	(3,163.78)
Receipts of borrowings	-	(21,742.00)	(5,732.23)	(27,474.23)
Repayment of borrowings	-	37,543.33	13,291.81	50,835.14
Interest expense	-	(6,534.62)	(1,572.87)	(8,107.49)
Interest expense paid	-	6,666.97	1,491.17	8,158.14
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>5,159.61</b>	<b>(58,639.42)</b>	<b>(10,238.89)</b>	<b>(63,718.70)</b>
Cash flows (net)	1,294.24	-	-	1,294.24
Receipts of borrowings	-	(30,585.00)	(144.51)	(30,729.51)
Repayment of borrowings	-	17,270.40	3,680.96	20,951.36
Interest expense	-	(5,607.82)	(679.69)	(6,287.51)
Interest expense paid	-	5,436.43	679.69	6,116.12
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>6,453.85</b>	<b>(72,125.41)</b>	<b>(6,702.44)</b>	<b>(72,374.00)</b>

\* includes movement of overdraft facilities, whereas overdraft facilities has been considered as part of cash and cash equivalents for Statement of Cash Flows.



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 26 TRADE PAYABLES

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
- total outstanding dues of micro enterprises and small enterprises ('MSME')	1,809.80	1,233.25
- total outstanding dues of creditors other than micro enterprises and small enterprises	17,545.02	17,039.26
<b>Total</b>	<b>19,354.82</b>	<b>18,272.51</b>

Refer note 45 for disclosure with respect to related parties.

Refer note 47 for information about liquidity risk of trade payables.

#### 26.1 Trade Payable Ageing Schedule:

Particulars	(₹ in Lakhs)					Total
	Outstanding for following periods from the date of transaction #					
	Unbilled	Less than 1 years	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,383.72	163.19	113.70	149.21	<b>1,809.80</b>
(ii) Others	4,549.14	7,015.35	344.80	341.68	294.07	<b>12,545.02</b>
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	5,000.00	-	-	-	-	<b>5,000.00</b>

Particulars	(₹ in Lakhs)					Total
	Outstanding for following periods from the date of transaction #					
	Unbilled	Less than 1 years	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,041.51	158.27	33.47	-	<b>1,233.25</b>
(ii) Others	4,531.58	5,918.29	749.73	533.98	1.75	<b>11,735.33</b>
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	5,303.93	-	-	-	-	<b>5,303.93</b>

# includes retention amounting to ₹ 2,179.40 Lakhs (31<sup>st</sup> March 2021: ₹ 1,719.53 Lakhs) which is not due for payment.

#### NOTE 27 OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Interest accrued but not due	282.79	88.36
Unpaid dividends	4.03	10.36
Payable for capital goods	-	10.95
Employee related payable	392.43	565.35
Payable to land owners	741.34	363.19
<b>Total</b>	<b>1,420.59</b>	<b>1,038.21</b>

#### NOTE 28 OTHER CURRENT LIABILITIES

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Contract liabilities (Refer note 49)		
- Advance from customers (Refer note 45)	10,873.65	9,868.42
- Billing in excess of contract revenue	4,020.81	10,499.64
- Deferred revenue	153,819.37	17,409.01
Unearned rent income	17.77	23.22
Statutory dues	520.01	478.86
Others (Refer note 45)	102.77	99.68
<b>Total</b>	<b>169,354.38</b>	<b>38,378.83</b>



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 29 PROVISIONS (CURRENT)

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Provision for employee benefits		
Gratuity [Refer notes 43 (a) and (d)]	37.71	46.60
Compensated absences [Refer notes 43 (a) and (b)]	228.45	177.97
<b>Total</b>	<b>266.16</b>	<b>224.57</b>

#### NOTE 30 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Sales of residential and commercial units (net)	43,929.31	55,268.56
Sale of services		
Rent from properties [Refer notes 4(i) and 40]	829.96	787.36
Construction	4,475.31	2,745.16
Maintenance	1,216.67	1,256.67
Other operating revenue		
Forfeiture income	379.67	820.07
Excess provision written back - Share based payment (Refer note 42)	55.32	19.46
Sundry balances written back (net)	406.26	508.65
Others	15.06	-
<b>Total</b>	<b>51,307.56</b>	<b>61,405.93</b>

Refer note 49 for disclosure under Ind AS 115 "Revenue from contracts with customers"

#### NOTE 31 OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Interest income from		
Loan to related parties (Refer note 45)	325.81	61.12
Loan to others	552.80	870.54
Unit holders	938.06	294.05
Fixed deposit with banks	264.71	421.42
Debt instruments	2.25	2.54
Others	7.16	13.58
Other non-operating income		
Gain on fair valuation of investments in debt instruments*	-	13.49
Others	3.93	-
<b>Total</b>	<b>2,094.72</b>	<b>1,676.74</b>

\*Investment classified at FVTPL

#### NOTE 32 COST OF CONSTRUCTION AND DEVELOPMENT

(₹ in Lakhs)

Particulars	Year ended	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>Cost of construction materials consumed</b>		
Opening balance	203.33	595.21
Add: Purchases during the year	19,640.59	7,747.63
Less: Closing balance	593.40	203.33
<b>Sub-total</b>	<b>19,250.52</b>	<b>8,139.51</b>
Land and development rights	1,599.64	-
Contracting costs	22,815.78	6,712.13
Liaisoning and approval costs	41,974.36	7,082.81
Design and consultancy fees	543.92	756.88
Others	0.64	546.37
<b>Total</b>	<b>86,184.86</b>	<b>23,237.70</b>

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 33 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS AND FINISHED PROPERTIES

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Opening inventories		
Work-in-progress	81,550.39	86,001.97
Finished properties	70,876.84	79,693.77
<b>Total (a)</b>	<b>152,427.23</b>	<b>165,695.74</b>
Closing inventories		
Work-in-progress	140,958.28	81,550.39
Finished properties	66,264.55	70,876.84
<b>Total (b)</b>	<b>207,222.83</b>	<b>152,427.22</b>
Transferred to investment properties (c) [Refer note 4(iv)]	5,659.42	-
<b>Total (a-b-c)</b>	<b>(60,455.02)</b>	<b>13,268.52</b>

### NOTE 34 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Salaries and wages (including salary deputation) [Refer notes 43(b) and (d)]	5,080.42	3,687.27
Contribution to provident and other funds [Refer note 43(c)]	170.05	117.01
Staff welfare expenses	25.52	16.03
<b>Total</b>	<b>5,275.99</b>	<b>3,820.31</b>

### NOTE 35 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Interest expenses		
- term loans and overdrafts	6,287.51	7,643.67
- delayed payment of tax	11.20	138.75
- subvention	1,238.24	320.19
- others	194.89	234.28
Other borrowing cost	29.16	126.71
<b>Total</b>	<b>7,761.00</b>	<b>8,463.60</b>

### NOTE 36 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Depreciation of property, plant and equipment (Refer note 3)	610.84	487.45
Depreciation on investment properties (Refer note 4)	99.01	29.24
Amortisation on intangible assets (Refer note 5)	2.93	3.66
Impairment of goodwill on consolidation (Refer note 4.1)	15.90	-
<b>Total</b>	<b>728.68</b>	<b>520.35</b>



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 37 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Advertisement and brokerage	2,914.13	2,174.74
Legal and professional fees	3,747.83	1,878.34
Electricity	215.22	191.65
Payment to auditors	126.13	61.73
Director's sitting fee (Refer note 45)	11.80	6.20
Membership and entrance fees	32.32	34.14
Rates and taxes	1,242.01	679.68
Repairs and maintenance		
- to building	128.95	173.27
- to others	7.76	28.95
Telephone and communication	18.77	17.48
Travelling and conveyance	42.06	17.90
Insurance	207.62	134.29
Rent (Refer note 37.1 below)	-	1.80
Corporate social responsibility (CSR)	304.17	446.32
Foreign exchange loss	30.14	3.27
Sundry debts written off	334.17	37.73
Property, plant and equipment and intangible assets written off	-	2.76
Provision for expected credit loss	-	210.50
Facility management	979.16	941.21
Loss on fair valuation of investments	83.03	-
Miscellaneous	343.69	324.47
<b>Total</b>	<b>10,768.96</b>	<b>7,366.43</b>

**37.1** Rent represents lease payments for short term leases which is recognised as an operating expense on a straight line basis over the term of the lease.

### NOTE 38 INCOME TAX

This note provides an analysis of the Group's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>(a) Tax expense recognised in the statement of profit and loss</b>		
Current tax on profits for the year	352.43	941.71
Tax adjustments for earlier years	(66.61)	85.18
<b>Total current tax expense</b>	<b>285.82</b>	<b>1,026.89</b>
Deferred tax charge	470.94	658.01
MAT credit taken	(10.59)	(42.45)
<b>Total deferred tax expense/ (credit)</b>	<b>460.35</b>	<b>615.56</b>
<b>Income tax expense</b>	<b>746.17</b>	<b>1,642.45</b>

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Enacted income tax rate in India	29.12%	29.12%
Profit before income tax expense	3,254.50	5,836.52
<b>Current tax expense on profit before tax expenses at enacted income tax rate in India</b>	<b>947.71</b>	<b>1,699.60</b>
<b>Tax effects of:</b>		
Expenses disallowed	102.04	208.60
Deduction under Chapter VIA of the Income Tax Act, 1961	(236.60)	(762.99)
Tax on profit/ (loss) of joint ventures	(30.76)	(9.98)
Unabsorbed losses	(86.70)	138.71
Income subject to different tax rates	74.11	(128.11)
Tax adjustments for earlier years	(66.61)	85.18
Tax on intercompany elimination	29.32	22.78
Other adjustments	13.66	388.66
<b>Income tax expense charged to the statement of profit and loss</b>	<b>746.17</b>	<b>1,642.45</b>

Consequent to reconciliation items shown above, the effective tax rate is 22.93% (31<sup>st</sup> March, 2021: 28.14%).

**The details of income tax assets are as follows:-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Income tax assets	25,687.30	26,198.51
Current income tax liabilities	(23,515.85)	(24,962.22)
<b>Net current income tax assets at the end of the year</b>	<b>2,171.45</b>	<b>1,236.29</b>

**The details of income tax liabilities are as follows:-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Current income tax liabilities (including interest amount of ₹ 11.12 Lakhs; 31 <sup>st</sup> March, 2021: ₹ 30 Lakhs)	49.17	644.59
Income tax assets	(8.01)	(306.57)
<b>Net current income tax liabilities at the end of the year</b>	<b>41.16</b>	<b>338.02</b>

**The movement in the income tax assets/ (liabilities):**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Income tax asset/ (liabilities) at the beginning of the year</b>	<b>898.27</b>	<b>(389.29)</b>
Income tax paid (net)	1,517.84	2,314.45
Tax adjustments for earlier years	66.61	(85.18)
Provision made during the year	(352.43)	(941.71)
<b>Income tax asset/ (liabilities) at the end of the year</b>	<b>2,130.29</b>	<b>898.27</b>

Note: Income Tax department officials conducted a survey under Section 133A of the Income Tax Act, 1961 at the premises of the Holding Company and its subsidiaries [Skystar Buildcon Private Limited, Satguru Corporate Services Private Limited and Starlight System (I) LLP]. The survey proceedings were concluded on 24<sup>th</sup> December 2021. Since the proceedings are at a preliminary stage and in the absence of any notice or demand from the Income Tax Authorities at present, no evaluation or assessment of any impact of the survey proceedings can be determined at this stage.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 39 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(i) Claims not acknowledged as debts by the Group	5,247.00	4,259.37
(ii) Income tax liability that may arise in respect of which the Group is in appeals	3,833.06	699.06
(iii) The Holding Company, its subsidiary and joint venture (together referred as Parties) have received a legal notice from an individual in the earlier years seeking production of certain documents in relation to a legal suit which involves one of the co-venturer. The Holding Company and Parties have been unnecessarily made party to the legal suit and is not involved in any manner with respect to the matters alleged in the legal suit. The Holding Company and Parties through its legal counsel had responded to the legal notice stating that suit against the Holding Company and Parties be dismissed in limine.		
(iv) The Honourable Supreme Court, has passed a decision on 28 <sup>th</sup> February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Group, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgment to the Group, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.		

**Note:** It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not expect any reimbursements in respect of the above contingent liabilities. Future cash outflows in respect of the above are determinable only on receipt of judgments / decisions pending with various forums / authorities. The Group does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(v) Capital and other commitments	205.31	285.29

### NOTE 40 LEASES (COMPANY AS A LESSOR)

- (a) Initial direct cost such as legal cost, brokerage cost etc. are charged immediately to statement of profit and loss.
- (b) The Group's significant leasing arrangements are in respect of operating leases for commercial premises. Lease income from operating leases are recognised on a straight-line basis over a period of lease. The total future minimum lease rentals receivable for non-cancellable operating leases at balance sheet date are as under :

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Premises given on operating lease:</b>		
Not later than one year	924.28	702.69
Later than one year and not later than five years	1,527.52	1,768.91
Later than five years	-	-
<b>Total</b>	<b>2,451.81</b>	<b>2,471.60</b>

- (c) Lease income recognised (including income in respect of certain cancellable leases) in statement of profit and loss for the year ended 31<sup>st</sup> March, 2022 is ₹ 829.96 Lakhs, (31<sup>st</sup> March, 2021 : ₹ 787.36 Lakhs)

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 41 EARNINGS PER SHARE

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Earnings Per Share (EPS) has been computed as under:		
Profit for the year (₹ in Lakhs) (A)	2,508.33	4,194.07
Weighted average number of equity shares (considered for calculating basic EPS) (B)	140,380,836	140,377,547
Add : Potential equity shares on account of employee stock options	36,733	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	140,417,569	140,377,547
Basic EPS (Amount in ₹) (A/B) (Face value of ₹ 1 per equity share; 31 <sup>st</sup> March 2021: ₹ 1 per equity share)	1.79	2.98
Diluted EPS (Amount in ₹) (A/C) (Face value of ₹ 1 per equity share; 31 <sup>st</sup> March 2021: ₹ 1 per equity share)	1.79	2.98

The following potential equity shares are anti-dilutive and therefore excluded from the weighted average number of equity shares for the purpose of diluted EPS

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Options to purchase equity shares having anti-dilutive effect	-	24,837

#### NOTE 42 SHARE-BASED PAYMENTS

##### Employee stock option plan

The establishment of the Sunteck Realty Limited "Employee Stock Option Scheme (ESOS 2017)" and "Employee Stock Option Scheme (ESOS 2018)" are designed to provide incentives to eligible directors and employees of the Holding Company and its subsidiaries. These are equity settled share based payments. The details of which are given here under:

Particulars	ESOS 2017	ESOS 2018
Date of general meeting of shareholder in which scheme was approved	26 <sup>th</sup> September, 2017	27 <sup>th</sup> September, 2018
No. of options granted	Series 1: 436,555; Series 2: 48,666	Series 1: 33,846 Series 2: 615
Grant date	Series 1: 5 <sup>th</sup> October, 2017; Series 2: 28 <sup>th</sup> November, 2018	Series 1: 24 <sup>th</sup> January, 2019 Series 2: 30 <sup>th</sup> July, 2021
Grant Price (₹ per share)	Series 1: 225; Series 2: 225	Series 1: 325; Series 2: 325
Graded vesting plan	Series 1: 20% every year, commencing after one year from the grant date	Series 1: First 20% will vest on 1 <sup>st</sup> February, 2020 and balance options will vest 20% equally on 1 <sup>st</sup> October every year over next four years.
	Series 2: First 20% will vest on 1 <sup>st</sup> December, 2019 and balance options will vest 20% equally on 1 <sup>st</sup> October every year over next four years.	Series 2: options will vest 20% equally on 1 <sup>st</sup> October every year for the next five years starting from 1 <sup>st</sup> October, 2022.
Maximum exercise period	Series 1: 5.5 years from the date of grant	Series 1: 5.2 years from the date of grant
	Series 2: 5.3 years from the date of grant	Series 2: 5.7 years from the date of grant

Options are granted without any consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share.

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Set out below is a summary of options granted under each plan:

Particulars	ESOP 2017		ESOS 2018	
	Average exercise price per share option (₹)	Number of shares	Average exercise price per share option (₹)	Number of shares
<b>Outstanding as at 1<sup>st</sup> April, 2020</b>	<b>225.00</b>	<b>246,294</b>	<b>325.00</b>	<b>14,615</b>
Granted during the year	-	-	-	-
Forfeited during the year	225.00	(3,404)	-	-
Exercised during the year	225.00	(22,611)	-	-
Expired during the year	225.00	(47,103)	325.00	(2,923)
<b>Outstanding as at 31<sup>st</sup> March, 2021</b>	<b>225.00</b>	<b>173,176</b>	<b>325.00</b>	<b>11,692</b>
Granted during the year	-	-	-	3,537
Forfeited during the year	225.00	(37,556)	-	-
Exercised during the year	225.00	(51,505)	-	(4,000)
Expired during the year	225.00	(5,066)	325.00	(2,768)
<b>Outstanding as at 31<sup>st</sup> March, 2022</b>	<b>225.00</b>	<b>79,049</b>	<b>325.00</b>	<b>8,461</b>

Closing share prices at the date of exercise are as follows :

Exercise date	Closing share price at BSE	Exercise date	Closing share price at BSE
<b>Year ended 31<sup>st</sup> March, 2022</b>	<b>Year ended 31<sup>st</sup> March, 2021</b>		
12 <sup>th</sup> November, 2021	487.55	10 <sup>th</sup> February, 2021	372.30
10 <sup>th</sup> March, 2022	481.25		

Other details :

Particulars	ESOP 2017		ESOS 2018	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Outstanding options as at the year end (no.)	79,049	173,176	8,461	11,692
Exercisable options at the year end (no.)	25,183	35,389	2,000	2,923
Weighted average remaining contractual life of options outstanding (years)	0.66	3.83	1.15	2.40

The Fair Value of options granted under the ESOP Scheme -

Particulars	ESOS 2017	ESOS 2017	ESOS 2018	ESOS 2018
	(Series 1)	(Series 2)	(Series 1)	(Series 2)
Option Fair Value (in ₹)	175.50	197.25	143.25	184.11

The fair value at grant date is determined by a valuer using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of each option is estimated on the date of grant based on the following assumptions :

Particulars	ESOS 2017	ESOS 2017	ESOS 2018	ESOS 2018
	(Series 1)	(Series 2)	(Series 1)	(Series 2)
Volatility*	38.81%	40.44%	40.12%	42.21%
Dividend yield	0.43%	0.49%	0.49%	0.52%
Risk - free interest rate	6.73%	7.64%	7.31%	6.92%

\*The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Cash inflow on exercise of options at the weighted average share price at the date of exercise.

Particulars	Year ended 31 <sup>st</sup> March, 2022		Year ended 31 <sup>st</sup> March, 2021	
	Numbers	Amount (₹ in Lakhs)	Numbers	Amount (₹ in Lakhs)
Exercised during the year ESOS 2017	51,505	115.89	22,611	50.87
Exercised during the year ESOS 2018	4,000	13.00	-	-
<b>Total</b>	<b>55,505</b>	<b>128.89</b>	<b>22,611</b>	<b>50.87</b>

There are no cash settled plans implemented by the Company and hence there is no further liability booked in the books.

The estimates of future cash inflow that may be received upon exercise of options.

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022		Year ended 31 <sup>st</sup> March, 2021	
	Numbers	Amount (₹ in Lakhs)	Numbers	Amount (₹ in Lakhs)
Not later than two years	87,141	141.00	173,100	398.25
Later than two years and not later than five years	369	1.20	11,768	29.40
<b>Total</b>	<b>87,510</b>	<b>142.20</b>	<b>184,868</b>	<b>427.65</b>

#### Expense arising from share-based payment transactions

Provision relating to share-based payment transactions has been reversed and recognised as other income amounting to ₹ 55.32 Lakhs (31<sup>st</sup> March, 2021: ₹ 19.46 Lakhs).

#### NOTE 43 EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lakhs)

(a) Particulars	As at 31 <sup>st</sup> March, 2022			As at 31 <sup>st</sup> March, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absences	228.45	-	228.45	177.97	-	177.97
Gratuity	37.71	190.57	228.28	46.60	128.95	175.55
<b>Total</b>	<b>266.16</b>	<b>190.57</b>	<b>456.73</b>	<b>224.57</b>	<b>128.95</b>	<b>353.52</b>

#### (b) Compensated absences

The Compensated absences cover the Group's liability for sick and earned leave.

The liability is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. The expense recognised during the year towards compensated absences is ₹ 97.08 Lakhs (31<sup>st</sup> March, 2021: ₹ 27.29 Lakhs)

#### (c) Defined contributions plans

##### Provident fund

The Group also has certain defined contribution plans. The contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. Amount recognised as an expense during the year towards defined contribution plan is ₹ 170.05 Lakhs (31<sup>st</sup> March, 2021: ₹ 117.01 Lakhs).

#### (d) Post-employment obligations (Gratuity)

The Group provides gratuity a defined benefit retirement plan covering eligible employees of the Group as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity. The gratuity plan is a non-funded plan.

## Summary

of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### Movement in present value of obligation

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the years are as follows:

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Present value of obligation</b>		
<b>As at beginning of the year</b>	175.55	147.91
Current service cost	25.26	34.46
Past service cost	9.02	-
Interest expense	7.46	10.19
<b>Total amount recognised in the statement of profit or loss</b>	<b>41.74</b>	<b>44.65</b>
(Gain)/ loss from change in demographic assumptions	28.69	(17.85)
Loss/ (gain) from change in financial assumptions	(17.65)	22.63
Experience (gains)/ losses	22.42	(20.91)
<b>Total amount recognised in other comprehensive income</b>	<b>33.46</b>	<b>(16.13)</b>
Liability transferred in/ acquisitions	9.20	4.80
Liability transferred out/ divestments	(7.45)	-
Benefit paid directly by the employer	(24.23)	(5.68)
Benefit payments	-	-
<b>As at end of the year</b>	<b>228.27</b>	<b>175.55</b>

### The significant actuarial assumptions were as follows:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Discount rate	6.09%	4.25%
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Attrition rate	20.00%	30.00%
Salary escalation rate	10.00%	10.00%

### Quantitative sensitivity analysis for significant assumptions:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Projected benefit obligation on current assumptions	228.27	175.55
Delta effect of +0.5% change in rate of discounting	(8.96)	(1.84)
Delta effect of -0.5% change in rate of discounting	9.79	2.36
Delta effect of +0.5% change in rate of salary increase	8.36	2.01
Delta effect of -0.5% change in rate of salary increase	(7.93)	(1.97)
Delta effect of +0.5% change in rate of employee turnover	(2.83)	(0.87)
Delta effect of -0.5% change in rate of employee turnover	2.98	0.89

### Additional details:

Methodology adopted for assured life mortality (ALM) -	Projected unit credit method
Usefulness and methodology adopted for sensitivity analysis -	Sensitivity analysis is an analysis which will give the movement in liability if the assumption were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### Defined benefit liability and employer contribution

The weighted average duration of the defined benefit obligation is 5 years as at 31<sup>st</sup> March, 2022 (31<sup>st</sup> March, 2021 - 4 years;). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in Lakhs)					
Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>Defined benefit obligation (gratuity)</b>					
As at 31 <sup>st</sup> March, 2022	37.71	29.69	112.67	125.32	305.39
As at 31 <sup>st</sup> March, 2021	46.61	29.65	122.15	-	198.41

### NOTE 44 NATURE OF SECURITY AND TERMS OF REPAYMENT

Sr. No.	Particulars and Nature of Security	Terms of Repayment and Interest rate
	<b>Non- Current Borrowings (including current maturities) Secured</b>	
i)	Term loan from bank, balance outstanding amounting to ₹ 17,936.12 Lakhs (31 <sup>st</sup> March, 2021: ₹ 17,756.01 Lakhs) is secured by charge by way of registered mortgage of all pieces and parcel of land used for project Sunteck Westworld 1 & 2 located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables along with 'Sunteck Maxxworld 1, 2 and 3' located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables.	Repayable in 4 equal quarterly installments commencing from end of 37 <sup>th</sup> month i.e. July 2022 and repayable upto April 2023, subject to certain prepayment conditions. During the year, the rate of interest were in the range of 7.80% - 8.20% p.a. (31 <sup>st</sup> March, 2021: 8.20% - 9.15% p.a.)
ii)	Term loan from bank, balance outstanding amounting to ₹ 5,340.88 Lakhs (31 <sup>st</sup> March, 2021: ₹ 3,740.89 Lakhs) is secured by charge by way of registered mortgage of all pieces and parcel of land used for project 'SunteckMaxxworld 1, 2, 3 and 4' located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables and Sunteck Westworld 1 and 2 located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables.	Repayable in 4 equal quarterly installments commencing from end of 33 <sup>rd</sup> month i.e. August 2023 and repayable upto May 2024, subject to certain prepayment conditions. During the year, the rate of interest were 8.35% and 8.45% p.a. (31 <sup>st</sup> March, 2021: 8.35% p.a.)
iii)	Term loan from bank amounting to Nil (31 March 2021: ₹ 18.18 Lakhs) was fully repaid during the year. The loan was secured by fixed deposit of NIL (31 March 2021: ₹ 300.00 Lakhs) and hypothecated on equipment purchased there against.	Repayable in 24 monthly installments commencing from May 2019 and repayable upto April 2021. During the year, the rate of interest was 9.26% p.a. (31 <sup>st</sup> March, 2021: 9.26% p.a.)
iv)	Term loan from bank, balance outstanding amounting to ₹ 77.68 Lakhs (31 <sup>st</sup> March, 2021: ₹ 201.94 Lakhs) and hypothecated on equipment purchased there against.	Repayable in 23 monthly installments commencing from December 2020 and repayable upto October 2022. During the year, the rate of interest was 8.75% p.a. (31 <sup>st</sup> March, 2021: 8.75% p.a.)
v)	Term loan from bank, balance outstanding amounting to ₹ 2,755.70 Lakhs (31 <sup>st</sup> March, 2021: Nil) is secured by registered mortgage on certain unit of project Signature Island located at Bandra Kurla Complex (Mumbai) and hypothecated on receivables there against.	Repayable in 33 equal monthly installments commencing from January 2022 and repayable up to October 2024. During the year, the rate of interest was 8.50% p.a. (31 <sup>st</sup> March, 2021: N.A.)
vi)	Term loan from bank, balance outstanding amounting to ₹ 993.35 Lakhs (31 <sup>st</sup> March, 2021: Nil) is secured by registered mortgage on certain unit of project Signia Isles located at Bandra Kurla Complex (Mumbai) and hypothecated on receivables there against.	Repayable in 33 equal monthly installments commencing from April 2022 and repayable upto December 2024. During the year, the rate of interest was 8.25% p.a. (31 <sup>st</sup> March, 2021: N.A.)
vii)	Term loan from financial institutions, balance outstanding amounting to ₹ 1,066.84 Lakhs (31 <sup>st</sup> March, 2021: ₹ 1,248.88 Lakhs) is secured by registered mortgage on certain unit of project 'Signia Isles' located at Bandra Kurla Complex (Mumbai) and hypothecated on receivables there against.	Repayable in 84 monthly installments commencing from October 2019 and repayable upto September 2026. During the year, the rate of interest were in the range of 9.25% - 9.70% p.a. (31 <sup>st</sup> March, 2021: 9.70% and 9.95% p.a.)



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Sr. No.	Particulars and Nature of Security	Terms of Repayment and Interest rate
viii)	Term loan from financial institutions, balance outstanding amounting to ₹ 1,353.69 Lakhs (31 <sup>st</sup> March, 2021: ₹ 1,462.11 Lakhs) is secured by mortgage over a portion of certain floors of the building 'Sunteck Centre' located at Vile Parle (East), Mumbai and certain units of building 'Corporate Centre' located at Andheri (East), Mumbai, and hypothecated on receivables there against.	Repayable in 132 monthly installments commencing from November 2019 and repayable upto October 2030. During the year, the rate of interest were 9.10% and 8.85 % p.a. (31 <sup>st</sup> March, 2021: 9.10% and 9.25 % p.a.)
ix)	Term loan from financial institutions, balance outstanding amounting to ₹ 1,509.22 Lakhs (31 <sup>st</sup> March, 2021: ₹ 1,852.76 Lakhs) is secured by mortgage over a portion of certain floors of the building 'Sunteck Centre' located at Vile Parle (East), Mumbai and hypothecated on receivables there against.	Repayable in 60 monthly installments commencing from September 2020 and repayable upto October 2025. During the year, the rate of interest were in the range of 9.05% - 9.50% p.a. (31 <sup>st</sup> March, 2021: 9.50% p.a.)
x)	Term loan from financial institutions, balance outstanding amounting to ₹ 1,933.73 Lakhs (31 <sup>st</sup> March, 2021: ₹ 2,343.08 Lakhs) is secured by registered mortgage on certain unit of project 'Signia Isles' located at Bandra Kurla Complex (Mumbai) and hypothecated on receivables there against.	Repayable in 60 monthly installments commencing from October 2020 and repayable upto November 2025. During the year, the rate of interest were in the range of 9.25% - 9.80%, p.a. (31 <sup>st</sup> March, 2021: 9.80% p.a.)
xi)	Term loan from financial institutions, balance outstanding amounting to ₹ 2,748.77 Lakhs (31 <sup>st</sup> March, 2021: Nil) is secured by registered mortgage on the Company share of unsold units in project Sunteck Icon and hypothecated on receivables there against.	Repayable in 30 monthly installments commencing from April 2024 and repayable upto September 2026. During the year, the rate of interest were 9.25% and 9.45% p.a. (31 <sup>st</sup> March, 2021: N.A.)
xii)	Term loan from financial institution ₹ 774.94 Lakhs (31 <sup>st</sup> March, 2021: ₹ 9,166.50 Lakhs) is secured by first charge by way of registered mortgage over the property (i.e. project land and structure thereon of project "Sunteck City" situated at ODC, Goregaon west, Mumbai) and exclusive charge with hypothecated on receivables from the said project.	Repayable in 15 unequal monthly installments commencing from the end of 22 <sup>nd</sup> month i.e. July 2021 to September 2022, During the year, the rate of interest were 9.00% p.a. and 9.75% p.a.(31 <sup>st</sup> March, 2021: 9.75% p.a.)
xiii)	Term loan from financial institution ₹ 7,475.91 Lakhs (31 <sup>st</sup> March, 2021: ₹ 11,767.81 Lakhs) is secured by first charge by way of registered mortgage over the property (i.e. project land and structure thereon of project "Sunteck City" situated at ODC, Goregaon west, Mumbai) and exclusive charge with hypothecated on receivables from the said project.	Repayable in 11 unequal monthly installments commencing from the end of 26 <sup>th</sup> month i.e. July 2022 and repayable upto May 2023, During the year, the rate of interest were 9.00% p.a. and 9.75% p.a. (31 <sup>st</sup> March, 2021: 9.75% p.a.)
xiv)	Term loan from financial institution ₹ 19,388.96 Lakhs (31 <sup>st</sup> March 2021: Nil) is secured by way of registered mortgage over the property financed including land at "Sunteck City 4 <sup>th</sup> Avenue", situated at Oshiwara District Centre of Village Goregaon, Ram Mandir Road, Goregaon West (Mumbai) - 400104 and Charge/Security Interest created over the movable and immovable properties on project specific receivables and <ul style="list-style-type: none"> <li>a) Corporate guarantee by Sunteck Realty Limited and Advait Infraprojects Private Limited</li> <li>b) Pledge by Holding Company of its 9,999 equity shares of the Satguru Corporate Services Private Limited</li> <li>c) Hypothecation of the entire receivables of such project</li> </ul>	Repayable in 12 equal monthly installments commencing from 49 <sup>th</sup> Month i.e. May 2025 and repayable up to April 2026 subject to certain prepayment conditions, During the year, the rate of interest was between 8.75% and 9.25% p.a. (31 <sup>st</sup> March, 2021: N.A.)
	<b>Unsecured</b>	
xv)	Loan from others balance outstanding amounting to ₹ 8,636.06 Lakhs (31 <sup>st</sup> March, 2021: ₹ 8,992.90 Lakhs) which is secured by way of registered mortgaged of certain units of projects Signature Island and Signia Isles, located at Bandra Kurla Complex, Mumbai.	The said loan will be converted into 1% secured Non-Convertible Debentures (NCDs). These NCDs will be redeemed at premium out of the future free cash flow, as per the waterfall mechanism, from the specified projects, subject to maximum of 20 years.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Sr. No.	Particulars and Nature of Security	Terms of Repayment and Interest rate
	<b>Current Borrowings Secured</b>	
i)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 0.01 Lakhs (debit balance) (31 <sup>st</sup> March, 2021: ₹ 773.05 Lakhs) is secured by First & exclusive charge by way of registered mortgage over a portion of 4 <sup>th</sup> floor in the building "Sunteck Centre" located at Vile Parle (East), Mumbai & receivables from sale/ lease/ transfer of said portion of floor.	Repayable on demand. During the year, the rate of interest were in the range of 9.05% - 9.10% p.a. (31 <sup>st</sup> March, 2021: 9.10% - 10.05% p.a.)
ii)	Working capital demand loan & bank overdraft, balance outstanding amounting to ₹ 6,000.00 Lakhs (31 <sup>st</sup> March, 2021: ₹ 6,000.00 Lakhs) and ₹ 672.55 Lakhs (debit balance) (31 <sup>st</sup> March, 2021: ₹ 2,926.78 Lakhs) respectively is secured by exclusive charge by way of registered mortgage on certain units of project "Signature Island" located at Bandra Kurla Complex, Mumbai & hypothecated on cash flows/ future receivables corresponding to the specified units charged.	Repayable on demand. During the year, the rate of interest were 7.90% - 7.95% p.a. (31 <sup>st</sup> March, 2021: 7.95% - 8.80% p.a.)
iii)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 18.86 Lakhs (31 <sup>st</sup> March, 2021: ₹ 132.70 Lakhs (debit balance) is secured by exclusive charge by way of registered mortgage on certain units of project "Signature Island" located at Bandra Kurla Complex (Mumbai) and lien on Fixed deposit of ₹ 50.00 Lakhs (31 <sup>st</sup> March, 2021: ₹ 3,000.00 Lakhs).	Repayable on demand. During the year, the rate of interest were in the range of 4.25% - 5.50% p.a. (31 <sup>st</sup> March, 2021: 4.42% - 8.80% p.a.)
iv)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 416.20 Lakhs (31 <sup>st</sup> March, 2021: ₹ 295.05 Lakhs) is secured by first charge by way of registered mortgage of all pieces and parcel of land used for project 'Sunteck Westworld 1 and 2' located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables along with 'Sunteck Maxxworld 1, 2 and 3' located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables.	Repayable on demand. During the year, the rate of interest were in the range of 7.80% - 8.80% p.a. (31 <sup>st</sup> March, 2021: 8.20% - 9.15% p.a.)
v)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 157.38 Lakhs (31 <sup>st</sup> March, 2021: ₹ 134.01 Lakhs) is secured by first charge by way of registered mortgage of all pieces and parcel of land used for project 'Sunteck Maxxworld 1,2 and 3' located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables and Sunteck Westworld 1 and 2 located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables.	Repayable on demand. During the year, the rate of interest were in the range of 8.35% - 10.35% p.a. (31 <sup>st</sup> March, 2021: 8.45% p.a.)
vi)	Overdraft facility from financial institutions, balance outstanding amounting to ₹ # 0.00 Lakhs (31 <sup>st</sup> March, 2021: Nil) is secured by is secured by registered mortgage over a certain unit of Signature Island and hypothecated on receivables there against.	Repayable in 60 monthly installments commencing from January 2022 and repayable upto February 2027. During the year, the rate of interest was 9.25% p.a. (31 <sup>st</sup> March, 2021: N.A.)
	<b>Unsecured</b>	
i)	Unsecured loans from others, balance outstanding amounting to ₹ 110.00 Lakhs (31 <sup>st</sup> March, 2021: ₹ 110.00 Lakhs)	Repayable on demand and interest free

Note: The Holding Company has received sanction of credit facility amounting to ₹ 10,000.00 Lakhs vide the term sheet/ offer letter dated 25 March 2022, however, the Holding Company has not drawn any amount out of the said facility as on 31<sup>st</sup> March, 2022.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Particulars and Nature of Security	Terms of Repayment and Interest rate
<p>The said borrowing is secured by :</p> <ul style="list-style-type: none"> <li>- Exclusive equitable Mortgage/ registered mortgage charge on identified unsold units of Starlight Systems (I) LLP in the Signia Pearl / Signia Isles located at Bandra Kurla Complex (Mumbai) and</li> <li>- Exclusive hypothecation charge on current assets (including cashflows / future receivables corresponding to the specified units charged to the bank) (both present and future)</li> <li>- Minimum collateral coverage of 200% to be maintaining during the currency of the facility.</li> </ul>	<p>Repayable in 7 equal quarterly installments commencing from the end of 18<sup>th</sup> month from the date of disbursement and repayable up to April 2025.</p>

# Amount less than ₹ 500

### NOTE 45 RELATED PARTY DISCLOSURES AS PER IND AS 24

<b>i)</b>	<b>List of related parties and relationships</b>
<b>A</b>	<b>Name of related parties where control exists irrespective of whether transaction is entered or not</b>
	<b>Joint ventures</b>
	GGICO Sunteck Limited
	Piramal Sunteck Realty Private Limited
	Uniworth Realty LLP
	Nariman Infrastructure LLP
	Kanaka and Associates (Partnership firm till 6 <sup>th</sup> October, 2020) (Refer note 58)
	Yukti Infraprojects LLP (till 23 <sup>rd</sup> February, 2021)
<b>B</b>	<b>List of other related parties to the extent with whom transaction has been entered into in the ordinary course of business</b>
	<b>Key Managerial Personnel:</b>
	Mr. Kamal Khetan - Chairman and Managing Director
	Mr. Atul Poopal - Executive Director
	Ms. Rachana Hingarajia - Director and Company Secretary
	Mr. Kishore Vussonji - Independent Director (till 30 September 2021)
	Mr. Ramakant Nayak - Independent Director (till 30 <sup>th</sup> September, 2021)
	Ms. Sandhya Malhotra - Independent Director
	Mr. Chaitanya Dalal - Independent Director (w.e.f. 18 <sup>th</sup> September, 2021)
	Mr. Mukesh Jain - Independent Director (w.e.f. 18 <sup>th</sup> September, 2021)
	Mr. Vaddarse Prabhakar Shetty - Independent Director (w.e.f. 11 <sup>th</sup> November, 2021)
	Mr. Manoj Agarwal - Chief Financial Officer
	Mr. Mahesh Sheregar - Chief Executive Officer International operations
	<b>Other parties over which Key Managerial Personnel and/ or his relative having significant influence:</b>
	Ms. Manisha Khetan (Spouse of Mr. Kamal Khetan)
	Mr. Vipul Vallabh Hingarajia (Spouse of Mrs. Rachana Hingarajia)
	Ms. Sangeeta Manoj Agarwal (Spouse of Mr. Manoj Agarwal)
	SW Capital Private Limited
	SW Investment Limited
	Eskay Infrastructure Development Private Limited
	Starteck Finance Limited
	Starteck Infraprojects Private Limited
	Samagra Wealthmax Private Limited
	Pathway Buildcon LLP
	Matrabhav Trust
	Krupa Family Private Trust
	Shraddha Trust
	Kanga and Company (till 30 <sup>th</sup> September 2021)

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**ii) Transactions during the year**

(₹ in Lakhs)

Particulars	Joint Ventures		Key Managerial Personnel / other parties over which key managerial personnel with his relative having significant influence	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Sale of residential and commercial units	-	-	61.85	51.79
Rent from properties	-	-	7.10	6.91
Share of profit/ (loss) from joint ventures	116.69	34.26	-	-
Interest income	325.81	61.12	2.16	2.54
Investment made				
Fixed capital in LLP invested/ (withdrawn) (net)	-	(67.50)	-	-
Current investment in LLP - current capital invested/ (withdrawn) (net)	153.68	(208.67)	-	-
Loans given	4,571.08	782.47	-	-
Loans repayment received	3,890.10	244.30	-	-
Borrowing taken	2,500.00	-	-	-
Borrowing repaid	2,500.00	-	-	-
Director sitting fees	-	-	11.80	6.20
Sale of property, plant and equipment	-	0.26	-	-
Transfer of materials				
Transfer - in	-	7.74	-	-
Transfer - out	-	3.09	-	-
Remuneration	-	-	331.26	469.36

**iii) Outstanding balances at the year end**

(₹ in Lakhs)

Particulars	Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Security deposit payable	-	-	16.50	18.00
Other payables	102.77	99.68	-	-
Trade receivables	-	-	-	0.72
Loans given	5,209.70	4,408.49	-	-
Interest accrued on loan given	293.22	-	-	-
Advance from customer	-	-	1.01	0.61
Remuneration	-	-	5.17	80.80

Note: For investments Refer notes 6 and 12.



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**iv) Disclosure in respect of major related parties transactions during the year**

(₹ in Lakhs)

Particulars	Joint Ventures		Key Managerial Personnel / other parties over which key managerial personnel with his relative having significant influence	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Sale of residential and commercial units</b>				
Krupa Family Private Trust	-	-	21.31	12.04
Pathway Buildcon LLP	-	-	15.22	8.60
Shraddha Trust	-	-	(15.05)	10.27
Matrabhav Trust	-	-	30.41	17.27
Others	-	-	9.96	3.61
<b>Rent from properties</b>				
Starteck Finance Limited	-	-	4.10	3.91
SW Capital Private Limited	-	-	3.00	3.00
<b>Share of profit/ (loss) from joint ventures</b>				
Piramal Sunteck Realty Private Limited	116.78	67.96	-	-
GGICO Sunteck Limited	-	(33.48)	-	-
Others	(0.09)	(0.22)	-	-
<b>Interest income on</b>				
<b>Loans</b>				
Piramal Sunteck Realty Private Limited	325.81	7.37	-	-
Yukti Infraprojects LLP	-	53.75	-	-
<b>Non- convertible debentures</b>				
Eskay Infrastructure Development Private Limited	-	-	0.51	0.63
Samagra Wealthmax Private Limited	-	-	1.42	1.63
Starteck Infraprojects Private Limited	-	-	0.23	0.28
<b>Investment made/ purchased during the year</b>				
<b>Fixed capital in LLP invested/ (withdrawn) (net)</b>				
Yukti Infraprojects LLP	-	(67.50)	-	-
<b>Current investment in LLP-current capital invested/ (withdrawn) (net)</b>				
Nariman Infrastructure LLP	145.67	5.00	-	-
Uniworth Realty LLP	8.01	6.07	-	-
Yukti Infraprojects LLP	-	(219.74)	-	-
<b>Loans given</b>				
Piramal Sunteck Realty Private Limited	4,571.08	782.47	-	-
<b>Loans repayment received</b>				
Piramal Sunteck Realty Private Limited	3,890.10	244.30	-	-
<b>Borrowing taken</b>				
Piramal Sunteck Realty Private Limited	2,500.00	-	-	-
<b>Borrowing repaid</b>				
Piramal Sunteck Realty Private Limited	2,500.00	-	-	-



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Joint Ventures		Key Managerial Personnel / other parties over which key managerial personnel with his relative having significant influence	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Director sitting fees</b>				
Kishore Vussonji	-	-	2.10	1.50
Ramakant Nayak	-	-	2.30	2.60
Sandhya Malhotra	-	-	3.50	2.10
Chaitanya Dalal	-	-	1.70	-
Mukesh Jain	-	-	1.70	-
Vaddarse Prabhakar Shetty	-	-	0.50	-
<b>Sale of property, plant and equipment</b>				
Piramal Sunteck Realty Private Limited	-	0.26	-	-
<b>Transfer of materials</b>				
<b>Transfer -in</b>				
Piramal Sunteck Realty Private Limited	-	7.74	-	-
<b>Transfer - out</b>				
Piramal Sunteck Realty Private Limited	-	3.09	-	-

**v) Disclosure in respect of outstanding balances of major related parties at the year end**

(₹ in Lakhs)

Particulars	Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Security deposit payable</b>				
SW Capital Private Limited	-	-	15.00	15.00
Starteck Finance Limited	-	-	1.50	1.50
SW Investment Limited	-	-	-	1.50
<b>Other payables</b>				
GGICO Sunteck Limited	102.77	99.68	-	-
<b>Trade receivables</b>				
Vipul Vallabh Hingarajia	-	-	-	0.72
<b>Loans given</b>				
GGICO Sunteck Limited (Refer note 59)	3,989.77	3,869.54	-	-
Piramal Sunteck Realty Private Limited	1,219.93	538.95	-	-
<b>Interest accrued on loan given</b>				
Piramal Sunteck Realty Private Limited	293.22	-	-	-
<b>Advance from customer</b>				
Shraddha Trust	-	-	0.61	0.61
Matrabhav Trust	-	-	0.40	-

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### vi) Key managerial personnel compensation

(₹ in Lakhs)

Particulars	Transactions during the year		Outstanding balances as at the year end	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Short-term employee benefits</b>				
<b>Remuneration*</b>				
Kamal Khetan	65.43	225.00	-	36.43
Atul Poopal	75.05	137.66	-	32.75
Rachana Hingarajia	65.38	38.80	2.42	6.46
Manoj Agarwal	125.40	67.90	2.75	5.16

\*As the liability for gratuity and compensated absences is provided on an actuarial basis for the Group as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.

\*Remuneration includes reimbursement.

#### Notes:

- For investments Refer notes 6 and 12.
- Related party relationship is as identified by the management and relied upon by the auditors.
- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- The Holding Company has given a "non disposal undertaking" to the lender for 500,001 equity shares (31<sup>st</sup> March 2021: 500,001 equity shares) of Piramal Sunteck Realty Private Limited.
- Refer note 44 for securities given by related parties in respect of borrowing of the Group.

### vii) Disclosure pursuant to Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	Maximum outstanding during the year ended 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	Maximum outstanding during the year ended 31 <sup>st</sup> March, 2021
Piramal Sunteck Realty Private Limited	1,219.93	4,872.01	538.95	539.41
GGICO Sunteck Limited (Refer note 59)	3,989.77	3,989.77	3,869.54	3,869.54

Notes: None of the above mentioned parties hold shares of the Holding Company

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 46 FAIR VALUE MEASUREMENTS

#### (i) Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participant at the measurement date.

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are valued using the closing price as at the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the use of discounted cash flow for fair value at amortised cost

#### (iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

(₹ in Lakhs)

Financial assets and liabilities as at 31 <sup>st</sup> March, 2022	Carrying amounts				Fair Value		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Level 1	Level 3	Total
<b>Financial assets</b>							
Investments							
- Equity instruments							
Quoted	-	2.44	-	2.44	2.44	-	2.44
Unquoted	-	164.53	-	164.53	-	164.53	164.53
- Debentures							
Unquoted	-	-	-	-	-	-	-
Trade receivables	-	-	27,052.30	27,052.30	-	-	-
Loans	-	-	11,311.13	11,311.13	-	-	-
Cash and cash equivalents	-	-	6,453.85	6,453.85	-	-	-
Other bank balances	-	-	3,229.36	3,229.36	-	-	-
Other financial assets	-	-	15,737.49	15,737.49	-	-	-
<b>Financial liabilities</b>							
Borrowings	-	-	78,694.29	78,694.29	-	-	-
Trade payables	-	-	19,354.82	19,354.82	-	-	-
Other financial liabilities	-	-	2,851.63	2,851.63	-	-	-



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Financial assets and liabilities as at 31 <sup>st</sup> March, 2021	Carrying amounts				Fair Value		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Level 1	Level 3	Total
<b>Financial assets</b>							
Investments							
- Equity instruments							
Quoted	-	2.13	-	2.13	2.13	-	2.13
Unquoted	-	65.33	-	65.33	-	65.33	65.33
- Debentures							
Unquoted	3,151.56	-	-	3,151.56	-	3,151.56	3,151.56
Trade receivables	-	-	33,380.92	33,380.92	-	-	-
Loans	-	-	7,917.22	7,917.22	-	-	-
Cash and cash equivalents	-	-	5,159.61	5,159.61	-	-	-
Other bank balances	-	-	4,745.54	4,745.54	-	-	-
Other financial assets	-	-	17,841.39	17,841.39	-	-	-
<b>Financial liabilities</b>							
Borrowings	-	-	68,789.95	68,789.95	-	-	-
Trade payables	-	-	18,272.51	18,272.51	-	-	-
Other financial liabilities	-	-	1,377.08	1,377.08	-	-	-

Note : During the years mentioned above, there have been no transfers amongst the levels of hierarchy. There are no financial assets / liabilities categorised under level 2.

### (iv) Fair value measurements using significant unobservable inputs

(₹ in Lakhs)

Particulars	Debentures	Equity shares
<b>As at 1 April 2020</b>	3,135.72	56.52
Interest income recognised in profit and loss (net of TDS amounting to ₹ 0.20 Lakhs)	2.35	-
Gains recognised in profit and loss	13.49	-
Gains recognised in other comprehensive income	-	10.94
<b>As at 31 March 2021</b>	<b>3,151.56</b>	<b>67.46</b>
Redeemed during the year	(3,070.47)	-
Interest income recognised in profit and loss (net of TDS amounting to ₹ 0.22 Lakhs)	1.94	0.01
Losses recognised in profit and loss	(83.03)	-
Gains recognised in other comprehensive income	-	99.50
<b>As at 31 March 2022</b>	<b>-</b>	<b>166.97</b>

### NOTE 47 FINANCIAL RISK MANAGEMENT

The Group activities expose it to business risk, interest rate risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, the Group's risk management is carried out by a corporate treasury and corporate finance department under policies approved by the Board of Directors and top management. Group treasury identifies, evaluates and mitigates financial risks in close cooperation with the Group's operating units. The Board provides guidance for overall the risk management, as well as policies covering specific areas.

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 statement.

#### (A) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their contractual terms and obligations. To manage this, the Group periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

The Group considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

Credit risk is managed at segment as well as Group level.

For other financial assets, the Group assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a group basis for each class of financial instruments with different characteristics.

The Group considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale and rental business. The same is due to the fact that in case of its residential and commercial sell business it does not handover possession till entire outstanding is received. Similarly in case of rental business, the Group keep 3 to 12 months rental as deposit from the occupants.

The Group measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables, other than what is already provided for. Refer note 13.2 for ageing analysis of trade receivables.

### Reconciliation of loss allowance - Trade Receivables

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Opening balance	582.50	372.00
Allowance made/ (reversal) during the year	(159.37)	210.50
<b>Closing balance</b>	<b>423.13</b>	<b>582.50</b>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### (B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, the Group's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the Group's liquidity position (comprising the unused cash and bank balances along with liquid investments) on the basis of expected cash flows. This is generally carried out at the Group level in accordance with practice and limits set by the Group. These limits vary to take into account the liquidity of the market in which the Group operates.

#### (i) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

All non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### 31<sup>st</sup> March 2022

(₹ in Lakhs)

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flows					Total as at 31 <sup>st</sup> March, 2022
		Payable on demand	within 12 months	1 to 2 years	2 to 5 years	More than 5 years	
Non-derivatives							
Borrowings							
Bank overdrafts	592.44	592.44	-	-	-	-	592.44
Working capital demand loan	6,000.00	6,000.00	-	-	-	-	6,000.00
Term loans from banks	27,103.73	-	19,649.69	7,890.00	-	-	27,539.69
Term from financial institutions	36,252.06	-	8,688.73	8,563.43	18,902.56	525.42	36,680.13
Loans from others	8,746.06	110.00	-	-	8,636.06	-	8,746.06
Trade payables	19,354.82	-	19,354.82	-	-	-	19,354.82
Other financial liabilities	2,851.63	-	1,459.59	-	1,442.99	-	2,902.58
<b>Total non-derivative liabilities</b>	<b>100,900.74</b>	<b>6,702.44</b>	<b>49,152.83</b>	<b>16,453.43</b>	<b>28,981.61</b>	<b>525.42</b>	<b>101,815.72</b>

#### 31<sup>st</sup> March 2021

(₹ in Lakhs)

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flows					Total as at 31 <sup>st</sup> March, 2022
		Payable on demand	within 12 months	1 to 2 years	2 to 5 years	More than 5 years	
Non-derivatives							
Borrowings							
Bank overdrafts	4,128.89	4,128.89	-	-	-	-	4,128.89
Working capital demand loan	6,000.00	6,000.00	-	-	-	-	6,000.00
Term loans from banks	21,717.02	-	142.98	18,284.32	3,973.34	-	22,400.64
Term from financial institutions	27,841.14	-	3,276.48	16,982.78	7,278.36	536.65	28,074.28
Loans from others	9,102.90	110.00	-	-	8,992.90	-	9,102.90
Trade payables	18,272.51	-	18,272.51	-	-	-	18,272.51
Other financial liabilities	1,377.08	-	1,119.21	103.50	213.12	-	1,435.83
<b>Total non-derivative liabilities</b>	<b>88,439.54</b>	<b>10,238.89</b>	<b>22,811.18</b>	<b>35,370.61</b>	<b>20,457.72</b>	<b>536.65</b>	<b>89,415.05</b>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### (C) Market risk

#### (i) Price risk

##### - Exposure

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet at "fair value through Other Comprehensive Income.

##### - Sensitivity

The table below summarises the impact of increase/ decrease of the BSE index on the Group's equity and gain/ loss for the period. The analysis is based on the assumption that the index has increased by 5% or decreased by 5% with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

#### Impact of profit before tax

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
BSE Sensex 30- Increase 5%	0.12	0.11
BSE Sensex 30- Decrease 5%	(0.12)	(0.11)

#### (ii) Foreign currency risk (unhedged)

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency i.e (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Group does not cover foreign currency exposure with any derivative instruments. The Group also imports certain materials which are denominated in USD which exposes it to foreign currency risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, including minimising cross currency transactions, using natural hedge to minimise the impact to results of the exchange rate movements. The unhedged exposures are maintained and kept to minimum feasible.

Particulars	Currency type	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
		Foreign currency (in Lakhs)	Indian currency (₹ in Lakhs)	Foreign currency (in Lakhs)	Indian currency (₹ in Lakhs)
<b>Foreign exchange currency exposure not covered by derivatives instrument (unhedged)</b>					
Loans and advances receivable	USD	10.26	775.09	10.26	751.74
Trade payables	USD	0.59	44.88	3.11	228.01
Trade receivables	USD	0.04	2.84	-	-

##### - Foreign Currency Sensitivity

A change of 10% in exchange rate would have following impact on profit before tax:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
10% increase would increase the profit before tax by	73.30	97.98
10% decrease would decrease the profit before tax by	73.30	97.98

#### (iii) Cash flow and fair value interest rate risk

##### - Interest rate risk management:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

relates primarily to the Group's long-term debt obligations with floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

### - Interest rate risk exposure:

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Variable rate borrowings	57,509.29	52,503.53
Fixed rate borrowings	12,438.94	7,183.52
Interest free borrowings	8,746.06	9,102.90
<b>Total borrowings</b>	<b>78,694.29</b>	<b>68,789.95</b>

### - Interest rate sensitivity

A change of 50 bps in interest rates would have following impact on profit before tax

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
50 bp increase would decrease the profit before tax by*	287.55	262.52
50 bp decrease would increase the profit before tax by*	287.55	262.52

\* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

## NOTE 48 CAPITAL MANAGEMENT

### (a) Risk management

The Group's objectives when managing capital are to :

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The amount managed by capital by the Group are summarised as follows:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Net debt (Net of cash and cash equivalent and non-earmarked other bank balances)	69,269.04	58,895.16
Total equity	279,040.38	277,225.09
<b>Net debt to equity ratio</b>	<b>0.25</b>	<b>0.21</b>

The Group maintains its capital structure and makes adjustments, if required in light of changes in economic conditions and the requirements of the financial covenants. Consistent with others in the industry, the Group monitors its capital using the gearing ratio which is total debts divided by total equity and intends to manage optimal gearing ratios. In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.



**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**(b) Dividends**

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Final dividend for the year 31 <sup>st</sup> March, 2021 of ₹ 1.50 (31 <sup>st</sup> March, 2020: ₹ 1.50) per share for non promoter group having face value of ₹ 1 each and ₹ 0.75 (31 <sup>st</sup> March, 2020: ₹ 0.75) per share for promoter and promoter group.	1,413.61	1,413.33

**Proposed dividend**

The Board of Directors have recommended a equity dividend of ₹ 1.50 (31<sup>st</sup> March, 2021: ₹ 1.50) per equity share of the face value of ₹ 1 each to the shareholders other than Promoter/Promoter group and ₹ 1.50 (31<sup>st</sup> March, 2021: ₹ 0.75) per equity share of the face value of ₹ 1 each to Promoter/Promoter group for the financial year ended 31<sup>st</sup> March 2022. The same is subject to the approval of the shareholders of the Company at the Annual General Meeting and therefore not recognised as liability as at the Balance Sheet date"

\* Calculation is based on the number of shares outstanding as at year end excluding 6,000,000 (31<sup>st</sup> March, 2021: 6,000,000) held by subsidiary companies. The actual dividend amount will be dependent of the relevant share capital outstanding as on the record date/ book closure.

**NOTE 49 NOTE ON IND AS 115 REVENUE FROM CONTRACTS WITH CUSTOMERS**

**(i) Reconciliation of revenue recognised with the contracted price is as follows:**

**a. Sale of residential and commercial units (net) and sale of construction services:**

(₹ in Lakhs)

Particulars	Year ended	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Contract price (net of share of land owners of ₹ 5,872.04 Lakhs; 31 <sup>st</sup> March, 2021 : ₹ 3,355.06 Lakhs)	48,720.49	58,259.39
Less: Finance element included in the contract price	235.21	245.67
Less: Stamp and registration fees included in the contract price	80.66	-
<b>Revenue from contract with customers</b>	<b>48,404.62</b>	<b>58,013.72</b>

**b.** In all other cases, except for the above, contracted price is equivalent to the amount of revenue recognised (Refer note 30).

**(ii) Disaggregation of revenue**

Revenue based on timing of recognition

(₹ in Lakhs)

Particulars	Year ended	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Revenue recognition over the period of time	50,451.25	45,357.07
Revenue recognition at a point in time	856.31	16,048.86
<b>Total</b>	<b>51,307.56</b>	<b>61,405.93</b>

**(iii) Contract balances**

The table that provides information about trade receivables, contract assets and contract liabilities from contract with customers is as follows:

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Trade receivables	27,475.43	33,963.42
Contract assets	28,643.32	27,619.80
Contract liabilities	168,713.83	37,777.07



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

<b>Changes in contract assets are as follows:</b>	<b>Year ended 31<sup>st</sup> March, 2022</b>	<b>Year ended 31<sup>st</sup> March, 2021</b>
Contract assets at the beginning of the year	27,619.80	19,225.18
Less: Transferred to receivables	(17,858.24)	(7,125.07)
Add: Revenue recognised (net of invoicing)	18,881.76	15,519.69
<b>Balance at the end of the year</b>	<b>28,643.32</b>	<b>27,619.80</b>

(₹ in Lakhs)

<b>Changes in contract liabilities are as follows:</b>	<b>Year ended 31<sup>st</sup> March, 2022</b>	<b>Year ended 31<sup>st</sup> March, 2021</b>
Contract liabilities at the beginning of the year	37,777.07	22,332.16
Add: Invoice raised during the year	49,903.43	55,856.96
Add: Advance received from customers (net of invoicing)	1,005.23	2,081.98
Add: Liability towards acquisition of development rights	108,318.53	-
Less: Net revenue recognised during the year (including ₹ 10,133.42 Lakhs; 31 <sup>st</sup> March 2021: ₹ 8,706.31 Lakhs recognised out of the opening contract liability)	(27,191.29)	(42,494.03)
Less: Stamp duty and registration fees	(1,099.14)	-
<b>Balance at the end of the year</b>	<b>168,713.83</b>	<b>37,777.07</b>

### (iv) The significant payment terms :

#### Construction-linked plans (CLP):

Under this plan, the unit holder can book a unit by paying a booking amount. Further, the balance amount is required to be paid as per the construction milestones as mentioned in the agreement.

#### Subvention scheme:

Under this scheme, the unit holder can book a unit by paying an agreed initial amount and balance amount is funded by the bank/ financial institution (FI) based on the construction linked payment schedule as per the agreed terms between the Group, the unit holder and the bank/ FI. Related finance cost for the agreed period is included in the contract price.

### (v) Transaction price remaining performance obligation

The aggregate amount of the transaction price allocated to the unsatisfied performance obligations (including completely unsatisfied obligations in case of pre-sales) as at the year end is ₹ 146,901.73 Lakhs (31<sup>st</sup> March, 2021: ₹ 125,876.90 Lakhs). Out of this, the Group expects, based on current projections, to recognise revenue in the following time bands:

(₹ in Lakhs)

<b>Time Bands</b>	<b>As at 31<sup>st</sup> March, 2022</b>	<b>As at 31<sup>st</sup> March, 2021</b>
0-1 year	33,016.97	58,355.89
1-3 years	113,070.01	67,521.01
3-5 years	814.75	-
<b>Total</b>	<b>146,901.73</b>	<b>125,876.90</b>

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

## NOTE 50 INTEREST IN OTHER ENTITIES

### 50.1 Subsidiaries

The Group subsidiaries as at 31<sup>st</sup> March, 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Principal Activity	Ownership interest held by the Group		Ownership interest held by non- controlling interests	
			As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
			%	%	%	%
Skystar Buildcon Private Limited	India	Real estate	100	100	-	-
Sunteck Property Holdings Private Limited	India	Real estate	100	100	-	-
Sahrish Constructions Private Limited	India	Real estate	100	100	-	-
Sunteck Realty Holdings Private Limited	India	Real estate	100	100	-	-
Advaith Infraprojects Private Limited	India	Real estate	100	100	-	-
Satguru Corporate Services Private Limited	India	Real estate	100	100	-	-
Sunteck Real Estates Private Limited	India	Real estate	100	100	-	-
Sunteck Infraprojects Private Limited	India	Real estate	100	100	-	-
Stardeck Lifestyle Private Limited	India	Real estate	100	100	-	-
Starlight Systems Private Limited	India	Real estate	100	100	-	-
Satguru Infocorp Services Private Limited	India	Business solutions and incidental services	100	100	-	-
Sunteck Lifestyle International Private Limited	Mauritius	Real estate	100	100	-	-
Sunteck Lifestyles Limited	UAE	Real estate	100	100	-	-
Sunteck Lifestyle Management DMCC (formerly known as Sunteck Lifestyle Management JLT)	UAE	Management consultancy	100	100	-	-
Starlight Systems (I) LLP (Refer note 66)	India	Real estate	100	100	-	-
Mithra Buildcon LLP	India	Real estate	100	100	-	-
Clarissa Facility Management LLP	India	Facility management	100	100	-	-
Magnate Industries LLP	India	Real estate	100	100	-	-
Shivay Brokers Private Limited (w.e.f. 19 November 2020) (Refer note 67(i))	India	Real estate	100	100	-	-
Industele Property Private Limited (w.e.f. 1 November 2021) (Refer note 67(ii))	India	Real estate	100	100	-	-
Sunteck Lifespace Private Limited (w.e.f. 2 November 2021) (Refer note 63 )	India	Real estate	100	100	-	-
Rammit Corporate Solutions Private Limited (w.e.f.18 February 2022) (Refer note 67(iv))	India	Real estate	100	100	-	-
Prija Trading Private Limited (w.e.f.18 February 2022 till 30 May 2022) (Refer note 67 (iii) and (iv))	India	Real estate	100	100	-	-
Sunteck Infracon Private Limited (w.e.f. 30 March 2022) (Refer note 64)	India	Real estate	100	100	-	-

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### 50.2 Interests in joint ventures

Set out below are joint ventures of the Group as at 31<sup>st</sup> March, 2022 which, in the opinion of the Directors, are material to the Group. The entities listed below have proportionate capital contribution and share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business	Principal Activity	% of ownership interest		Carrying amount (₹ in Lakhs)	
			As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Interest in joint ventures</b>						
Piramal Sunteck Realty Private Limited (Refer note 61)	India	Real estate	50%	50%	4,240.31	4,123.54
Nariman Infrastructure LLP	India	Real estate	50%	50%	4,595.62	4,449.99
Uniworth Realty LLP	India	Real estate	50%	50%	547.21	539.25
GGICO Sunteck Limited (Refer note 59)	UAE	Real estate	50%	50%	13,911.37	13,474.84
<b>Total equity accounted investments</b>					<b>23,294.51</b>	<b>22,587.62</b>

### 50.3 Summarised financial information for joint ventures

The tables below provide summarised financial information for those joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not Sunteck Realty Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

Summarised balance sheet	Piramal Sunteck Realty Private Limited		GGICO Sunteck Limited#		Nariman Infrastructure LLP		Uniworth Realty LLP	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Current assets</b>								
Cash and cash equivalents	1,607.64	49.06	2.57	2.49	0.17	0.16	0.55	0.90
Other assets	10,473.12	19,014.41	10.84	10.51	9,191.25	8,899.88	1,102.65	1,088.31
<b>Total current assets</b>	<b>12,080.76</b>	<b>19,063.47</b>	<b>13.41</b>	<b>13.00</b>	<b>9,191.42</b>	<b>8,900.04</b>	<b>1,103.20</b>	<b>1,089.21</b>
<b>Total non-current assets</b>	<b>2,389.24</b>	<b>398.01</b>	<b>84,272.41</b>	<b>81,733.69</b>	-	-	<b>0.02</b>	<b>0.03</b>
<b>Current liabilities</b>								
Financial liabilities	4,985.73	8,490.87	1,850.68	1,796.62	0.18	0.06	8.59	10.75
Other liabilities	991.68	817.66	99.04	96.06	-	-	0.21	* 0.00
<b>Total current liabilities</b>	<b>5,977.41</b>	<b>9,308.53</b>	<b>1,949.72</b>	<b>1,892.68</b>	<b>0.18</b>	<b>0.06</b>	<b>8.80</b>	<b>10.75</b>

(₹ in Lakhs)



Corporate Overview



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## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Summarised balance sheet	Piramal Sunteck Realty Private Limited		GGICO Sunteck Limited#		Nariman Infrastructure LLP		Uniworth Realty LLP	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Non-current liabilities</b>								
Non-financial liabilities	-	1,895.36	54,513.37	52,904.34	-	-	-	-
Other liabilities	11.97	10.51	-	-	-	-	-	-
<b>Total non-current liabilities</b>	<b>11.97</b>	<b>1,905.87</b>	<b>54,513.37</b>	<b>52,904.34</b>	-	-	-	-
<b>Net assets</b>	<b>8,480.62</b>	<b>8,247.08</b>	<b>27,822.73</b>	<b>26,949.67</b>	<b>9,191.24</b>	<b>8,899.98</b>	<b>1,094.42</b>	<b>1,078.49</b>

### Details of group share of contingent liabilities and commitments relating to joint venture

Particulars	Piramal Sunteck Realty Private Limited		GGICO Sunteck Limited#		Nariman Infrastructure LLP		Uniworth Realty LLP	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Claims not acknowledged as debts by the Company	159.18	159.18	-	-	-	-	-	-
Capital and other commitments	120.28	119.01	-	-	-	-	-	-
<b>Group's share</b>								
Claims not acknowledged as debts	79.59	79.59	-	-	-	-	-	-
Capital and other commitments	60.14	59.51	-	-	-	-	-	-

# Summary

of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Summarised statement of profit and loss	Piramal Sunteck Realty Private Limited		GGICO Sunteck Limited#		Nariman Infrastructure LLP		Uniworth Realty LLP		Yukti Infraprojects LLP (Refer note 57)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
	(₹ in Lakhs)									
Revenue	6,864.06	3,918.85	-	-	-	-	-	-	N.A.	-
Other income	10.85	25.16	-	-	-	-	-	-	N.A.	-
Cost of revenue	4,635.03	2,067.12	-	-	-	-	-	-	N.A.	-
Depreciation and amortisation	3.20	5.97	-	-	-	-	-	-	N.A.	-
Interest expense	1,006.62	805.30	-	28.35	-	-	-	-	N.A.	-
Other expense	920.74	888.33	-	38.62	-	0.10	0.08	0.29	N.A.	0.04
Income tax expense	74.61	44.70	-	-	-	-	* 0.00	(0.01)	N.A.	-
<b>Profit from continuing operations</b>	<b>234.71</b>	<b>132.59</b>	-	<b>(66.97)</b>	-	<b>(0.10)</b>	<b>(0.08)</b>	<b>(0.28)</b>	-	<b>(0.04)</b>
Profit from discontinued operations	-	-	-	-	-	-	-	-	-	-
<b>Profit for the year</b>	<b>234.71</b>	<b>132.59</b>	-	<b>(66.97)</b>	-	<b>(0.10)</b>	<b>(0.08)</b>	<b>(0.28)</b>	-	<b>(0.04)</b>
Other comprehensive income	(1.14)	3.34	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>233.57</b>	<b>135.93</b>	-	<b>(66.97)</b>	-	<b>(0.10)</b>	<b>(0.08)</b>	<b>(0.28)</b>	-	<b>(0.04)</b>

## Reconciliation to carrying amounts

Particulars	Piramal Sunteck Realty Private Limited*		GGICO Sunteck Limited#		Nariman Infrastructure LLP		Uniworth Realty LLP		Yukti Infraprojects LLP (Refer note 57)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
	(₹ in Lakhs)									
Opening net assets	8,247.08	8,111.15	26,949.67	27,727.97	8,899.98	8,890.13	1,078.49	1,066.65	N.A.	408.25
Capital contributed/ (withdrawal) during the year	-	-	-	-	291.36	9.99	16.01	12.12	N.A.	(408.21)
Profit/ (loss) for the year	234.71	132.59	-	(66.97)	(0.10)	(0.14)	(0.08)	(0.28)	N.A.	(0.04)
Other comprehensive income	(1.14)	3.34	-	-	-	-	-	-	N.A.	-
Foreign currency translation reserve	-	-	873.06	(711.33)	-	-	-	-	N.A.	-
Others	(0.03)	-	-	-	-	-	-	-	N.A.	-
<b>Closing net assets</b>	<b>8,480.62</b>	<b>8,247.08</b>	<b>27,822.73</b>	<b>26,949.67</b>	<b>9,191.24</b>	<b>8,899.98</b>	<b>1,094.42</b>	<b>1,078.49</b>	-	-
Group's share in %	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	-	50.00%
Group's share in ₹	4,240.31	4,123.54	13,911.37	13,474.84	4,595.62	4,449.99	547.21	539.25	-	-

\* Amount less than ₹ 500

# Based on management prepared unaudited financials statements.



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**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 51 STATEMENT PURSUANT TO DETAILS TO BE FURNISHED FOR SUBSIDIARIES AS PRESCRIBED BY COMPANIES ACT, 2013**

Name of entity	31 <sup>st</sup> March, 2022							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in Lakhs	As % of consolidated profit or loss	₹ in Lakhs	As % of consolidated other comprehensive income	₹ in Lakhs	As % of consolidated total comprehensive income	₹ in Lakhs
<b>Holding Company: Sunteck Realty Limited</b>	70%	194,189.37	51%	1,289.75	11%	68.82	43%	1,358.57
<b>Subsidiaries</b>								
<b>Indian</b>								
1 Starlight Systems Private Limited	5%	13,238.75	1%	24.35	727%	4,701.12	150%	4,725.47
2 Satguru Infocorp Services Private Limited	5%	13,980.54	-*	11.27	727%	4,701.00	149%	4,712.27
3 Skystar Buildcon Private Limited	3%	8,884.29	50%	1,262.32	-1%	(3.45)	40%	1,258.87
4 Sunteck Property Holdings Private Limited	-*	185.86	-*	30.67	-	-	1%	30.67
5 Sahrish Constructions Private Limited	-*	1,196.44	4%	89.47	-	-	3%	89.47
6 Sunteck Realty Holdings Private Limited	-*	15.26	-*	(140.57)	-	-	-4%	(140.57)
7 Advaita Infraprojects Private Limited	-*	78.61	-*	(0.33)	-	-	-*	(0.33)
8 Satguru Corporate Services Private Limited	42%	118,209.29	3%	72.66	-1%	(8.70)	2%	63.96
9 Sunteck Real Estates Private Limited	-*	6.36	-*	8.87	-	-	-*	8.87
10 Sunteck Infraprojects Private Limited	-*	(1.00)	-*	(0.25)	-	-	-*	(0.25)
11 Stardeck Lifestyle Private Limited	-*	(18.75)	-*	(19.17)	-	-	-*	(19.17)
12 Starlight Systems (I) LLP	25%	68,761.47	5%	124.43	-1%	(4.38)	4%	120.05
13 Mithra Buildcon LLP	2%	5,294.21	-*	(0.18)	-	-	-*	(0.18)
14 Clarissa Facility Management LLP	-*	181.74	-*	83.46	-	-	3%	83.46
15 Magnate Industries LLP	1%	2,503.21	-*	(33.80)	-	-	-1%	(33.80)
16 Shivay brokers private limited	-*	(10.00)	-*	(2.22)	-	-	-*	(2.22)
17 Induste Property Private Limited	-*	(16.30)	3%	79.59	-	-	3%	79.59
18 Sunteck Lifespace Private Limited	-*	0.82	-*	(0.18)	-	-	-*	(0.18)
19 Rammit Corporate Solutions Private Limited	-*	(1,304.31)	31%	774.94	-	-	25%	774.94
<b>Foreign</b>								
1 Sunteck Lifestyle International Private Limited	9%	25,819.47	-*	(21.56)	1%	2.60	-*	(18.97)
2 Sunteck Lifestyles Limited	7%	20,711.53	-9%	(218.58)	97%	625.85	13%	407.27
3 Sunteck Lifestyle Management DMCC (formerly known as Sunteck Lifestyle Management JLT)	-*	(1,110.06)	-*	(8.18)	-5%	(33.31)	-1%	(41.49)





## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Name of entity	31 <sup>st</sup> March, 2021							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in Lakhs	As % of consolidated profit or loss	₹ in Lakhs	As % of consolidated other comprehensive income	₹ in Lakhs	As % of consolidated total comprehensive income	₹ in Lakhs
8 Satguru Corporate Services Private Limited	46%	127,349.16	11%	480.15	-*	(0.26)	13%	479.89
9 Sunteck Real Estates Private Limited	-*	(2.52)	-*	(2.15)	-	-	-*	(2.15)
10 Sunteck Infraprojects Private Limited	-*	(0.75)	-*	(0.28)	-	-	-*	(0.28)
11 Starteck Lifestyle Private Limited	-*	0.43	-*	0.27	-	-	-*	0.27
12 Starlight Systems (I) LLP	27%	74,342.40	-1%	(36.53)	-1%	4.05	-1%	(32.48)
13 Mithra Buildcon LLP	4%	10,705.99	-*	(0.19)	-	-	-*	(0.19)
14 Clarissa Facility Management LLP	-*	(15.66)	-*	(18.76)	-	-	-1%	(18.76)
15 Magnate Industries LLP	1%	2,500.04	-*	(0.41)	-	-	-*	(0.41)
16 Shivay brokers private limited	-*	(7.78)	-*	(1.91)	-	-	-*	(1.91)
<b>Foreign</b>								
1 Sunteck Lifestyle International Private Limited*	9%	25,659.66	-*	(14.20)	1%	(2.35)	-*	(16.55)
2 Sunteck Lifestyles Limited	7%	20,138.70	-9%	(393.60)	109%	(501.31)	-24%	(894.91)
3 Sunteck Lifestyle Management DMCC (formerly known as Sunteck Lifestyle Management JLT)	-*	(1,068.57)	-*	(1.27)	-6%	27.05	1%	25.78
<b>Joint Ventures (Investment as per equity method)</b>								
<b>Indian</b>								
1 Piramal Sunteck Realty Private Limited	1%	4,123.54	2%	67.96	-*	-	2%	67.96
2 Nariman Infrastructure LLP	2%	4,449.99	-*	(0.08)	-*	-	-*	(0.08)
3 Uniworth Realty LLP	-*	539.25	-*	(0.14)	-*	-	-*	(0.14)
<b>Foreign</b>								
1 GGICO Sunteck Limited	5%	13,474.84	-1%	(33.49)	-*	-	-1%	(33.49)
<b>Total elimination/ adjustment</b>	<b>-82%</b>	<b>(226,135.98)</b>	<b>-33%</b>	<b>(1,375.28)</b>	<b>897%</b>	<b>(4,123.03)</b>	<b>-147%</b>	<b>(5,498.30)</b>
<b>Total</b>	<b>100%</b>	<b>277,225.09</b>	<b>100%</b>	<b>4,194.07</b>	<b>100%</b>	<b>(459.43)</b>	<b>100%</b>	<b>3,734.64</b>

\* less than 0.5%

**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 52 CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Ageing of Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
<b>As at 31<sup>st</sup> March, 2022</b>					
Projects in progress	674.35	-	-	-	674.35
Projects temporarily suspended					
<b>As at 31<sup>st</sup> March, 2021</b>					
Projects in progress	929.08	-	-	-	929.08
Projects temporarily suspended	-	-	-	-	-

**52.1** As at 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021, there were no projects, the completion of which was overdue or exceeded cost compared to the original plan.

#### NOTE 53 INTANGIBLE ASSETS UNDER DEVELOPMENT

##### (a) Ageing of Intangible assets under development

(₹ in Lakhs)

	Amount in Intangible assets under development for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
<b>As at 31<sup>st</sup> March, 2022</b>					
Projects in progress	32.25	28.00	-	-	60.25
Projects temporarily suspended	-	-	-	-	-
<b>As at 31<sup>st</sup> March, 2021</b>					
Projects in progress	28.00	-	-	-	28.00
Projects temporarily suspended	-	-	-	-	-

##### (b) Ageing for Intangible assets under development, whose completion is overdue compared to its original plan

(₹ in Lakhs)

	To be completed in				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
<b>(i) As at 31<sup>st</sup> March, 2022</b>					
Projects in progress	60.25	-	-	-	60.25

**(ii)** As at 31<sup>st</sup> March, 2021 there were no projects, the completion of which was overdue or exceeded cost compared to the original plan.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 54 OTHER STATUTORY INFORMATION

- i Utilisation of borrowed funds and share premium
- l The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- ll The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Except for the followings:

Sr. No.	Nature of transactions	Date of transaction	Funding party	Amount (₹ in Lakhs)	Details of counter party			Compliance with				
					Name	Registered address	Type	PAN Details	Relationship with the company	FEMA Act	Companies Act	PMLA Act
1	Loan given	29 <sup>th</sup> September 2021	Piramal Sunteck Realty Private Limited	1,250.00	Starlight System (I) LLP	5 <sup>th</sup> Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (E), Mumbai - 400057	Intermediaries	ACIFS0005M	Company where significant influence exist	Yes	Yes	Yes
2	Loan given	29 <sup>th</sup> October 2021	Piramal Sunteck Realty Private Limited	1,250.00	Starlight System (I) LLP	5 <sup>th</sup> Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (E), Mumbai - 400057	Intermediaries	ACIFS0005M	Company where significant influence exist	Yes	Yes	Yes
3	Loan given	29 <sup>th</sup> October 2021	Starlight System (I) LLP	1,250.00	Sunteck Realty Limited	5 <sup>th</sup> Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (E), Mumbai - 400057	Ultimate Beneficiaries	AAAACI0336E	Company where significant influence exist	Yes	Yes	Yes
4	Loan given	29 <sup>th</sup> September 2021	Starlight System (I) LLP	1,250.00	PDL Realty Private Limited	Piramal Tower, 8 <sup>th</sup> Floor, Ganpatrao Kadam Marg, Lower Pare, Mumbai	Ultimate Beneficiaries	AAGCP0375A	Subsidiary of Co-Venturer	Yes	Yes	Yes

Further, during the year ended 31<sup>st</sup> March 2022, the above loans has been repaid by the respective parties.

\* Foreign Exchange Management Act

\*\*Prevention of Money Laundering Act

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

- ii The Group do not have any benami property held in their name. No proceedings have been initiated on or are pending against the Holding Company and Indian subsidiaries for holding any Benami property.
- iii The Group have not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- iv The Group have complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013.
- v The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or discharged as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)
- vi The Group has not traded or invested in crypto currency or virtual currency during the year.
- vii The Group have not been entered any transactions or outstanding balances with struck off companies as at and for the year ended 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021.
- viii The Group has not entered into any scheme of arrangement which has an accounting impact on the current and previous financial year.
- ix The Group is not required to submit quarterly statements carrying financial information to the banks and financial institution for such nature of facility obtained by the Group for the years ended 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021.



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**Summary** of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 55 SEGMENT REPORTING**

**(a) Business segment**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Holding Company's Chairman and Managing Director (CMD) is identified as the CODM as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators, however the Group is primarily engaged in only one segment viz., 'Real Estate/Real Estate Development and Related Activities' and that most of the operations are in India. Hence, the Group does not have any separate reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

**(b) Entity wide disclosures**

None of the customers for the years ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 constituted 10% or more of the total revenue of the Group.

**NOTE 56** Exceptional item for the year ended 31<sup>st</sup> March, 2021 represents balance written off in respect of trade receivables amounting to ₹ 603.50 Lakhs as considered no longer recoverable.

**NOTE 57** The Group, on 22<sup>nd</sup> February, 2021, has exited from M/s Yukti Infraprojects LLP, a partnership firm, wherein the Holding Company together with one of its subsidiary were holding 50% interest in this partnership firm. Consequent to this exit, the Group has received ₹ 394.70 Lakhs during the year ended 31<sup>st</sup> March, 2021 towards the capital contribution made including share of profit/(loss) till the date of exit.

**NOTE 58** In case of the Holding Company, other non-current financial assets as at 31<sup>st</sup> March 2022 include ₹ 1,402.73 Lakhs (31<sup>st</sup> March 2021: ₹ 1,402.73 Lakhs), representing amount receivable from a partnership firm ('Firm') in which the Holding Company was associated as a partner till 6<sup>th</sup> October 2020, which is presently under dispute with respect to alleged illegal sale of the firm's assets by the other partner. The Holding Company had received arbitration award dated 4<sup>th</sup> May 2018 in its favour in respect of this matter which has been further challenged by the other partner in Bombay High Court, which has neither been admitted as yet nor any stay granted against the award. Basis the status of the case, favourable arbitration award and legal opinion, Management is confident of recovering the aforesaid dues and therefore, no provision has been considered necessary at this stage. Further, considering the dispute, the Holding Company has not accounted for its share of profits or losses for the period from 2015 till 6<sup>th</sup> October 2020, as the financial statements from the partnership firm are not available. Since there were no operations in the partnership firm since 2015, Management does not expect the impact of such share of profits or losses, not accounted, to be material.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 59** Non-current investments in joint ventures and non-current loans as at 31<sup>st</sup> March 2022 include ₹ 13,911.37 Lakhs (31<sup>st</sup> March 2021: ₹ 13,474.84 Lakhs) and ₹ 3,989.77 Lakhs (31<sup>st</sup> March 2021: ₹ 3,869.54 Lakhs) respectively, representing amount receivable from GGICO Sunteck Limited (GGICO), a joint venture company, acquired through wholly owned subsidiary, Sunteck Lifestyle Limited (SLL), which is in the business of development of real-estate project in Dubai. Development of the project undertaken by joint venture has been delayed on account of certain disputes with the other joint venture partner. SLL has obtained favourable order from the court of Dubai International Finance Centre against the claim made by other joint venture partner for termination of joint venture. Further, SLL has initiated arbitration before London Court of International Arbitration (LCIA) against the other partner alleging that the other partner has not obtained necessary regulatory and statutory approvals for commencing the construction activity as specified in the Joint Venture Agreement (JVA). During the previous year, the other JV partner has also initiated the arbitration before LCIA against SLL and the Holding Company alleging non-compliance of certain conditions of the JVA and seeking termination of the joint venture. During the current year, partial award has been given by LCIA (in arbitration initiated by SLL) confirming that SLL was not in breach of any joint venture condition, the termination of the joint venture is held to be invalid and also awarded reimbursement of certain payment made by SLL. Basis legal opinion, the management is of the view that such claims are not tenable against the Holding Company and SLL. Further, considering the dispute, the Holding Company has accounted for its share of profits or losses in GGICO based on the unaudited/unreviewed financial results certified by the management. Further, based on estimated future business results once the project resumes and considering the contractual tenability, present status of negotiation / discussion / arbitration / litigations, Management believes that the realisable amount of investment in joint venture is higher than the carrying value of the non-current investments and non-current loans due to which these are considered as good and recoverable as at 31<sup>st</sup> March 2022.

**NOTE 60** Non-current other financial assets as at 31<sup>st</sup> March, 2022 include ₹ 2,500.00 Lakhs representing security deposit given by its wholly owned subsidiary, Magnate Industries LLP ("MIL"), to a party under memorandum of understanding entered for joint development of a real-estate project, subject to certain terms and conditions to be complied with. As the terms and conditions could not be fulfilled, the security deposit became due for refund and receivable from the party. Despite considerable efforts for recovery, the party failed to repay the security deposit and hence MIL filed a petition before the National Company Law Tribunal ("NCLT"), Mumbai Bench. NCLT wrongly dismissed the petition by an order dated 6<sup>th</sup> October, 2021 ('NCLT Order') on the basis of certain frail footings recorded therein. However, during the course of the proceeding, the party has accepted the amount payable and has committed to repay the same only, once the party commences development of the project, as the project has huge potential based on estimated future business results once the project resumes. Further aggrieved by the NCLT Order, MIL has preferred the captioned Appeal before National Company Law Appellate Tribunal, New Delhi ("NCLAT") challenging the NCLT Order and after hearing the preliminary submission of the parties, the NCLAT directed the party not to create third party interest in the project. Considering the legal opinion, contractual tenability, present status of negotiation / discussion / arbitration / litigations, Management believes that the realisable amount of non-current other financial assets is higher than the carrying value due to which these are considered as good and recoverable as at 31<sup>st</sup> March, 2022.

**NOTE 61** Non-current investments as at 31<sup>st</sup> March, 2022 includes ₹ 4,240.31 Lakhs representing amount receivable from a joint venture of the Group, which is in the business of real-estate development. Non-current financial assets of such joint venture includes other receivables aggregating ₹ 1,715.46 Lakhs (the Group's share ₹ 857.73 Lakhs) paid to City and Industrial Development Corporation ("CIDCO") on account of additional lease premium paid under protest for extension of time in respect of development of a project due to various delays in obtaining required approvals from the respective authorities and wrong interpretation by authority on applicability of specific rule on the project, though the same was not applicable to the project which has been subsequently clarified later by the Government of Maharashtra. Basis a legal opinion obtained on the matter, the Management strongly believes that such receivable is fully recoverable and accordingly, these amounts have been considered as good and recoverable.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 62** The Group has used the principles of prudence in applying judgements, estimates and assumptions based on the current assessment and do not foresee any significant impact of pandemic on the Group's financials for the year ended 31<sup>st</sup> March, 2022. However, the Management is continuously monitoring the current COVID-19 developments and possible effects that may result from the current pandemic on its financial conditions, liquidity, operations and actively working to minimise the impact of this unprecedented situation.

**NOTE 63** On 2<sup>nd</sup> November, 2021, a wholly owned subsidiary, Sunteck Litespace Private Limited ("SLPL") has been incorporated wherein the Company has subscribed 10,000 equity shares of SLPL at face value of ₹ 10 per share aggregating ₹ 1.00 lakh at par.

**NOTE 64** On 30<sup>th</sup> March, 2022, a wholly owned subsidiary, Sunteck Infracon Private Limited ("SIPL") has been incorporated wherein the Holding Company has subscribed 10,000 equity shares of SIPL at face value of ₹ 10 per share aggregating ₹ 1.00 Lakh on 23<sup>rd</sup> May, 2022 at par.

**NOTE 65** On 26<sup>th</sup> April, 2022, a wholly owned subsidiary, Sunteck Realtors Private Limited ("SRPL") has been incorporated wherein the Holding Company has subscribed 10,000 equity shares of SRPL at face value of ₹ 10 per share aggregating ₹ 1.00 lakh at par.

**NOTE 66** Starlight Systems (I) LLP, a wholly owned subsidiary of the Holding Company has been converted into a private Company limited by shares i.e. Starlight Systems (I) Private Limited with effect from 29<sup>th</sup> April, 2022 and it continues to be the wholly owned subsidiary of the Holding Company. The Certificate of Incorporation in the name of Starlight Systems (I) Private Limited was issued by the Registrar of Companies on 2<sup>nd</sup> May, 2022.

### NOTE 67 BUSINESS COMBINATION

(i) During the previous year, the Group acquired 100% stake in the Shivay Brokers Private Limited for a consideration of ₹ 1.00 lakh. Details of identifiable assets acquired and liabilities assumed are given here under:

	(₹ in Lakhs)
Investment property	116.85
Financial assets	1.40
Financial liabilities	(117.25)
<b>Net Assets</b>	<b>1.00</b>

The financial numbers mentioned above are before inter-company eliminations.

(ii) The Holding Company through its wholly owned subsidiary Mithra Buildcon LLP has acquired 100% stake in Industele Property Private Limited on 1<sup>st</sup> November 2021 at an aggregate consideration of ₹ 5,851.00 lakhs of which purchase price allocation has been done during the current year.

The said acquisition will expand the groups future prospects in real estate activity.

Details of identifiable assets acquired and liabilities assumed are given here under:

	(₹ in Lakhs)
Total net assets acquired*	5,850.26
<b>Intangibles identified on business combination:</b>	
Goodwill	0.74
Total purchase consideration	5,851.00

The financial numbers mentioned above are before inter-company eliminations.

\* Net assets at fair value

The Board of Directors of Industele Property Private Limited, a wholly on subsidiary, passed a resolution approving the merger of two companies owning certain properties in accordance with Section 230 to 232 of the Act which is awaiting final approval from National Company Law Tribunal.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

On 22<sup>nd</sup> March 2022, the Board of Directors of Industele has passed a resolution for withdrawal of Scheme of merger of Rammit and Prija with Industele pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 which was earlier approved by the Board of Directors.

- (iii) On 29<sup>th</sup> March 2022, the Board of Directors of Rammit, has passed a resolution for approving scheme of merger of Prija with Rammit in accordance with provisions of Section 233 of the Companies Act, 2013 ("the Scheme"). The Scheme has been approved by the relevant authority by an order dated 30 May 2022 which has been filed with Registrar of Companies on 30<sup>th</sup> May 2022. Considering that both Rammit and Prija are wholly owned subsidiary, there is no impact of the Scheme on the consolidated financial statement.
- (iv) On 18<sup>th</sup> February 2022, the Holding Company through its wholly owned step down subsidiary, Industele Property Private Limited ("Industele") has acquired 99% of the equity stake in Rammit Corporate Solutions Private Limited ("Rammit") by conversion of 100 Optionally Convertible Debentures into 1,000,000 equity shares of face value of ₹ 10 each of which purchase price allocation has been done during the current year. As a result of such conversion, Rammit and Prija Trading Private Limited ("Prija"), wholly owned subsidiary of Rammit have become step down subsidiaries of the Holding Company.

The said acquisition will expand the groups future prospects in real estate activity.

Details of identifiable assets acquired and liabilities assumed are given here under:

	(₹ in Lakhs)
Total net assets acquired*	5,838.20
<b>Intangibles identified on business combination:</b>	
Goodwill	15.16
Total purchase consideration	5,853.36

The financial numbers mentioned above are before inter-company eliminations.

\* Net assets at fair value

**NOTE 68** The figures for the previous periods have been regrouped/ rearranged wherever necessary to conform to the current period's classification in order to comply with the requirements of the amended schedule III to the Companies Act, 2013 effective 1<sup>st</sup> April, 2021.

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

### For and on behalf of the Board of Directors

#### For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

#### Rakesh R. Agarwal

Partner

Membership No. 109632

Place: Mumbai

Date: 30<sup>th</sup> May, 2022

#### Kamal Khetan

Chairman and Managing

Director

DIN: 00017527

#### Mukesh Jain

Director

DIN: 01316027

#### Manoj Agarwal

Chief Financial Officer

Place: Mumbai

Date: 30<sup>th</sup> May, 2022

#### Atul Poopal

Director

DIN: 07295878

#### Vaddarse Shetty

Director

DIN: 00021773

#### Rachana Hingarajia

Director and Company Secretary

DIN: 07145358

#### Chaitanya Dalal

Director

DIN: 00185847

#### Sandhya Malhotra

Director

DIN: 06450511



**FORM AOC-I**  
**SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013**  
**PART "A" : SUBSIDIARIES**

Sr. No.	Name of the Subsidiary	Reporting currency	Date when subsidiary was acquired	Paid up share capital	Other equity (including Reserves and surplus)	Total assets	Total liabilities	Investments	Turnover (including other income)	Profit / (Loss) before Tax	Profit / (Loss) after Tax	Proposed dividend	% of share holding
1	Satguru Infocorp Services Private Limited	₹	24-Dec-08	37.50	13,943.04	13,995.66	15.12	13,957.96	22.55	14.00	11.25	-	100%
2	Starlight Systems Private Limited	₹	24-Dec-08	40.00	13,198.75	13,242.17	3.42	13,189.55	25.50	24.97	24.35	-	100%
3	Sunteck Property Holdings Private Limited	₹	31-Dec-10	1.00	184.86	1,197.62	1,011.76	155.07	41.31	41.06	30.65	-	100%
4	Satguru Corporate Services Private Limited	₹	15-Dec-11	1.00	118,208.29	158,962.13	40,752.84	1.00	5,062.51	112.35	72.65	-	100%
5	Sahrish Constructions Private Limited	₹	10-Jul-12	1.00	1,195.44	10,546.98	9,350.54	-	1,320.87	120.94	89.48	-	100%
6	Sunteck Realty Holdings Private Limited	₹	25-Apr-13	1.00	14.26	23,710.67	23,695.41	155.50	45.34	(190.93)	(140.58)	-	100%
7	Sunteck Lifestyle International Private Limited	₹	25-Oct-13	15,429.18	10,390.30	25,824.44	4.97	25,741.00	-	(21.56)	(21.56)	-	100%
8	Sunteck Lifestyle Limited	₹	10-Nov-13	25,698.70	(4,987.16)	21,668.35	956.82	14,490.71	-	(218.58)	(218.58)	-	100%
9	Sunteck Lifestyle Management DMCC	₹	20-Mar-14	16.80	(1,126.86)	0.89	1,094.69	-	-	(8.18)	(8.18)	-	100%
10	Advaith Infraprojects Private Limited	₹	01-Oct-14	81.01	(2.40)	79.78	1.17	76.25	# 0.00	(0.33)	(0.33)	-	100%
11	Starlight Lifestyle Private Limited	₹	01-Oct-14	1.00	(19.75)	5.37	24.12	-	-	(19.18)	(19.18)	-	100%
12	Sunteck Infraprojects Private Limited	₹	17-Dec-15	1.00	(2.00)	35,631.75	35,632.75	-	-	(0.25)	(0.25)	-	100%
13	Sunteck Real Estates Private Limited	₹	30-Dec-15	1.00	5.36	58,967.47	58,961.11	-	36.33	10.41	8.88	-	100%
14	Skystar Buildcon Private Limited	₹	29-Jan-16	1.00	8,883.29	41,674.98	32,790.69	-	16,114.70	1,733.05	1,262.32	-	100%
15	Starlight Systems (I) LLP	₹	12-Mar-13	1.00	68,760.47	83,393.92	14,632.45	-	990.43	151.12	124.45	-	100%
16	Clarissa Facility Management LLP	₹	20-Dec-16	1.00	180.74	1,453.05	1,271.31	-	1,204.48	115.09	83.46	-	100%
17	Mithra Buildcon LLP	₹	8-Aug-14	1.00	5,293.22	6,526.07	1,231.86	226.80	# 0.00	(0.17)	(0.18)	-	100%
18	Magnate Industries LLP	₹	10-Apr-19	0.10	2,503.11	2,506.09	2.88	-	-	(33.80)	(33.80)	-	100%
19	Shivay Brokers Private Limited	₹	19-Nov-20	1.00	(11.00)	108.14	118.14	-	-	(5.04)	(2.22)	-	100%
20	Industele Property Private Limited	₹	01-Nov-21	1.00	(17.30)	215.96	10.32	214.39	85.83	79.59	79.59	-	100%
21	Sunteck Lifespace Private Limited	₹	02-Nov-21	1.00	(0.18)	0.97	0.15	-	-	(0.18)	(0.18)	-	100%
22	Rammit Corporate Solutions Private Limited	₹	18-Feb-22	101.00	(1,405.31)	148.38	1,452.68	1.00	2,900.06	1,549.65	774.93	-	100%
23	Prija Trading Private Limited *	₹	18-Feb-22	1.00	1,559.12	1,560.46	0.34	# 0.00	2,900.00	1,551.18	1,551.27	-	100%

Notes:-

1. Name of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been amalgamated, liquidated or sold during the year: None
3. # Amount less than ₹ 500
4. \* Prija Trading Private Limited has been merged with Rammit Corporate Solutions Private Limited vide an order dated 30<sup>th</sup> May 2022 by relevant authority.

**PART "B" : JOINT VENTURES**

**Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sr. No.	Name of Joint Ventures	Piramal Sunteck Realty Private Limited	Nariman Infrastructure LLP	Uniworth Realty LLP	GGICO Sunteck Limited*
1	Latest Audited Balance Sheet Date	31.03.2022	31.03.2022	31.03.2022	31.03.2022
2	Date on which the Joint Venture was associated or acquired	16-Mar-07	31-Dec-10	31-Dec-10	10-Jun-14
3	Shares of Joint Ventures held by the Company on the Year End				
	a) Number	500,001	-	-	70,500,000
	b) Amount of Investment in Joint Venture (₹ in lakhs)	50.00	0.50	0.50	12,028.22
	c) Extent of Holding %	50%	50%	50%	50%
4	Description of how there is significant influence	Due to Shareholding	Due to share in LLP	Due to share in LLP	Due to Shareholding
5	Reason why the Joint Venture is not consolidated	N/A	N/A	N/A	N/A
6	Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. In lakhs)	4,327.01	4,595.28	544.46	-
7	Profit/ Loss for the year				
	i) Considered in Consolidation (₹ In lakhs)	116.79	(0.05)	(0.04)	-
	ii) Not Considered in Consolidation	-	-	-	-

**NOTES :-**

Name of subsidiaries which are yet to commence operations: Sunteck Lifespace Private Limited

Name of subsidiaries which have been amalgamated, liquidated or sold during the year : Rammit Corporate Solutions Private Limited and Prija Trading Private Limited

\*GGICO Sunteck Limited (Joint venture) financials certified by the management.



Corporate Overview



Statutory Reports



Financial Statements

# Independent Auditor's Report

## To the Members of Sunteck Realty Limited

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### Opinion

1. We have audited the accompanying standalone financial statements of Sunteck Realty Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, 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 a summary of the significant accounting policies 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 standalone 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 2022, and its profit (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 Standalone 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.

#### Emphasis of Matter

4. We draw attention to Note 59 to the accompanying standalone financial statements, which describes the uncertainties relating to recoverability of ₹ 1,402.73 lakhs as at 31 March 2022, from a partnership firm ('firm'), included in other non-current financial assets, in which the Company was associated as a partner till 6 October 2020. On account of certain disputes with the other partner of the firm, the Company had initiated arbitration proceedings against the other partner which was decided in favour of the Company on 4 May 2018 but has been challenged by the other partner before the Bombay High Court. Further, as described in the said note, the financial statements of the firm are not available with the Company and therefore, the Company's share of profit/(loss) for the period from 2015 till 6 October 2020 has not been accounted by the management for preparation of the standalone financial statements, however the management is of the view that the impact of such share of profit/(loss) would not be material to the accompanying standalone financial statements since there are no operations in the partnership firm during the aforesaid period. Basis the favourable arbitration award and the legal opinion obtained, the management believes that the aforesaid balances are fully recoverable and hence, no provision for impairment is required to be recognised in respect of such balances as at 31 March 2022. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

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



## Independent Auditor's Report (Contd.)

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
<b>(i) Revenue recognition for real estate development contracts</b>	
<p>The accounting policies relating to revenue recognition is set out in Note 2(d) to the standalone financial statements.</p> <p>As per the principles of Ind AS 115-'Revenue from Contracts with Customers' (Ind AS 115), revenue from sale of residential/ commercial properties is recognized when the performance obligations are essentially complete and it is probable that the economic benefits will flow to the Company.</p> <p>Revenue from real-estate contracts for some projects is recognised over a period of time (using percentage of completion method), if the necessary conditions/obligations as mentioned in the Ind AS 115 are satisfied, in all other cases, revenue is recognized at the point in time when the control over the property has been transferred to the buyer. Significant level of judgement is required in identifying contract obligations and whether these obligations are satisfied over a period of time or at the point in time. Further, for determining revenue using percentage of completion method, budgeted project cost is a critical estimate, which is subject to inherent uncertainty as it requires ascertainment of progress of the project, cost incurred till date and balance cost to be incurred to complete the project.</p> <p>Considering the significance of management judgement involved as mentioned above, and the materiality of amounts involved, revenue recognition was identified as a key audit matter for the current year audit.</p>	<p>Our audit procedures on revenue recognised from real estate development contracts included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the appropriateness of the Company's accounting policy for revenue recognition from real estate development contracts in accordance with Ind AS 115;</li> <li>• Obtained an understanding of the systems, processes and controls implemented by the management for recording and calculating revenue;</li> <li>• Assessed the design and implementation of key controls over the recognition of contact revenue, completeness and accuracy of cost and revenue reports generated from the system and tested the operating effectiveness of these controls;</li> <li>• On a sample basis inspected the underlying customer contracts to understand the contractual terms whereby ownership rights will be transfer to the unitholders and assessed appropriateness of management's evaluation of determining revenue recognition from sale of real estate property at a point in time or over time in accordance with the requirements under Ind AS 115;</li> <li>• Reviewed the management's budgeting system and process of calculating the cost to be incurred for completing the remaining performance obligations, which has been reviewed periodically and approved by appropriate levels of management;</li> <li>• Compared the aggregate project cost (including costs incurred) with costs of similar projects;</li> <li>• Verified the possession letters issued on sample basis along with the proof of deliveries;</li> <li>• Verified the collection from customers for the units sold from the statement of accounts on a sample basis;</li> <li>• Performed a retrospective review of costs incurred with budgeted costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the project;</li> <li>• Tested revenue recognition for cut-off transactions on sample basis to assess whether the timing of revenue recognition is appropriate; and</li> <li>• Assessed the adequacy of disclosures included in financial statements, as specified in Ind AS 115.</li> </ul>

## Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matters
<p><b>(ii) Carrying values of inventories</b></p> <p>The accounting policies for Inventories are set out in Note 2(j) to the standalone financial statements.</p> <p>Inventory of the Company comprise of completed real estate units, construction work in progress of ongoing projects and land and development rights. Inventory is valued at cost and net realisable value (NRV), whichever is less.</p> <p>NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale and estimated costs of completion (in case of construction work-in- progress). The inventory of finished goods and construction work-in- progress is not written down below cost when completed flats/ under-construction flats /properties are expected to be sold at or above cost.</p> <p>The cost includes direct and indirect expenditure relating or incidental to construction activity. Various estimates such as prevailing market conditions, stage of completion of the projects, future selling price, selling costs and cost to complete projects are necessary to derive NRV. Refer Note 10 in respect of construction work-in-progress of ₹ 42,671.75 lakhs, land and development rights of ₹ 1,328.60 lakhs and completed units of ₹ 664.09 lakhs to the standalone financial statements.</p> <p>Considering the significance of management judgement involved as mentioned above, and the materiality of amounts involved, impairment of was identified as a key audit matter for the current year audit.</p>	<p>Our audit procedures included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing and the management process of determining the Net Realisable Value (NRV);</li> <li>• Enquired of the management and inspected the internal controls related to inventory valuation along with the process followed to recover/adjust these and assessed whether impairment is required;</li> <li>• Tested the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred construction budgets and net realisable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls;</li> <li>• Where the management involved specialists to perform valuations, evaluated the objectivity and independence of those specialists;</li> <li>• Compared NRV with recent sales or estimated selling price and also checked the general selling costs;</li> <li>• Compared the estimated construction costs to complete each project with the Company's updated budgets. Re-computing the NRV, on a sample basis, to test inventory units are held at the lower of cost and NRV; and</li> <li>• Assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.</li> </ul>



## Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matters
<p><b>(iii) Recoverability of carrying value of investment in/ loan to subsidiaries and joint ventures</b></p> <p>The accounting policies for carrying value of investment in subsidiaries and joint ventures are set out in Note 2(aa) to the standalone financial statements.</p> <p>The Company's investment portfolio represents a significant portion of the Company's total assets, which primarily consists of investments in equity instruments of subsidiaries and joint ventures</p> <p>The aforesaid investments are valued at cost less accumulated impairment losses, if any. The investments are assessed for impairment at each reporting date.</p> <p>The Company's non-current investments include investments in Sunteck Lifestyle International Private Limited (SLIPL), a subsidiary, of ₹ 25,976.02 lakhs. SLIPL, which had further acquired 50% share in joint venture (JV) company, GGICO Sunteck Limited (GGICO), through its wholly owned subsidiary, Sunteck Lifestyle Limited (SLL), for development of real-estate project in Dubai. Further, the Company's other non-current financial assets include receivables from SLL aggregating ₹ 775.09 lakhs. SLL has incurred losses and net-worth has been partially eroded. Development of the project by GGICO has been delayed on account of certain disputes with the other JV partner and SLL has initiated arbitration against the other partner which is currently pending before London Court of International Arbitration (LCIA). Further, the other JV partner has also initiated the arbitration proceedings before LCIA against the Company and SLL, which has been admitted by LCIA. In the arbitration initiated by SLL, partial award has been given by the Tribunal, LCIA, as further explained in Note 63.</p> <p>The assessment of recoverable amount of the Company's investment from subsidiaries and joint ventures is considered as significant risk area in view of the materiality of the amounts involved, judgements involved in determining of impairment/ recoverability of the carrying value of the investment from subsidiaries and joint ventures, which includes assessment of conditions and financial indicators of the investee, such as current projects, expected sales, future business plan, upcoming projects and the recoverability of certain investments.</p>	<p>Our audit included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for identification of impairment indicators for assessing the recoverability of the carrying value of investment in/loan to subsidiaries and joint ventures;</li> <li>• Assessed the appropriateness of the relevant accounting policies of the Company, including those relating to recognition and measurement of investments by comparing with the applicable accounting standards;</li> <li>• Evaluated the design and implementation and tested the operating effectiveness of controls over the Company's process of impairment assessment and approval of forecasts;</li> <li>• Assessed the valuation methods used, financial position of the subsidiaries, joint ventures and an associate to identify excess of their net assets over their carrying amount of investment by the Company and assessing profit history of those subsidiaries and joint ventures;</li> <li>• For the investments where the carrying amount exceeded the net asset value, understanding from the Company regarding the basis and assumptions used for the projected profitability;</li> <li>• Verified the inputs used in the projected profitability;</li> <li>• Tested the assumptions and understanding the forecasted cash flows of subsidiaries and joint ventures based on our knowledge of the Company and the markets in which they operate;</li> <li>• Assessed the comparability of the forecasts with historical information;</li> <li>• Analysed the possible indications of impairment and understanding Company's assessment of those indications;</li> <li>• Read and evaluated the litigation related documents and obtained an understanding of the current status of the disputed case; and</li> <li>• Assessed the appropriateness of the Company's description of the accounting policy and disclosures in respect of the investment in subsidiaries and joint ventures (including interest accrued) and whether these are adequately presented in the standalone financial statements.</li> </ul>

## Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matters
<p>We focused on this area as a key audit matter due to significant risk and judgement involved in forecasting future cash flows and the selection of assumptions.</p> <p>Considering this matter is fundamental to the understanding of the user of standalone financial statements, we draw attention to Note 63 of the standalone financial statements, regarding the Company's non-current investment in a subsidiary company, Sunteck Lifestyle International Private Limited.</p>	

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

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

8. The accompanying standalone 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 standalone 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.
9. In preparing the financial statements, the Board of Directors are 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

11. 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.



## Independent Auditor's Report (Contd.)

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.

12. 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 system 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;
  - 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.
13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

16. 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.
17. 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 I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



## Independent Auditor's Report (Contd.)

18. Further to our comments in Annexure I, 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 standalone 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;
  - c) The standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) The matter described in paragraph 4 under the Emphasis of Matter and paragraph 6(iii) under Key Audit Matters section in our opinion, may have an adverse effect on the functioning of the Company;
  - f) 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 2022 from being appointed as a director in terms of section 164(2) of the Act;
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure II 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 Notes 38(i), 38(ii), 38(iii), 59 and 63 to the standalone financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2022;
    - 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 2022;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;
    - iv.
      - a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 56(i) to the standalone 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 the Ultimate Beneficiaries;
      - b. The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 56(i) to the standalone 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



## Independent Auditor's Report (Contd.)

- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v.
  - a. The final dividend paid by the Company during the year ended 31 March 2022 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
  - b. As stated in Note 46(b) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

### **For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

### **Rakesh R. Agarwal**

Partner

Membership No.: 109632

UDIN: 22109632AJYBCZ7345

Place: Mumbai

Date: 30 May 2022

**Annexure I** referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the standalone financial statements for the year ended 31 March 2022

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 and investment property.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and investment property 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 program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following properties for which the Company's management is in the process of getting the registration in the name of the Company.

Description of property	Gross carrying value (₹ in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Investment Property (Building-Unit)	178.24	Amenity Software Private Limited	No	From 01 April 2018 onwards	Transferred as a result of merger order dated 8 <sup>th</sup> August 2019 by The Hon'ble National Company Law Tribunal (NCLT), wherein the title deeds are in the name of the transferor.
Investment Property (Building-Unit)	188.36	Magenta Computer Software Private Limited	No	From 01 April 2018 onwards	Transferred as a result of merger order dated 8 <sup>th</sup> August 2019 by The Hon'ble National Company Law Tribunal (NCLT), wherein the title deeds are in the name of the transferor.
Investment Property (Building)	1,456.22	1) Smt. Shakuntala S Sathaye 2) Shri. Sanjay S. Sathaye 3) Smt. Nandini Desai (Nandini S. Sathaye)	No	From 01 April 2009 onwards	Constructed as per Joint Development Agreement with the land owners, which will be transferred in the name of the Company after formation of condominium
Property, Plant and Equipment (Land)	349.70	1) Smt. Shakuntala S Sathaye 2) Shri. Sanjay S. Sathaye	No	From 04 May 2005 onwards	Constructed as per Joint Development Agreement with the land owners, which will be transferred in the name of the Company after formation of condominium
Property, Plant and Equipment (Building)	1,314.14	3) Smt. Nandini Desai (Nandini S. Sathaye)	No	From 01 April 2009 onwards	
Investment Property (Building)	930.58	Jointly held with DDPL Global Infrastructure Private Limited and Unicorn Infraprojects and Estate Private Limited	No	From 1 October 2021 onwards	Constructed as per Joint Development Agreement with the land owners (Also refer Note 54)

**Annexure I** referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the standalone financial statements for the year ended 31 March 2022 (Contd.)

- (d) The Company has not revalued its property, plant and equipment or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (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.
- (b) The Company has a working capital limit in excess of ₹ 5 crores (₹ 500.00 lakhs), sanctioned by banks and financial institutions on the basis of security of current assets during the year. However, pursuant to terms of the sanction letters, the Company is not required to file any quarterly return or statement with such banks and financial institutions.
- (iii) (a) The Company has provided loans to subsidiaries, joint ventures and others during the year as per details given below.

Particulars	Guarantees (₹ in lakhs)	Security (₹ in lakhs)	Loans (₹ in lakhs)	Advances in nature of loans (₹ in lakhs)
Aggregate amount provided during the year:				
- Subsidiaries	-	-	86,480.40	-
- Joint Venture	-	-	4,571.08	-
- Others	-	-	57.29	-
Balance outstanding as at balance sheet date in respect of above cases:				
- Subsidiaries	-	-	34,466.30	-
- Joint Venture	-	-	1,219.93	-
- Others	-	-	51.06	-

- (b) The Company has not provided any guarantee or given any security or granted any advances in the nature of loans during the year. However, the Company has made investments in two (2) entities amounting to ₹ 180.13 lakhs (year-end balance ₹ 847.46 lakhs) and granted loans to seventeen (17) parties amounting to ₹ 91,108.77 lakhs (year-end balance ₹ 35,737.28 lakhs) and in our opinion and according to the information and explanations given to us, such investments made and loans granted are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted to one (1) entity by the Company, the schedule of repayment of principal has been stipulated, which is repayable on demand and since the principal amount is not demanded, the same is not due for repayment currently. However, the payment of the interest has not been stipulated and accordingly, we are unable to comment as to whether the receipts of interest are regular. In respect of loans granted to sixteen (16) parties by the Company, the schedule of repayment of principal has been stipulated which are repayable on demand and since the principal amount is not demanded, the same is not due for repayment currently and no interest is receivable on such loans. In respect of loans granted to two (2) entities by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular. Further, the Company has not given any advances in the nature loans to any party.
- (d) In respect of interest-free loans granted to sixteen (16) parties by the Company, the schedule of repayment of principal has been stipulated, which are repayable on demand and since the principal amount is not demanded, there is no overdue amount in respect of loans granted to such companies, firms, LLPs or other parties. In respect of loans granted to one (1) entity by the Company, the schedule of repayment of principal has been stipulated, which is repayable on demand and since the principal amount is not demanded, the same is not due for repayment currently. However, the payment of the interest has not been stipulated and accordingly, we are unable to comment as to whether there is any amount which is overdue for more than 90 days. Further in respect of loans granted to two (2) entities by the Company, there is no overdue amount in respect of loans granted to such companies.

**Annexure I** referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the standalone financial statements for the year ended 31 March 2022 (Contd.)

- (e) In respect of loans granted to seventeen (17) parties by the Company, the schedule of repayment of principal has been stipulated, which are repayable on demand. According to the information and explanation given to us, such loans have not been demanded for repayment as on date. In respect of loans granted to two (2) entities by the Company, which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans.
- (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 lakhs)	Promoters (₹ in lakhs)	Related Parties (₹ in lakhs)
Aggregate of loans/advances in nature of loan			
-Repayable on demand (A)	91,051.48	-	91,051.48
- Agreement does not specify any terms or period of repayment (B)	57.29	-	-
Total (A+B)	91,108.77	-	91,051.48
Percentage of loans/advances in nature of loans 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, investments, security and guarantees, as applicable. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI to 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 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 is no amount which has been considered as deemed deposit 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 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, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.



## Annexure I

referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the standalone financial statements for the year ended 31 March 2022 (Contd.)

- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which 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 (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	57.34	-	A.Y.2007-08	Commissioner of Income Tax (CIT)	
		231.45	31.04	A.Y.2013-14	CIT Appeals	
		8.22	-	A.Y.2014-15	Income Tax Appellate Tribunal	
		21.12	-	A.Y.2016-17	CIT Appeals	
		16.32	-	A.Y.2017-18		
		5.05	-	A.Y.2018-19		

- (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 recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, loans amounting to ₹ 6,592.44 lakhs are repayable on demand and terms and conditions for payment of interest thereon have been stipulated. Further, such loans have not been demanded for repayment as on date. Additionally, according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including 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 other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were 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 not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or joint ventures.
- (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, 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.

**Annexure I** referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the standalone financial statements for the year ended 31 March 2022 (Contd.)

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed 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 sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, 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.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (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 them and accordingly, 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) and 3(xvi)(b) of the Order are not applicable to the Company.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company(CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is 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) has four (4) CICs as part of the Group.
- (xvii) The Company has not incurred any cash loss in the current as well as 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 realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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.



**Annexure I** referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the standalone financial statements for the year ended 31 March 2022 (Contd.)

- (xx) (a) According to the information and explanations given to us, there is no unspent amount pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The Company has transferred the remaining unspent amount under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.
- (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

**Rakesh R. Agarwal**

Partner

Membership No.: 109632

UDIN: 22109632AJYBCZ7345

Place: Mumbai

Date: 30 May 2022



**Annexure II** referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the standalone financial statements for the year ended 31 March 2022

## ANNEXURE II

### Independent Auditor's Report on the internal financial controls with reference to the standalone 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 standalone financial statements of Sunteck Realty Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 Standalone 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 the 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 standalone 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 standalone financial statements.



**Annexure II** referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Sunteck Realty Limited on the standalone financial statements for the year ended 31 March 2022 (Contd.)

### **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 standalone financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements 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

### **Rakesh R. Agarwal**

Partner

Membership No.: 109632

UDIN: 22109632AJYBCZ7345

Place: Mumbai

Date: 30 May 2022

# Standalone Balance Sheet

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>ASSETS</b>			
<b>Non - current assets</b>			
Property, plant and equipment	3	3,476.51	2,399.68
Capital work in progress	52	-	929.08
Investment properties	4	2,628.92	1,731.97
Intangible assets	5(a)	8.44	5.03
Intangible assets under development	5(b)	60.25	28.00
Investments in subsidiaries and joint ventures	6(a)	149,377.96	169,059.09
Financial assets			
Investments	6(b)	164.88	65.53
Other financial assets	7	2,208.10	2,187.05
Deferred tax assets (net)	8	1,765.48	1,717.67
Income tax assets (net)	37	601.10	384.04
Other non-current assets	9	154.30	-
<b>Total non-current assets</b>		<b>160,445.94</b>	<b>178,507.14</b>
<b>Current assets</b>			
Inventories	10	45,200.85	28,078.03
Financial assets			
Investments	11	-	3,151.55
Trade receivables	12	10,875.40	9,598.53
Cash and cash equivalents	13	1,462.33	2,678.83
Other bank balances	14	194.39	3,256.85
Loans	15	36,906.50	15,017.53
Other financial assets	16	5,271.45	4,799.59
Other current assets	17	22,982.55	17,792.31
<b>Total current assets</b>		<b>122,893.47</b>	<b>84,373.22</b>
<b>Total assets</b>		<b>283,339.41</b>	<b>262,880.36</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	18	1,464.50	1,463.94
Other equity	19	192,724.87	192,751.91
<b>Total equity</b>		<b>194,189.37</b>	<b>194,215.85</b>
<b>LIABILITIES</b>			
<b>Non - current liabilities</b>			
Financial liabilities			
Borrowings	20	15,191.02	27,463.91
Other financial liabilities	21	160.66	259.48
Provisions	22	83.73	66.22
Other non-current liabilities	23	28.19	31.03
<b>Total non-current liabilities</b>		<b>15,463.60</b>	<b>27,820.64</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	24	27,117.40	11,288.83
Trade payables	25		
- total outstanding dues of micro enterprises and small enterprises		928.22	686.53
- total outstanding dues of creditors other than micro enterprises and small enterprises		7,383.23	6,781.69
Other financial liabilities	26	1,012.62	706.21
Other current liabilities	27	37,117.24	21,007.38
Provisions	28	127.73	124.38
Current tax liabilities (net)	37	-	248.85
<b>Total current liabilities</b>		<b>73,686.44</b>	<b>40,843.87</b>
<b>Total liabilities</b>		<b>89,150.04</b>	<b>68,664.51</b>
<b>Total equity and liabilities</b>		<b>283,339.41</b>	<b>262,880.36</b>

Summary of significant accounting policies

2

The accompanying notes are an integral part of these standalone financial statements

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

For and on behalf of the Board of Directors

**For Walker Chandiook & Co LLP**Chartered Accountants  
Firm Registration No. 001076N/N500013**Rakesh R. Agarwal**Partner  
Membership No. 109632**Kamal Khetan**Chairman and Managing Director  
DIN: 00017527**Mukesh Jain**Director  
DIN: 01316027**Manoj Agarwal**

Chief Financial Officer

**Atul Poopal**Director  
DIN: 07295878**Vaddarse Shetty**Director  
DIN: 00021773**Rachana Hingarajia**Director and Company Secretary  
DIN: 07145358**Chaitanya Dalal**Director  
DIN: 00185847**Sandhya Malhotra**Director  
DIN: 06450511Place: Mumbai  
Date: 30<sup>th</sup> May, 2022Place: Mumbai  
Date: 30<sup>th</sup> May, 2022



# Standalone Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>INCOME</b>			
Revenue from operations	29	21,854.11	31,411.09
Other income	30	1,239.60	2,508.08
<b>Total income</b>		<b>23,093.71</b>	<b>33,919.17</b>
<b>EXPENSES</b>			
Cost of construction and development	31	27,407.77	9,558.83
Changes in inventories of work-in-progress and finished properties	32	(18,287.36)	9,205.84
Employee benefits expense	33	2,021.32	1,772.08
Finance costs	34	4,571.78	4,866.63
Depreciation and amortisation expense	35	371.44	313.93
Other expenses	36	5,564.42	3,130.40
<b>Total expenses</b>		<b>21,649.37</b>	<b>28,847.71</b>
<b>Profit before exceptional items and tax</b>		<b>1,444.34</b>	<b>5,071.46</b>
Exceptional item - expense	61	-	603.50
<b>Profit before tax</b>		<b>1,444.34</b>	<b>4,467.96</b>
<b>Tax expense / (credit)</b>	37		
Current tax		222.48	697.09
Deferred tax		(67.89)	(13.31)
<b>Profit for the year</b>		<b>1,289.75</b>	<b>3,784.18</b>
<b>Other comprehensive income / (expenses)</b>			
(a) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans	41	(10.47)	3.97
- Equity Instruments through other comprehensive income	44	99.37	12.34
- Income tax relating to above items		(20.08)	(4.02)
(b) Items to be reclassified subsequently to profit or loss			
		-	-
<b>Other comprehensive income for the year</b>		<b>68.82</b>	<b>12.29</b>
<b>Total comprehensive income for the year</b>		<b>1,358.57</b>	<b>3,796.47</b>
<b>Earnings per equity share of face value ₹ 1 each</b>	48		
Basic (in ₹)		0.88	2.59
Diluted (in ₹)		0.88	2.59

Summary of significant accounting policies

2

The accompanying notes are an integral part of these standalone financial statements

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

For and on behalf of the Board of Directors

**For Walker Chandio & Co LLP**

Chartered Accountants  
Firm Registration No. 001076N/N500013

**Kamal Khetan**

Chairman and Managing Director  
DIN: 00017527

**Atul Poopal**

Director  
DIN: 07295878

**Chaitanya Dalal**

Director  
DIN: 00185847

**Rakesh R. Agarwal**

Partner  
Membership No. 109632

**Mukesh Jain**

Director  
DIN: 01316027

**Vaddarse Shetty**

Director  
DIN: 00021773

**Sandhya Malhotra**

Director  
DIN: 06450511

**Manoj Agarwal**

Chief Financial Officer

**Rachana Hingarajia**

Director and Company Secretary  
DIN: 07145358

Place: Mumbai

Date: 30<sup>th</sup> May, 2022

Place: Mumbai

Date: 30<sup>th</sup> May, 2022

## Standalone Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,444.34	4,467.96
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	371.44	313.93
Gain on fair valuation of investments	-	(13.49)
Loss on redemption of investments (net)	80.87	-
Share-based payments/(reversal) to employees	0.35	(21.00)
Dividend income	(52.60)	(1,456.00)
Interest income	(1,178.36)	(1,038.59)
Finance costs	4,571.78	4,866.63
Share of (profit)/ loss from LLPs / partnership firms	(167.20)	51.41
Sundry balances written off / (written back) (net)	259.03	70.18
Exceptional item expenses	-	603.50
Provision for expected credit loss	-	58.50
Unrealised foreign exchange (gain) / loss	(23.34)	32.94
Provision for corporate social responsibility	204.34	159.47
<b>Operating profit before working capital changes</b>	<b>5,510.65</b>	<b>8,095.44</b>
<b>Adjustments for:</b>		
(Increase)/ decrease in inventories (Refer note 3 below)	(18,053.40)	9,303.82
(Increase) in trade receivables	(1,291.84)	(2,368.27)
(Increase) in loans, other financial assets, other non-current and current assets	(3,435.83)	(5,111.69)
Increase / (decrease) in trade payables	695.14	(1,710.00)
Increase in other financial liabilities, provisions and other current and non-current liabilities	16,084.37	8,813.66
<b>Cash flows (used in)/ generated from operations</b>	<b>(490.91)</b>	<b>17,022.96</b>
Direct taxes paid (net)	(688.39)	(957.71)
<b>Net cash flow (used in)/ generated from operating activities - [A]</b>	<b>(1,179.30)</b>	<b>16,065.25</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment, investment property and intangible assets (Refer notes 2 and 3 below)	(593.08)	(1,186.15)
Proceed from sale of property, plant and equipment	-	24.28
Investment in subsidiaries	(180.13)	(667.33)
Withdrawal of capital from LLPs (net)	10,824.66	6,009.92
Receipts on redemption of debentures (investments)	12,274.50	-
Dividend received	52.60	1,456.00
Interest received	903.82	1,043.49
Loans (given to)/ repayment from subsidiaries and joint ventures (net)	(24,076.22)	4,233.79
Movement in other bank balances	3,062.46	90.27
<b>Net cash flow generated from investing activities - [B]</b>	<b>2,268.61</b>	<b>11,004.27</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares (including securities premium)	128.89	50.88
Proceeds from long term borrowings (net of processing fees)	8,226.55	8,742.00
Repayment of long term borrowings	(1,411.90)	(21,424.48)
Repayments of current borrowings (net)	-	(3,918.30)



## Standalone Statement of Cash Flow (Contd.)

for the year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Dividends paid	(1,464.95)	(1,461.29)
Finance cost paid	(4,248.41)	(4,999.68)
<b>Net cash flow generated from/ (used in) financing activities - [C]</b>	<b>1,230.18</b>	<b>(23,010.87)</b>
<b>Net increase in cash and cash equivalents - [A+B+C]</b>	<b>2,319.49</b>	<b>4,058.65</b>
Cash and cash equivalents at the beginning of the year	(1,450.06)	(5,508.34)
Effect of exchange rate fluctuation on cash and cash equivalents	0.46	(0.37)
<b>Cash and cash equivalents at the end of the year</b>	<b>869.89</b>	<b>(1,450.06)</b>
<b>Component of cash and cash equivalents (Refer notes 13 and 24)</b>		
Cash on hand	14.05	9.94
Balances with banks :		
in current accounts	1,448.28	2,668.89
Less: Bank overdrafts	(592.44)	(4,128.89)
	<b>869.89</b>	<b>(1,450.06)</b>

### Notes:

- The standalone cash flow statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.
- Including capital work in progress, capital advance, payable for capital goods and intangible assets under development.
- Significant non cash movement during the year includes transfer of property from inventories to investment properties amounting to ₹ 930.58 Lakhs (31<sup>st</sup> March, 2021: Nil).

The accompanying notes are an integral part of these standalone financial statements

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

### For and on behalf of the Board of Directors

#### For Walker Chandio & Co LLP

Chartered Accountants  
Firm Registration No. 001076N/N500013

#### Rakesh R. Agarwal

Partner  
Membership No. 109632

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

#### Kamal Khetan

Chairman and Managing Director  
DIN: 00017527

#### Mukesh Jain

Director  
DIN: 01316027

#### Manoj Agarwal

Chief Financial Officer

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

#### Atul Poopal

Director  
DIN: 07295878

#### Vaddarse Shetty

Director  
DIN: 00021773

#### Rachana Hingarajia

Director and Company Secretary  
DIN: 07145358

#### Chaitanya Dalal

Director  
DIN: 00185847

#### Sandhya Malhotra

Director  
DIN: 06450511

## Summary Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2022

	Amount (₹ in Lakhs)
<b>A. Equity share capital (Refer note 18)</b>	
<b>As at 1<sup>st</sup> April, 2020</b>	<b>1,463.72</b>
Changes in equity share capital during the year	0.22
<b>As at 31<sup>st</sup> March, 2021</b>	<b>1,463.94</b>
Changes in equity share capital during the year	0.56
<b>As at 31<sup>st</sup> March, 2022</b>	<b>1,464.50</b>

### B. Other equity (Refer note 19)

Particulars	Other equity (₹ in Lakhs)						Total other equity
	Reserves and surplus						
	Capital reserve on merger	Common control transactions capital reserve	Securities premium	Share based payment reserve	General reserve	Retained earnings	
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>7,735.92</b>	<b>320.54</b>	<b>96,621.22</b>	<b>251.48</b>	<b>112.26</b>	<b>87,723.69</b>	<b>192,751.91</b>
Profit for the year	-	-	-	-	-	1,289.75	1,289.75
Other comprehensive income/ (loss) for the year	-	-	-	-	-	(7.42)	68.82
Premium on issuance of equity shares (Refer note 40)	-	-	128.33	-	-	-	128.33
Transfer from share based payment reserve on exercise of stock options	-	-	97.57	(97.57)	-	-	-
Net reversal of share based payment (net) (Refer note 40)	-	-	-	(55.32)	-	-	(55.32)
Dividends paid [Refer note 46 (b)]	-	-	-	-	-	(1,458.62)	(1,458.62)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>7,735.92</b>	<b>320.54</b>	<b>96,847.12</b>	<b>98.59</b>	<b>112.26</b>	<b>87,547.40</b>	<b>192,724.87</b>

# Summary Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Other equity						Total other equity
	Capital reserve on merger	Common control transactions capital reserve	Securities premium	Share based payment reserve	General reserve	Retained earnings	
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>7,735.92</b>	<b>320.54</b>	<b>96,549.64</b>	<b>291.87</b>	<b>112.26</b>	<b>85,394.99</b>	<b>(22.68)</b>
Profit for the year	-	-	-	-	-	3,784.18	-
Other comprehensive income/(loss) for the year	-	-	-	-	-	2.81	9.48
Premium on issuance of equity shares (Refer note 40)	-	-	50.65	-	-	-	-
Transfer from share based payment reserve on exercise of stock options	-	-	20.93	(20.93)	-	-	-
Net reversal of share based payment (net) (Refer note 40)	-	-	-	(19.46)	-	-	-
Dividends paid ( Refer note 46(b))	-	-	-	-	-	(1,458.29)	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>7,735.92</b>	<b>320.54</b>	<b>96,621.22</b>	<b>251.48</b>	<b>112.26</b>	<b>87,723.69</b>	<b>(13.20)</b>

The accompanying notes are an integral part of these standalone financial statements

This is the Statement of Changes in Equity referred to in our report of even date

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076/N/500013

**Rakesh R. Agarwal**  
Partner  
Membership No. 109632

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**Kamal Khetan**  
Chairman and Managing Director  
DIN: 00017527

**Mukesh Jain**  
Director  
DIN: 01316027

**Manoj Agarwal**  
Chief Financial Officer

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**For and on behalf of the Board of Directors**

**Atul Poopal**  
Director  
DIN: 07295878

**Vaddarse Shetty**  
Director  
DIN: 00021773

**Rachana Hingarajia**  
Director and Company Secretary  
DIN: 07145358

**Chaitanya Dalal**  
Director  
DIN: 00185847

**Sandhya Malhotra**  
Director  
DIN: 06450511



Corporate Overview



Statutory Reports



Financial Statements



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022

## 1. CORPORATE INFORMATION

Sunteck Realty Limited ("the Company") [CIN: L32100MH1981PLC025346] is primarily engaged in the business of real estate construction/ real estate development and incidental services.

The Company is a limited company, domiciled in India. The Company was incorporated on 1<sup>st</sup> October, 1981 and has its registered office at 5<sup>th</sup> Floor, Sunteck Centre Subhash Road, Vile Parle (East) Mumbai. Maharashtra - 400057.

The Company's shares are listed on two recognised stock exchanges in India - the Bombay Stock Exchange and the National Stock Exchange.

These standalone financial statements of the Company for the year ended 31<sup>st</sup> March 2022 were approved by the Board of Directors on 30<sup>th</sup> May, 2022.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### a) Basis of preparation

The Company has prepared its financial statements to comply in all material aspects with the provisions of the Companies Act, 2013 ("the Act") and rules framed thereunder. In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Act and the guidelines issued by Securities and Exchange Board of India, to the extent applicable.

The financial statements have been prepared on a historical cost convention and accrual basis, except for the certain financial assets and liabilities that are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company's normal operating cycle in respect of operations relating to under construction real estate projects may vary from project to project depending upon the size and duration (from launch till occupation certificate period) of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects and other business are based on 12 months period. Assets and liabilities have been classified into current and non-current based on the operating cycle of respective businesses.

These standalone financial statements are presented in Indian rupee, which is the functional currency of the Company. All financial information is presented in Indian rupees.

### b) Critical estimates and judgements

The preparation of the financial statements, in conformity with the recognition and measurement principal of Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### **i. Useful lives of property, plant and equipment and investment properties**

Property, plant and equipment and investment property represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each reporting date.

### **ii. Classification of assets and liabilities into current and non-current**

The management classifies the assets and liabilities into current and noncurrent categories based on management's expectation of the timing of realisation of the assets or timing of contractual settlement of liabilities.

### **iii. Compensation liability in case of project under development**

The management requires to make estimates of payments to be made in connection with the temporary accommodation facilities provided to the tenants and corpus payments for acquiring land developments rights in case of redevelopment projects.

### **iv. Impairment of financial and non-financial assets**

In assessing impairment, management estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.

### **v. Fair value measurements**

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. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### **vi. Revenue recognition**

The Company recognises revenue including other fee such as club house charges etc. over the time of completion of project where criteria of Ind AS 115 are met. This requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

### **vii. Expected credit loss**

The Company applies Expected Credit Losses ("ECL") model for measurement and recognition of loss allowance on the following: • Trade receivables and lease receivables. • Financial assets measured at amortised cost (other than trade receivables and lease receivables). • Financial assets measured at fair value through other comprehensive income (FVTOCI). In accordance with Ind AS 109 - Financial Instruments, the Company applies ECL model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers.

For this purpose, the Company follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In case of other assets, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve months ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

### viii. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

### ix. Share-based payments

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

### x. Valuation of deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the period in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

### xi. Defined benefit obligation

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## c) Foreign currency transactions

### (i) Functional and presentation currency

The financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency. Functional Currency is the currency of a primary economic environment in which the Company operates.

### (ii) Initial recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year.



## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs.

### (iii) Measurement of foreign currency items at the balance sheet date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

### (iv) Foreign operations

The result and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

## d) Revenue recognition

### (i) Revenue from real estate development/sale, maintenance services and project management services

#### Revenue from contracts with customers

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products (residential or commercial completed units) or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company satisfies the performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where any one of the above conditions are not met, revenue is recognised at the point in time (completed contract basis) at which the performance obligation is satisfied.

In case, revenue is recognised over the time, it is being recognised from the financial year in which the agreement to sell or any other binding documents containing salient terms of agreement to sell is executed. In respect of 'over the period of time', the revenue is recognised based on the percentage-of-completion method ('POC method') of accounting with cost of project incurred (input method) for the respective projects determining the degree of completion of the performance obligation.

The period over which revenue is recognised is based on entity's right to payment for performance completed. In determining whether an entity has right to payment, the entity shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date, if

## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

the contract were to be terminated before completion for reasons other than entity's failure to perform as per the terms of the contract.

The Company bills to customers for construction contracts as per agreed terms. The Company adjusts the transaction price for the effects of the significant financing component included in the contract price in the case of contracts involving the sale of property under development, where the Company offers deferred payment schemes to its customers.

The revenue recognition of real estate property under development requires forecasts to be made of total budgeted costs with the outcomes of underlying construction contracts, which further require assessments and judgments to be made on changes in work scopes and other payments to the extent they are probable and they are capable of being reliably measured. In case, where the total project cost is estimated to exceed total revenues from the project, the loss is recognised immediately in the Statement of Profit and Loss.

Revenue in excess of billing (unbilled revenue) are classified as contract asset while invoicing in excess of revenues (bill in advance) are classified as contract liabilities.

### (ii) Revenue from Joint Development Agreement (JDA)

For projects executed through JDA, the land owner provides land and the Company undertakes to develop the project on such land. The revenue from the development and transfer of constructed area/ revenue sharing arrangement and the corresponding land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered 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 JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Company under the JDA. 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 not 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.

### (iii) Rent

Rental income is recognised on a time proportion basis as per the contractual obligations agreed with the respective tenant.

### (iv) Maintenance income

Income arising from billing of maintenance charges to tenants/customers is recognised in the period in which the services are being rendered. A receivable is recognised by the Company when the services are rendered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. Further, the Company considers the terms of the contract and its customary business practices to determine the transaction price.

### (v) Interest

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### (vi) Forfeiture income

Forfeiture income is recognised on cancellation of unit by unitholder and when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

### (vii) Dividend

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### (viii) Profit /Loss from Partnership Firms / Limited Liability Partnerships (LLP)

Share of profit / loss from firms/ LLPs in which the entity is a partner is accounted for in the financial period ending on (or before) the date of the balance sheet on the basis of financial statements and as per the terms of the respective partnership deed.

Other income is recognised as and when due or received, whichever is earlier.

### e) Cost of revenue (cost of real estate projects)

Cost of project, includes cost of land (cost of development rights/ land under agreements to purchase) liaisoning costs, estimated internal development costs, external development charges, overheads, construction costs and development/ construction materials, which is charged to the statement of profit and loss based on the revenue recognised as explained in policy under revenue recognition, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

“Costs to obtain contracts” such as brokerage fees paid for obtaining sales contracts, are recognised as assets when incurred and amortised over the period of time or at the point in time depending upon recognition of revenue from the corresponding property sale contract.

### f) Income tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to deductible temporary differences (in case of deferred tax assets) and taxable temporary differences (in case of deferred tax liabilities).

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

#### Deferred tax

Deferred income tax is provided using the balance sheet approach on deductible and taxable temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and carry forward unused tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

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. Current tax

## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

assets and tax liabilities are offset where the Company 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.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income (OCI) or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India which is likely to give future economic benefit in the form of availability of setoff against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

### g) Leases

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

#### Company as a lessee

At the date of the commencement of the lease, the Company recognises a right-of-use asset representing its right to use the underlying asset for the lease term and a corresponding lease liability for all the lease arrangements in which it is a lease, except for leases with a term of twelve months or less (short-term leases) and low value leases.

At present, all contracts in the Company are of low lease value and for these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

#### Company as a lessor

Leases for which the Company is a lessor classified as finance or operating lease. Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### h) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### i) Impairment of non- financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

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

## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### j) Inventories

Inventories comprise of land and development rights, construction materials, work-in-progress, completed unsold flats/units. These are valued at lower of the cost and net realisable value.

Land and development rights	Land and development rights (including development cost) are valued at lower of cost and net realisable value. Costs include land acquisition cost and initial development cost.
Construction materials	Construction materials are valued at cost if the completed unsold flats/units in which they will be incorporated are expected to be sold at or above cost, else lower of cost and net realisable value. Cost is determined on a weighted average basis.
Work-in-progress (Land/ Real Estate under development)	Work-in-progress is valued at cost if the completed unsold flats/units are expected to be sold at or above cost otherwise at lower of cost and net realisable value. Cost includes direct expenditure relating to construction activity (including land cost) and indirect expenditure during the construction period to the extent the expenditure is related to construction or is incidental thereto.
Completed unsold flats/units	Lower of cost and net realisable value.

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

### k) Financial instruments

#### (i) Classification

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of both:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses will either be recorded in profit or 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.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### Measurement of loan instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

#### Measurement of equity instruments

The Company subsequently measures all equity investments at fair value except investment in subsidiary and joint venture. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### (iii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss.

#### (iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or



## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

- The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### (v) Interest income from financial assets

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

### l) Classification and subsequent measurement of financial liabilities

All financial liabilities are recognised initially at its fair value adjusted by directly attributable transaction costs. The measurement of financial liabilities depends on their classification as described below:

#### Financial liabilities at fair value through profit or loss

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

The Company has not designated any financial liability as at fair value through profit and loss.

#### Financial liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised.

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

### m) Offsetting 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 net basis or to realise the assets and settle the liabilities simultaneously.

### n) Property, plant and equipment (including capital work in progress)

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Borrowing costs relating to acquisition of property, plant and equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and

## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the statement of profit and loss.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

### o) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Intangible under development (IUD) comprises of direct cost, related incidental expenses and attributable borrowing cost, if any, on intangible assets which are not ready for their intended use. IUD usually pertain to a product development project which has reached a defined milestone according to an established project management model and its technological and economic feasibility is viable. Expenditure on research activities is recognised in statement of profit and loss as incurred. Intangible assets under development are subject to impairment testing at each reporting date and assessed for impairment and impairment loss, if any.

### p) Depreciation and amortisation

- (i) Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. Freehold land is not depreciated.
- (ii) Depreciation on property, plant and equipment and investment property has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for furniture and fixtures and air conditioner wherein based on technical assessment of management, useful life has been estimated to be different from that prescribed in Schedule II to the Act. Residual value is considered as 5% of the original acquisition cost of the assets.

The estimated useful lives of the assets are as follows:

Asset class	Useful life
Building (including classified under investment properties)	60 years
Plant and equipment	15 years
Furniture and fixtures	10 years
Furniture and fixtures (temporary structure and portable structure)	2 - 3 years
Office equipment	5 years
Air conditioner (classified as office equipment)	10 years
Computers and peripherals	3 years
Vehicles	8 years

- (iii) Amortisation is recognised on a straight-line basis over their estimated useful lives. The Company amortises computer software using the straight-line method over the period of 5 years.

The estimated useful life, residual values and depreciation/amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Capital work-in-progress represents expenditure incurred in respect of assets under development and are carried at cost. Cost includes related acquisition expenses, construction cost, borrowing cost capitalised and other direct expenditure.



## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### q) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

### r) Borrowing costs

Borrowing costs that are directly attributable to the acquisition/construction of qualifying assets are capitalised as part of their costs.

Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the assets for their intended use or sale are in progress.

Borrowing costs consist of interest and other costs that Company incurs in connection with the borrowing of funds. Other borrowing costs are recognised as an expense, in the period in which they are incurred.

Pursuant to a clarification issued by the International Accounting Standards Board ('IASB') in relation to borrowing costs on real-estate projects where revenue is recognised on percentage of completion basis, the Company has with effect from 1 April, 2019 excluded such borrowing costs relating to the post-launch period from its estimates of the balance cost to completion, and the same is recognised as finance cost in the Statement of Profit and Loss.

### s) Provisions, contingencies and commitments

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made where there is:

- (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (ii) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable. Commitments are future liabilities for contractual expenditure, classified and disclosed as estimated amount of contracts remaining to be executed on capital account and not provided for.

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**t) Employee benefits:**

**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Compensated absences**

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

**(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- (a) defined benefit plan such as gratuity; and
- (b) defined contribution plan such as provident fund.

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

**Defined contribution plan**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iv) Share-based payments**

The Company operates equity-settled share based remuneration plans for its employees. All services received in exchange for the grant of any share-based payment are measured at their fair values on the grant date and is recognised as an employee expense, in the profit or loss with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The increase in equity recognised in connection with share-based payment transaction is presented as a separate component in equity under "Employee stock options reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. Grant date is the date when the Company and employees have shared an understanding of terms and conditions on the arrangement.



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Where employees are rewarded using share based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth). All share-based remuneration is ultimately recognised as an expense in profit or loss. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holder does not impact the expense recorded in any period.

Market conditions are taken into account when estimating the fair value of the equity instruments granted. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

### u) Contributed equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

### v) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders. Interim dividend is recognised as a liability on the date of declaration by the Company's Board of Directors.

### w) Earnings per share

Basic earnings per share is computed by dividing the profit/ (loss) for the year 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 treasury shares, bonus issue, and bonus element in a rights issue to existing shareholders, share split and reverse share split.

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date

### x) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Companies Act, 2013 unless otherwise stated.

### y) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting, nature of the products / process, organisation structure as well as differential risks and returns, provided to the Board of Directors, which constitute as chief operating decision maker ('CODM').

### z) Exceptional item

When an item of income or expense within profit or loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the year, the nature and amount of such items is disclosed as exceptional items.

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**aa) Business combination**

Business combinations, other than common control business combinations, are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by the Company. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

Common Control business combinations, i.e. business combinations involving entities or businesses under common control, are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately as Common Control Transactions Capital reserve.

**bb) Investment in subsidiaries and joint ventures**

Investments in subsidiaries and joint ventures are recognised at cost as per Ind AS 27.

**cc) Recent pronouncements**

**(i) Amendment to Ind AS 16, Property, Plant and Equipment**

The Ministry of Corporate Affairs ("MCA") vide notification dated 23<sup>rd</sup> March, 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

**(ii) Amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets**

The Ministry of Corporate Affairs ("MCA") vide notification dated 23<sup>rd</sup> March, 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

**(iii) Amendment to Ind AS 103, Business Combinations**

The Ministry of Corporate Affairs ("MCA") vide notification dated 23<sup>rd</sup> March, 2022, has issued an amendment to Ind AS 103 and has added a new exception in the standard for liabilities and contingent liabilities.

**(iv) Amendment to Ind AS 109, Financial Instruments**

The Ministry of Corporate Affairs ("MCA") vide notification dated 23<sup>rd</sup> March, 2022, has issued an amendment to Ind AS 109 which clarifies that which fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

These amendments are not expected to have a material impact on the Company or future reporting periods and on foreseeable future transactions.

These financial statements have been prepared in accordance with amended Schedule III to the Companies Act 2013.

## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 3 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land - freehold*	Building*	Plant and equipment	Furniture and fixtures	Office equipment	Vehicle	Computers	Total
<b>Gross block</b>								
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>349.70</b>	<b>1,314.14</b>	<b>396.23</b>	<b>904.58</b>	<b>156.43</b>	-	<b>38.59</b>	<b>3,159.67</b>
Additions	-	-	2.05	0.22	27.66	20.29	0.74	50.96
Disposals	-	-	-	(26.37)	(1.00)	-	-	(27.37)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>349.70</b>	<b>1,314.14</b>	<b>398.28</b>	<b>878.43</b>	<b>183.09</b>	<b>20.29</b>	<b>39.33</b>	<b>3,183.26</b>
Additions	-	-	1,358.36	7.47	6.10	-	40.87	1,412.80
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>349.70</b>	<b>1,314.14</b>	<b>1,756.64</b>	<b>885.90</b>	<b>189.19</b>	<b>20.29</b>	<b>80.20</b>	<b>4,596.06</b>
<b>Accumulated depreciation</b>								
<b>Balance as at 1<sup>st</sup> April, 2020</b>	-	<b>165.05</b>	<b>16.22</b>	<b>237.55</b>	<b>63.43</b>	-	<b>16.12</b>	<b>498.37</b>
Depreciation charge	-	21.79	25.19	209.30	20.20	0.32	9.93	286.73
Reversal on disposal	-	-	-	(2.39)	(0.70)	-	-	(3.09)
Adjustments	-	-	-	1.57	-	-	-	1.57
<b>Balance as at 31<sup>st</sup> March, 2021</b>	-	<b>186.84</b>	<b>41.41</b>	<b>446.03</b>	<b>82.93</b>	<b>0.32</b>	<b>26.05</b>	<b>783.58</b>
Depreciation charge	-	21.79	76.91	201.84	20.11	2.41	12.91	335.97
Reversal on disposal	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	-	<b>208.63</b>	<b>118.32</b>	<b>647.87</b>	<b>103.04</b>	<b>2.73</b>	<b>38.96</b>	<b>1,119.55</b>
<b>Net block</b>								
Balance as at 31 <sup>st</sup> March, 2021	349.70	1,127.30	356.87	432.40	100.16	19.97	13.28	2,399.68
Balance as at 31 <sup>st</sup> March, 2022	349.70	1,105.51	1,638.32	238.03	86.15	17.56	41.24	3,476.51

\* Land and Building aggregating gross block of ₹ 1,663.84 Lakhs (31<sup>st</sup> March, 2021: ₹ 1,663.84 Lakhs) constructed as per the Joint Development Agreement with the land owners, which will be transferred in the name of the Company after formation of condominium.

\* Mortgaged over a portion of certain floors of the building 'Sunteck Centre' located at Vile Parle (East), Mumbai and certain units of building 'Corporate Centre' located at Andheri (East), Mumbai. Further, refer note 42 for information on property, plant and equipment pledged as security by the Company

Refer note 54 for details of title deeds of immovable properties.

### NOTE 4 INVESTMENT PROPERTIES

(₹ in Lakhs)

Particulars	Amount
<b>Land and building</b>	
<b>Gross block</b>	
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>1,822.82</b>
Additions	-
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>1,822.82</b>
Additions [Refer note (iv) below]	930.58
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>2,753.40</b>
<b>Accumulated amortisation</b>	
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>64.73</b>
Depreciation charge	26.12
Reversal on disposals	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>90.85</b>
Depreciation charge	33.63
Reversal on disposals	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>124.48</b>
<b>Net block</b>	
Balance as at 31 <sup>st</sup> March, 2021	1,731.97
Balance as at 31 <sup>st</sup> March, 2022	2,628.92



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**(i) Amounts recognised in statement of profit and loss for investment properties given on lease**

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Rental and maintenance income	538.60	493.59
Less: Direct operating expenses (including repairs and maintenance and depreciation) arising from investment properties that generated rental and maintenance income during the year	(58.25)	(116.92)
Less: Direct operating expenses (including repairs and maintenance and depreciation) arising from investment properties that did not generate rental and maintenance income during the year	(41.80)	(20.22)
<b>Net income from investment properties</b>	<b>438.55</b>	<b>356.45</b>

**(ii) Fair value**

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Investment properties	15,645.93	10,136.07

**Estimation of fair value :**

The fair value of investment properties are based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 except for investment property amounting to ₹ 930.58 Lakhs (fair value amounting to ₹ 5,217.58 Lakhs) has been arrived on the basis of recent selling price of related units of the same project.

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building. This valuation is based on valuations performed by an accredited independent valuer. The main inputs used by them are the prevalent market rate. The fair value measurement is categorised in level 3 fair value hierarchy.

- (iii)** The Company is in process of transferring the land and building in the name of the Company gross block aggregating ₹ 366.60 Lakhs (31<sup>st</sup> March, 2021: ₹ 366.60 Lakhs) as a result of amalgamation wherein the title deeds are in the name of transferor and ₹ 1,456.22 Lakhs (31<sup>st</sup> March, 2021: ₹ 1,456.22 Lakhs) constructed as per the Joint Development Agreement with the land owners, which will be transferred in the name of the Company after formation of condominium (Refer note 54).
- (iv)** During the year properties valuing of ₹ 930.58 Lakhs (31<sup>st</sup> March, 2021: Nil) has been transferred from inventories to investment properties.
- (v)** The Company has no restriction on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.  
Refer note 42 for information on investment properties pledged as security by the Company.  
Refer note 39 for information regarding future lease rentals receivable.  
Refer note 54 for details of title deeds of immovable properties.

**NOTE 5(a) INTANGIBLE ASSETS**

Particulars	(₹ in Lakhs)
	Amounts
<b>Computer software</b>	
<b>Gross block</b>	
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>1.82</b>
Additions	4.73
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>6.55</b>
Additions	5.25
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>11.80</b>



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Amounts
<b>Accumulated amortisation</b>	
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>0.44</b>
Amortisation charge	1.08
Reversal on disposal	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>1.52</b>
Amortisation charge	1.84
Reversal on disposal	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>3.36</b>
<b>Net block</b>	
Balance as at 31 <sup>st</sup> March, 2021	5.03
Balance as at 31 <sup>st</sup> March, 2022	8.44

**NOTE 5(b) INTANGIBLE ASSETS UNDER DEVELOPMENT**

(₹ in Lakhs)

Particulars	Amounts
<b>Computer software</b>	
<b>Gross block</b>	
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>-</b>
Additions	28.00
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>28.00</b>
Additions	32.25
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>60.25</b>

Refer note 53 for ageing of intangible assets under development

**NOTE 6 INVESTMENTS (NON-CURRENT)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>6(a) Investment in subsidiaries and joint ventures (measured at cost)</b>		
<b>A Investment in equity instruments (Traded)</b>		
<b>i Investment in subsidiaries</b>		
Equity shares (fully paid up)		
Advaith Infraprojects Private Limited	81.01	81.01
810,100 (31 <sup>st</sup> March, 2021: 810,100) equity shares of ₹ 10 each		
Sahrish Construction Private Limited	1.00	1.00
10,000 (31 <sup>st</sup> March, 2021: 10,000) equity shares of ₹ 10 each		
Satguru Infocorp Services Private Limited	1,043.84	1,043.84
375,000 (31 <sup>st</sup> March, 2021: 375,000) equity shares of ₹ 10 each		
Starlight Systems Private Limited	3,993.66	3,993.66
400,000 (31 <sup>st</sup> March, 2021: 400,000) equity shares of ₹ 10 each		
Starteck Lifestyles Private Limited	1.00	1.00

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
10,000 (31 <sup>st</sup> March, 2021: 10,000) equity shares of ₹ 10 each Sunteck Infraprojects Private Limited	1.00	1.00
10,000 (31 <sup>st</sup> March, 2021: 10,000) equity shares of ₹ 10 each Sunteck Lifestyle International Private Limited, Mauritius (Refer note 63)	25,129.56	25,129.56
20,653,221 (31 <sup>st</sup> March, 2021: 20,653,221) equity shares of USD 1 each Sunteck Lifestyles Limited, U.A.E	0.17	0.17
1,000 (31 <sup>st</sup> March, 2021: 1,000) equity shares of AED 1 each Sunteck Property Holdings Private Limited	1.00	1.00
10,000 (31 <sup>st</sup> March, 2021: 10,000) equity shares of ₹ 10 each Sunteck Real Estates Private Limited	1.00	1.00
10,000 (31 <sup>st</sup> March, 2021: 10,000) equity shares of ₹ 10 each Sunteck Realty Holdings Private Limited	1.00	1.00
10,000 (31 <sup>st</sup> March, 2021: 10,000) equity shares of ₹ 10 each Sunteck Lifespace Private Limited	1.00	-
10,000 (31 <sup>st</sup> March, 2021: Nil) equity shares of ₹ 10 each (Refer note 6.3) Debentures (fully paid up) Satguru Corporate Services Private Limited (Refer note 6.4)	33,857.84	43,061.66
3,881 (31 <sup>st</sup> March, 2021: 4,936) 0% compulsorily convertible debentures of ₹ 872,400 each Redeemable preference shares (fully paid up) Sunteck Lifestyle International Private Limited, Mauritius (Refer note 63)	846.46	667.33
1,147,300 (31 <sup>st</sup> March, 2021: 905,300) redeemable preference shares of USD 1 each (Refer note 6.1)		
<b>ii Investment in joint venture</b>		
Equity shares (fully paid up) Piramal Sunteck Realty Private Limited (Refer note 6.2)	2,845.32	2,845.32
500,001 (31 <sup>st</sup> March, 2021: 500,001) equity shares of ₹ 10 each		
<b>B Investments in Limited Liability Partnership (LLP) (fixed capital)</b>		
<b>i Investment in subsidiaries</b>		
Starlight Systems (I) LLP	0.98	0.98
Magnate Industries LLP	0.10	0.10
Mithra Buildcon LLP	1.00	1.00
Clarissa Facility Management LLP	1.00	1.00
<b>ii Investment in joint venture</b>		
Nariman Infrastructure LLP	1.12	1.12
Uniworth Realty LLP	0.50	0.50
<b>C Investments in LLP (current capital)</b>		
<b>i Investment in subsidiaries</b>		
Starlight Systems (I) LLP	68,449.96	74,033.28
Magnate Industries LLP	2,503.28	2,499.94
Mithra Buildcon LLP	5,293.21	10,704.98
Clarissa Facility Management LLP	180.74	-
<b>ii Investment in joint venture</b>		
Nariman Infrastructure LLP	4,594.50	4,448.88
Uniworth Realty LLP	546.71	538.76
<b>Total</b>	<b>149,377.96</b>	<b>169,059.09</b>



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

- 6.1** During the year, the Company has subscribed 242,000 (31<sup>st</sup> March 2022: 905,300) preference shares of USD 1 each in its subsidiary Sunteck Lifestyle International Private Limited, Mauritius for an aggregate amount of ₹ 179.13 Lakhs (31<sup>st</sup> March 2022: ₹ 667.33 Lakhs).
- 6.2** The Company has given a “non disposal undertaking” to the lenders of Piramal Sunteck Realty Private Limited for equity shares of Piramal Sunteck Realty Private Limited.
- 6.3** On 2<sup>nd</sup> November 2021, a wholly owned subsidiary, Sunteck Lifespace Private Limited (“SLPL”) has been incorporated wherein the Company has subscribed 10,000 equity shares of SLPL at face value of ₹ 10 per share aggregating ₹ 1.00 lakh.
- 6.4** During the current year, pursuant to the approval of its Board, Satguru Corporate Services Private Limited has converted 1,055 Compulsorily Convertible Debentures (CCDs) to Optionally Convertible Debentures (OCDs) and the OCDs have been redeemed at face value for an amount aggregating to ₹ 9,203.82 Lakhs.

### 6(b) Other investments

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>A Investment in equity instruments (At fair value through other comprehensive income) #</b>		
Quoted, fully paid up \$		
Punjab Communication Limited	0.35	0.20
1,000 (31 <sup>st</sup> March, 2021: 1,000) equity shares of ₹ 10 each		
Unquoted, fully paid up		
Samhrutha Habitat Infrastructure Private Limited	75.63	22.99
220,378 (31 <sup>st</sup> March, 2021: 220,378) equity shares of ₹ 10 each		
Saraswat Co-Op. Bank Limited	0.01	0.01
70 (31 <sup>st</sup> March, 2021: 70) equity shares of ₹ 10 each		
SW Capital Private Limited	88.89	42.33
150,000 (31 <sup>st</sup> March, 2021: 150,000) equity shares of ₹ 10 each		
<b>Total</b>	<b>164.88</b>	<b>65.53</b>
<b>Gross total (6a+6b)</b>	<b>149,542.84</b>	<b>169,124.62</b>
Aggregate amount of quoted investments	0.35	0.20
Market value of the quoted investments	0.35	0.20
Aggregate amount of unquoted investments	149,542.49	169,124.42
Aggregate amount of impairment in the value of investments	-	-

# All these investments (being strategic in nature) are measured at fair value through other comprehensive income ('FVTOCI') since these are not held for trading purposes and thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding. No dividend have been received from such investments during the year.

\$ Refer note 45 for price risk

### NOTE 7 OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(Unsecured, considered good, unless otherwise stated)		
Security deposits	30.28	32.58
Interest accrued on loan to related parties (Refer notes 43 and 63)	775.09	751.74
Other receivables (Refer note 59)	1,402.73	1,402.73
<b>Total</b>	<b>2,208.10</b>	<b>2,187.05</b>

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 8 DEFERRED TAX ASSETS/ (LIABILITIES) (NET)**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(₹ in Lakhs)		
<b>Deferred tax assets/ (liabilities) arising on account of :</b>		
i Difference between book balance and tax balance of property, plant and equipment, investment properties and intangible assets	(111.71)	(91.63)
ii Provision for employee benefits	61.58	55.50
iii Income Computation and Disclosure Standard IX - Borrowing Cost (ICDS) adjustments	467.53	535.51
iv Gain from investments	(29.73)	(149.12)
v MAT credit entitlement	1,313.02	1,302.43
vi Provision for expected credit loss	43.68	43.68
vii Discounting on security deposits	(14.84)	(16.64)
viii Unearned revenue	13.38	15.37
ix Others	22.57	22.57
<b>Net deferred tax assets</b>	<b>1,765.48</b>	<b>1,717.67</b>

**Movement in deferred tax assets/ (liabilities) :**

Particulars	Property, plant and equipment, investment property and intangible assets	Provision for employee benefits	ICDS Adjustments	Gain from investments	MAT credit entitlement	Provision for expected credit loss	Discounting on security deposits	Unearned revenue	Others	Total
(₹ in Lakhs)										
<b>As at 1<sup>st</sup> April, 2020</b>	<b>(85.64)</b>	<b>44.53</b>	<b>563.16</b>	<b>(143.13)</b>	<b>1,259.98</b>	<b>26.64</b>	<b>2.43</b>	<b>(3.06)</b>	<b>43.48</b>	<b>1,708.39</b>
(Charged) / credited:										
- to profit or loss	(5.99)	12.13	(27.65)	(3.13)	42.45	17.04	(19.07)	18.43	(20.91)	13.31
- to other comprehensive income	-	(1.16)	-	(2.86)	-	-	-	-	-	(4.02)
<b>As at 31<sup>st</sup> March, 2021</b>	<b>(91.63)</b>	<b>55.50</b>	<b>535.51</b>	<b>(149.12)</b>	<b>1,302.43</b>	<b>43.68</b>	<b>(16.64)</b>	<b>15.37</b>	<b>22.57</b>	<b>1,717.67</b>
(Charged) / credited:										
- to profit or loss	(20.08)	3.03	(67.98)	142.52	10.59	-	1.80	(1.99)	-	67.89
- to other comprehensive income	-	3.05	-	(23.13)	-	-	-	-	-	(20.08)
<b>As at 31<sup>st</sup> March, 2022</b>	<b>(111.71)</b>	<b>61.58</b>	<b>467.53</b>	<b>(29.73)</b>	<b>1,313.02</b>	<b>43.68</b>	<b>(14.84)</b>	<b>13.38</b>	<b>22.57</b>	<b>1,765.48</b>



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 9 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Capital advances	71.87	-
Prepaid expenses	82.43	-
<b>Total</b>	<b>154.30</b>	<b>-</b>

#### NOTE 10 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(As certified by management)		
Land and development rights	1,328.60	1,932.00
Construction materials	536.41	166.97
Construction work-in-progress	42,671.75	23,941.87
Finished properties	664.09	2,037.19
<b>Total</b>	<b>45,200.85</b>	<b>28,078.03</b>

Refer note 42 for inventories pledged as security against borrowings.

#### NOTE 11 INVESTMENTS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Investment in debt instruments (At fair value through profit and loss)		
Unquoted, fully paid up debentures*		
Eskay Infrastructure Development Private Limited (Refer note 11.1)		
Nil (31 <sup>st</sup> March 2021: 62,692) 0.1% non-convertible debentures of ₹ 1,000 each	-	779.95
Samagra Wealthmax Private Limited (Refer note 11.1)		
Nil (31 <sup>st</sup> March 2021: 162,638) 0.1% non-convertible debentures of ₹ 1,000 each	-	2,021.39
Starteck Infraprojects Private Limited (Refer note 11.1)		
Nil (31 <sup>st</sup> March 2021: 28,182) 0.1% non-convertible debentures of ₹ 1,000 each	-	350.21
<b>Total</b>	<b>-</b>	<b>3,151.55</b>
Aggregate amount of quoted investments	-	-
Market value of the quoted investments	-	-
Aggregate amount of unquoted investments	-	3,151.55
Aggregate amount of impairment in the value of investments	-	-

**11.1** As per the terms, the non-convertible debentures have been redeemed during the current year.

\* Refer note 44 for fair value analysis

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

## NOTE 12 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Trade receivable considered good - secured #		
From others	72.92	26.14
Trade receivable considered good - unsecured		
From related parties (Refer note 43)	-	0.72
From others	10,802.48	9,571.67
Trade receivable considered doubtful	150.00	150.00
Less: Loss allowance	(150.00)	(150.00)
<b>Total</b>	<b>10,875.40</b>	<b>9,598.53</b>

### 12.1 Break up security details

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Trade receivable considered good - secured	72.92	26.14
Trade receivable considered good - unsecured	10,802.48	9,572.39
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired - unsecured	150.00	150.00

# Secured against the security deposit received from the tenants

### 12.2 Trade Receivables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,974.46	6,523.16	541.98	538.50	297.30	-	10,875.40
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	43.20	106.80	150.00
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross balance as at 31<sup>st</sup> March 2022</b>	<b>2,974.46</b>	<b>6,523.16</b>	<b>541.98</b>	<b>538.50</b>	<b>340.50</b>	<b>106.80</b>	<b>11,025.40</b>
Less : Loss allowances							(150.00)
<b>Net balance as at 31<sup>st</sup> March 2022</b>	<b>2,974.46</b>	<b>6,523.16</b>	<b>541.98</b>	<b>538.50</b>	<b>340.50</b>	<b>106.80</b>	<b>10,875.40</b>

## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	902.83	5,876.10	1,806.34	979.87	33.39	-	9,598.53
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	140.57	9.43	150.00
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross balance as at 31 March 2021</b>	<b>902.83</b>	<b>5,876.10</b>	<b>1,806.34</b>	<b>979.87</b>	<b>173.96</b>	<b>9.43</b>	<b>9,748.53</b>
Less : Loss allowances							(150.00)
<b>Net balance as at 31 March 2021</b>	<b>902.83</b>	<b>5,876.10</b>	<b>1,806.34</b>	<b>979.87</b>	<b>173.96</b>	<b>9.43</b>	<b>9,598.53</b>

**12.3** Trade receivables are non-interest bearing and are generally on credit terms of 15 days.

**12.4** Refer note 42 for trade receivables offered as security against borrowings.

**12.5** Refer note 45 for movement of expected credit loss and other relevant details related to trade receivables.

### NOTE 13 CASH AND CASH EQUIVALENTS

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Cash on hand	14.05	9.94
Balances with banks :		
in current accounts	1,448.28	2,668.89
<b>Total</b>	<b>1,462.33</b>	<b>2,678.83</b>

### NOTE 14 OTHER BANK BALANCES

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Deposits with original maturity of more than 3 months but less than 12 months	92.00	3,246.49
Earmarked bank balances#		
Unpaid dividend account	4.03	10.36
Unspent corporate social responsibility account (Refer note 50)	98.36	-
<b>Total</b>	<b>194.39</b>	<b>3,256.85</b>

Refer note 42 for security pledged against borrowings.

# There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at each reporting date.

### NOTE 15 LOANS (CURRENT)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Loan		
- to related parties # (Refer note 43)	35,686.22	11,610.00
- to employees	51.06	0.97
- to others	1,169.22	3,406.56
<b>Total</b>	<b>36,906.50</b>	<b>15,017.53</b>

# Repayable on demand. Includes interest free loan amounting to ₹ 34,466.29 lakhs (31<sup>st</sup> March 2021: ₹ 11,059.27 lakhs) given to subsidiaries.

Refer note 45 for information about credit risk.



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### 15.1 Particulars of loans to promoters, key managerial personnel and related parties

Particulars	Outstanding amount (₹ Lakhs)		% to total loans	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Amount payable on demand - related parties	35,686.22	11,610.00	96.69%	77.31%

### 15.2

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Loans due from private companies in which director of the Company is director	24,357.31	5,802.95

### 15.3 Break up security details

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Loans considered good - secured	-	-
Loans considered good - unsecured	36,906.50	15,017.53
Loans which have significant increase in credit risk	-	-
Loans - credit impaired - unsecured	-	-

### NOTE 16 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(Unsecured, considered good, unless otherwise stated)		
Earnest money and security deposits	3,665.31	3,218.06
Interest accrued but not due on fixed deposits	2.33	9.11
Interest accrued on loan to a related party (Refer note 43)	293.22	12.37
Other receivables (Refer notes 40 and 43)	1,310.59	1,560.05
<b>Total</b>	<b>5,271.45</b>	<b>4,799.59</b>

Refer note 45 for information about credit risk

### NOTE 17 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Advance to vendors	4,026.20	4,678.82
Balance with government authorities	2,037.47	1,681.03
Prepaid expenses	862.44	388.78
Contract assets (Refer note 47)	16,055.31	11,041.27
Others	1.13	2.41
<b>Total</b>	<b>22,982.55</b>	<b>17,792.31</b>



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 18 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
<b>(a) Authorised share capital</b>				
Equity shares of ₹ 1 each	188,600,000	1,886.00	188,600,000	1,886.00
Preference shares of ₹ 10 each	1,260,000	126.00	1,260,000	126.00
<b>Total</b>	<b>189,860,000</b>	<b>2,012.00</b>	<b>189,860,000</b>	<b>2,012.00</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of ₹ 1 each	146,449,995	1,464.50	146,394,490	1,463.94
<b>Total</b>	<b>146,449,995</b>	<b>1,464.50</b>	<b>146,394,490</b>	<b>1,463.94</b>

#### (i) Reconciliation of equity share capital at the beginning and at the end of the year

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
At the beginning of the year	146,394,490	1,463.94	146,371,879	1,463.72
Add: Issued during the year - ESOP/ ESOS (Refer note 40)	55,505	0.56	22,611	0.23
<b>Outstanding at the end of the year</b>	<b>146,449,995</b>	<b>1,464.50</b>	<b>146,394,490</b>	<b>1,463.94</b>

#### (ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity share having a par value of ₹ 1 each with an entitlement of one vote per share held. 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, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (iii) Shares held by subsidiaries

6,000,000 (31<sup>st</sup> March, 2021: 6,000,000) equity shares of ₹ 1 each fully paid up out of issued, subscribed and paid up share capital are held by subsidiary companies.

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**(iv) Details of shareholders holding more than 5% equity shares in the Company**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	Number of shares	% holding	Number of shares	% holding
Matrabhav Trust	46,569,296	31.80%	46,569,296	31.81%
Paripurna Trust	17,021,488	11.62%	17,021,488	11.63%
Astha Trust	15,424,487	10.53%	15,424,487	10.54%

(v) The Company has not issued any bonus shares, issued shares for consideration other than cash and nor there has been any buy back of shares during five years immediately preceding 31<sup>st</sup> March, 2022.

**(vi) Shares reserved for issue under options**

For details of shares reserved for issue under the employee stock option scheme (ESOS) of the Company (Refer note 40)

**vii) Equity shares held by promoters**

(₹ in Lakhs)

Promoter's Name	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
<b>Individuals</b>					
Akrur Kamal Khetan	2,240,620	1.53%	2,240,620	1.53%	Nil
Anupma Kamal Khetan	2,352,660	1.61%	2,352,660	1.61%	Nil
Shanti Shrigopal Khetan	100,000	0.07%	100,000	0.07%	Nil
Kamal Shrigopal Khetan	150	0.00%	150	0.00%	Nil
Manisha Kamal Khetan	150	0.00%	150	0.00%	Nil
<b>Body Corporate</b>					
Samagra Wealthmax Private Limited	3,834,829	2.62%	3,834,829	2.62%	Nil
Satguru Infocorp Services Private Limited	3,000,000	2.05%	3,000,000	2.05%	Nil
Starlight Systems Private Limited	3,000,000	2.05%	3,000,000	2.05%	Nil
Eskay Infrastructure Development Private Limited	2,258,410	1.54%	2,258,410	1.54%	Nil
Glint Infraprojects Private Limited	2,189,631	1.50%	2,189,631	1.50%	Nil
Stardeck Infraprojects Private Limited	314,374	0.21%	314,374	0.21%	Nil
<b>Others (Trusts)</b>					
Matrabhav Trust	46,569,296	31.80%	46,569,296	31.81%	#
Paripurna Trust	17,021,488	11.62%	17,021,488	11.63%	#
Astha Trust	15,424,487	10.53%	15,424,487	10.54%	#
<b>Total</b>	<b>98,306,095</b>	<b>67.13%</b>	<b>98,306,095</b>	<b>67.16%</b>	

# There is change in percentage holding as new shares were allotted on account of exercise of employee share options.



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 19 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Reserves and Surplus		
- Capital reserve on merger	7,735.92	7,735.92
- Common control transactions capital reserve	320.54	320.54
- Securities premium	96,847.12	96,621.22
- Share based payment reserve	98.59	251.48
- General reserve	112.26	112.26
- Retained earnings	87,547.40	87,723.69
Other comprehensive income		
- Equity instrument through other comprehensive income	63.04	(13.20)
<b>Total</b>	<b>192,724.87</b>	<b>192,751.91</b>

Note : For movement in other equity refer standalone statement of changes in equity

#### Nature and purpose of other equity and reserves :

**(a) Capital reserve on merger**

During merger, the excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of merger.

**(b) Common control transactions capital reserve**

During merger of entities having common control, the excess of net assets taken over the net liabilities is treated as Common control transactions capital reserve. Common control transactions capital reserve is usually not distributed as dividends to shareholders.

**(c) Securities premium**

Securities premium is used to record the premium on issue of financial securities such as equity shares, preference shares, compulsory convertible debentures, employee stock options plan/ employee stock option scheme. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

**(d) Share based payment reserve**

Share based payment reserve is used to recognise the fair value of options on the grant date, issued to employees under employee stock option plan.

**(e) General reserve**

General Reserves are created out of profits and kept aside for general purpose and financial strengthening of the Company, they don't have any special purpose to fulfill and can be used for any purpose in future.

**(f) Retained earnings**

Retained earnings represents the cumulative profits of the Company and effects of measurements of defined benefits obligations routed through OCI.

**(g) Equity instrument through other comprehensive income**

Equity instrument through other comprehensive income represents the investment is revalued at fair value at each year end, with the gain or loss being taken through other comprehensive income.

### NOTE 20 BORROWINGS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>Secured loans</b>		
Term loans		
- from banks	7,714.30	21,574.58
- from financial institutions	7,476.72	5,889.33
<b>Total</b>	<b>15,191.02</b>	<b>27,463.91</b>

Above borrowings are net of installments falling due within a year in respect of all the above loans aggregating ₹ 20,524.96 Lakhs (31<sup>st</sup> March, 2021: ₹ 1,159.94 Lakhs) that have been grouped under "Current maturities of long term borrowings" (Refer note 24)

Borrowings are net of prepaid finance charges.

Refer note 45 for liquidity risk borrowing.

Refer note 42 for nature of securities and terms of repayment for borrowings.

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 21 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Security deposits (Refer note 43)	160.66	259.48
<b>Total</b>	<b>160.66</b>	<b>259.48</b>

#### NOTE 22 PROVISIONS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Provision for employee benefit		
Gratuity [Refer note 41 (a)]	83.73	66.22
<b>Total</b>	<b>83.73</b>	<b>66.22</b>

#### NOTE 23 OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Unearned rent income	28.19	31.03
<b>Total</b>	<b>28.19</b>	<b>31.03</b>

#### NOTE 24 BORROWINGS (CURRENT)

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>Secured loans</b>		
Current maturities of long term borrowings		
- from banks	19,389.43	142.44
- from financial institutions	1,135.53	1,017.50
From banks		
- working capital loans (overdrafts facilities)	592.44	4,128.89
- working capital demand loan	6,000.00	6,000.00
<b>Total</b>	<b>27,117.40</b>	<b>11,288.83</b>

Borrowings are net of prepaid finance charges.

Refer note 45 for liquidity risk borrowing.

Refer note 42 for nature of securities and terms of repayment for borrowings.

#### 24.1 Net debt reconciliation :

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Cash and cash equivalents	1,462.33	2,678.83
Non-current borrowings (including current maturities and interest payable)	(35,849.54)	(28,711.52)
Current borrowings	(6,592.44)	(10,128.89)
<b>Net debt reconciliation</b>	<b>(40,979.65)</b>	<b>(36,161.58)</b>



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Cash and cash equivalents	Non-current borrowings (including current maturities and interest payable)	Current borrowings*	Total
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>2,165.14</b>	<b>(41,527.05)</b>	<b>(17,591.77)</b>	<b>(56,953.68)</b>
Cash flows (net)	513.69	-	-	513.69
Receipts of borrowings	-	(8,742.00)	(5,732.29)	(14,474.29)
Repayment of borrowings	-	21,424.48	13,276.88	34,701.35
Interest expense	-	(3,653.63)	(1,196.13)	(4,849.76)
Interest expense paid	-	3,786.68	1,114.43	4,901.11
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>2,678.83</b>	<b>(28,711.52)</b>	<b>(10,128.89)</b>	<b>(36,161.58)</b>
Cash flows (net)	(1,216.50)	-	-	(1,216.50)
Receipts of borrowings	-	(8,226.55)	(144.51)	(8,371.06)
Repayment of borrowings	-	1,411.90	3,680.96	5,092.86
Interest expense	-	(2,970.21)	(679.69)	(3,649.90)
Interest expense paid	-	2,646.84	679.69	3,326.53
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>1,462.33</b>	<b>(35,849.54)</b>	<b>(6,592.44)</b>	<b>(40,979.65)</b>

\* includes movement of overdraft facilities, whereas overdraft facilities has been considered as part of cash and cash equivalents for Statement of Cash Flows.

### NOTE 25 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
- total outstanding dues of micro enterprises and small enterprises ('MSME')	928.22	686.53
- total outstanding dues of creditors other than micro enterprises and small enterprises	7,383.23	6,781.69
<b>Total</b>	<b>8,311.45</b>	<b>7,468.22</b>

Refer note 43 for disclosure with respect to related parties.

Refer note 45 for information about liquidity risk of trade payables.

Refer note 51 for disclosure under Micro, Small and Medium Enterprises Development Act, 2006.

### 25.1 Trade Payable ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from the date of transaction #					Total As at 31 <sup>st</sup> March, 2022
	Unbilled	Less than 1 years	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	789.86	81.82	44.58	11.95	<b>928.22</b>
(ii) Others	3,001.42	3,934.98	153.50	217.92	75.42	<b>7,383.23</b>
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

(₹ in Lakhs)

Particulars	Outstanding for following periods from the date of transaction #					Total As at 31 <sup>st</sup> March, 2021
	Unbilled	Less than 1 years	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	600.15	52.93	33.46	-	<b>686.53</b>
(ii) Others	2,771.49	3,330.63	243.52	130.38	1.75	<b>6,477.76</b>
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	303.93	-	-	-	-	<b>303.93</b>

# includes retention amounting to ₹ 1,111.59 Lakhs (31<sup>st</sup> March 2021: ₹ 711.65 Lakhs) which is not due for payment.

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 26 OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Interest accrued but not due	133.56	87.67
Unpaid dividends	4.03	10.36
Employee related payable	133.69	244.99
Payable to land owner	741.34	363.19
<b>Total</b>	<b>1,012.62</b>	<b>706.21</b>

#### NOTE 27 OTHER CURRENT LIABILITIES

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Statutory dues	322.76	284.47
Contract liabilities (Refer note 47)		
- Advance from customers (Refer note 43)	2,604.98	2,625.84
- Billing in excess of contract revenue	840.24	3,772.34
- Deferred revenue	33,331.49	14,286.32
Unearned rent income	17.77	21.76
Others	-	16.65
<b>Total</b>	<b>37,117.24</b>	<b>21,007.38</b>

#### NOTE 28 PROVISIONS (CURRENT)

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Provision for employee benefits		
Gratuity [Refer notes 41 (a) and (d)]	23.52	29.60
Compensated absences [Refer notes 41 (a) and (b)]	104.21	94.78
<b>Total</b>	<b>127.73</b>	<b>124.38</b>

#### NOTE 29 REVENUE FROM OPERATIONS

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Sales of residential and commercial units (net)	17,557.09	28,596.35
Sale of services		
Rent from properties [Refer note 4(i) and 39]	456.60	438.33
Construction	3,223.48	1,412.16
Maintenance	82.00	226.27
Other operating revenue		
Share of profit from LLPs/ partnership firms	201.10	-
Forfeiture income	277.59	716.98
Excess provision written back		
Share based payment (Refer note 40)	-	21.00
Others	56.25	-
<b>Total</b>	<b>21,854.11</b>	<b>31,411.09</b>

Refer note 43 for disclosure in respect of transactions with related parties.

Refer note 47 for disclosure under Ind AS 115 "Revenue from contracts with customers".



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 30 OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Interest income from		
Loan to related parties	325.81	74.49
Loan to others	363.68	672.10
Fixed deposit with banks	74.60	160.40
Debt instruments	2.16	2.54
Unit holders	414.27	129.06
Others	2.61	-
Dividend income	52.60	1,456.00
Other non-operating income		
Gain on fair valuation of Investments in debt investment*	-	13.49
Others	3.87	-
<b>Total</b>	<b>1,239.60</b>	<b>2,508.08</b>

\*Investments classified at FVTPL

Refer note 43 for disclosure in respect of transactions with related parties.

### NOTE 31 COST OF CONSTRUCTION AND DEVELOPMENT

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Cost of construction materials consumed</b>		
Opening balance	166.97	237.86
Add: Purchases during the year	12,511.70	5,071.14
Less: Closing balance	536.41	166.97
<b>Sub-total</b>	<b>12,142.26</b>	<b>5,142.03</b>
Land and development rights	1,599.64	-
Contracting costs	9,650.02	3,129.24
Liaisoning and approval costs	3,724.04	990.97
Design and consultancy fees	291.59	227.61
Others	0.22	68.98
<b>Total</b>	<b>27,407.77</b>	<b>9,558.83</b>

### NOTE 32 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS AND FINISHED PROPERTIES

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Opening inventories		
Work-in-progress	23,941.87	21,811.86
Finished properties	2,037.19	13,373.04
<b>Total (a)</b>	<b>25,979.06</b>	<b>35,184.90</b>
Closing inventories		
Work-in-progress	42,671.75	23,941.87
Finished properties	664.09	2,037.19
<b>Total (b)</b>	<b>43,335.84</b>	<b>25,979.06</b>
Transferred to investment properties (c) [Refer note 4 (iv)]	930.58	-
<b>Total (a-b-c)</b>	<b>(18,287.36)</b>	<b>9,205.84</b>



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 33 EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Salaries and wages [Refer notes 41(b) and (d)]	1,932.16	1,699.17
Contribution to provident and other funds [Refer note 41 (c)]	79.51	66.29
Staff welfare expenses	9.30	6.62
Share based payment to employees (Refer note 40)	0.35	-
<b>Total</b>	<b>2,021.32</b>	<b>1,772.08</b>

### NOTE 34 FINANCE COSTS

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Interest expenses		
- term loans and overdrafts (net of interest of Nil ; 31 <sup>st</sup> March 2021: ₹ 367.77 Lakhs reimbursement from subsidiary company)	3,649.90	4,718.63
- subvention	862.97	64.66
- others	40.65	62.49
Other borrowing cost	18.26	20.85
<b>Total</b>	<b>4,571.78</b>	<b>4,866.63</b>

### NOTE 35 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Depreciation on property, plant and equipment (Refer note 3)	335.97	286.73
Depreciation on investment properties (Refer note 4)	33.63	26.12
Amortisation on intangible assets (Refer note 5)	1.84	1.08
<b>Total</b>	<b>371.44</b>	<b>313.93</b>

### NOTE 36 OTHER EXPENSES

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Advertisement and brokerage	1,520.34	1,090.97
Legal and professional fees	2,467.06	766.53
Electricity	45.37	42.36
Payment to auditors (Refer note 49)	93.01	42.00
Directors' sitting fees	11.80	6.20
Membership and entrance fees	28.63	24.02
Rates and taxes	289.34	307.40
Repairs and maintenance		
- to building	21.95	22.30
- to others	6.94	28.95
Exchange rate difference (net)	29.38	3.31
Telephone and communication	9.01	10.83
Travelling and conveyance	15.21	15.18
Insurance	97.40	66.61
Corporate social responsibility (CSR) (Refer note 50)	204.34	277.33
Sundry debts written off	315.28	70.18
Loss on fair valuation of investment	83.03	-
Provision for expected credit loss	-	58.50
Facility management	182.25	146.31
Share of loss from LLPs/ partnership firms	33.90	51.41
Miscellaneous	110.18	100.01
<b>Total</b>	<b>5,564.42</b>	<b>3,130.40</b>

Refer note 43 for disclosure in respect of transactions with related parties.



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 37 INCOME TAX

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>(a) Tax expense recognised in the statement of profit and loss</b>		
Current tax on profits for the year	221.31	732.55
Tax adjustments for earlier years	1.17	(35.46)
<b>Total current tax expense</b>	<b>222.48</b>	<b>697.09</b>
Deferred tax charge (credit)/ charge	(57.30)	29.14
MAT credit taken	(10.59)	(42.45)
<b>Total deferred tax expense/ (credit)</b>	<b>(67.89)</b>	<b>(13.31)</b>
<b>Income tax expense charged to Statement of Profit and Loss</b>	<b>154.59</b>	<b>683.78</b>

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Enacted income tax rate in India applicable to the Company	27.82%	29.12%
Profit before income tax expense	1,444.34	4,467.96
<b>Current tax expense on profit before tax expenses at enacted income tax rate in India</b>	<b>401.82</b>	<b>1,301.07</b>
<b>Tax effects of :</b>		
Expenses disallowed	58.69	75.79
Exempt income	(46.51)	14.97
Deduction under Chapter VIA of the Income Tax Act, 1961	(230.16)	(762.99)
Deduction allowed under section 24 of the Income Tax Act, 1961	(31.63)	(33.45)
Tax adjustments for earlier years	1.17	(35.46)
MAT credit	-	42.45
Other adjustments	1.21	81.40
<b>Income tax expense charged to the Statement of Profit and Loss</b>	<b>154.59</b>	<b>683.78</b>

Consequent to reconciliation items shown above, the effective tax rate is 10.70% [31<sup>st</sup> March, 2021: 15.30%].

The Company has presently not elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

#### The details of income tax assets are as follows:-

##### A) Income tax assets (net)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Income tax assets	5,390.27	4,189.81
Current income tax liabilities	(4,789.17)	(3,805.77)
<b>Net current income tax assets at the end of the year</b>	<b>601.10</b>	<b>384.04</b>

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

The details of income tax liabilities are as follows:-

**B) Income tax liabilities (net)**

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Current income tax liabilities (Including interest amount of Nil; 31 <sup>st</sup> March, 2021 - ₹ 30.00 Lakhs)	-	762.55
Income tax assets	-	(513.70)
<b>Net current income tax liabilities at the end of the year</b>	<b>-</b>	<b>248.85</b>

The movement in the income tax assets/ (liabilities) :

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Income tax asset/ (liabilities) at the beginning of the year</b>	<b>135.19</b>	<b>(125.43)</b>
Income tax paid (net)	688.39	957.71
Tax adjustments for earlier years	(1.17)	35.46
Provision made during the year	(221.31)	(732.55)
<b>Income tax asset at the end of the year</b>	<b>601.10</b>	<b>135.19</b>

**Note:** Income Tax department officials conducted a survey under Section 133A of the Income Tax Act, 1961 at the premises of the Company. The survey proceedings were concluded on 24 December 2021. Since the proceedings are at a preliminary stage and in the absence of any notice or demand from the Income Tax Authorities at present, no evaluation or assessment of any impact of the survey proceedings can be determined at this stage.

**NOTE 38 CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(i) Claims not acknowledged as debts by the Company	82.32	75.96
(ii) Disputed income tax matters	214.33	336.96

(iii) The Company have received a legal notice from an individual in the earlier years seeking production of certain documents in relation to a legal suit which involves one of the co-venturer. The Company have been unnecessarily made party to the legal suit and is not involved in any manner with respect to the matters alleged in the legal suit. The Company through its legal counsel had responded to the legal notice stating that suit against the Company be dismissed in limine.

(iv) The Honourable Supreme Court, has passed a decision on 28<sup>th</sup> February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

**Note:** It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above contingent liabilities. Future cash outflows in respect of the above are determinable only on receipt of judgments / decisions pending with various forums / authorities. The Company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(v) Capital and others commitments	144.86	213.89

## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### NOTE 39 LEASES (COMPANY AS A LESSOR)

- (a) Initial direct cost such as legal cost, brokerage cost etc. are charged immediately to statement of profit and loss.
- (b) The Company's significant leasing arrangements are in respect of operating leases for commercial premises. Lease income from operating leases is recognised on a straight-line basis over a period of lease. The total future minimum lease rentals receivable for non-cancellable operating leases as at balance sheet date are as under :

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Premises given on operating lease</b>		
Not later than one year	526.71	536.79
Later than one year and not later than five years	1,153.36	1,768.91
Later than five years	-	-
<b>Total</b>	<b>1,680.07</b>	<b>2,305.70</b>

- (c) Lease income recognised (including income in respect of certain cancellable leases) in statement of profit and loss for the year ended 31<sup>st</sup> March, 2022 is ₹ 456.60 Lakhs (31<sup>st</sup> March, 2021: ₹ 438.33 Lakhs).

### NOTE 40 SHARE-BASED PAYMENTS

#### Employee stock option plan

The establishment of the Sunteck Realty Limited "Employee Stock Option Scheme (ESOS 2017)" and "Employee Stock Option Scheme (ESOS 2018)" are designed to provide incentives to eligible directors and employees of the Company and its subsidiaries. These are equity settled share based payments. The details of which are given here under :

Particulars	ESOS 2017	ESOS 2018
Date of general meeting of shareholder in which scheme was approved	26 <sup>th</sup> September, 2017	27 <sup>th</sup> September, 2018
No. of options granted	Series 1: 436,555 ; Series 2 : 48,666	Series 1 : 33,846 Series 2 : 615
Grant date	Series 1: 5 <sup>th</sup> October, 2017 ; Series 2: 28 <sup>th</sup> November, 2018	Series 1 : 24 <sup>th</sup> January, 2019 Series 2 : 30 <sup>th</sup> July, 2021
Grant Price (₹ per share)	Series 1: 225 ; Series 2: 225	Series 1 : 325 ; Series 2: 325
Graded vesting plan	Series 1: 20% every year, commencing after one year from the grant date	Series 1: First 20% will vest on 1 <sup>st</sup> February, 2020 and balance options will vest 20% equally on 1 <sup>st</sup> October every year over next four years.
	Series 2: First 20% will vest on 1 <sup>st</sup> December, 2019 and balance options will vest 20% equally on 1 <sup>st</sup> October every year over next four years.	Series 2: Options will vest 20% equally on 1 <sup>st</sup> October every year for the next five years starting from 1 October 2022.
Maximum exercise period	Series 1: 5.5 years from the date of grant Series 2: 5.3 years from the date of grant	Series 1: 5.2 years from the date of grant Series 2: 5.7 years from the date of grant

Options are granted without any consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share.

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Set out below is a summary of options granted under each plan:

Particulars	ESOP 2017		ESOS 2018	
	Average exercise price per share option (₹)	Number of shares	Average exercise price per share option (₹)	Number of shares
<b>Outstanding as at 1<sup>st</sup> April, 2020</b>	<b>225</b>	<b>246,294</b>	<b>325</b>	<b>14,615</b>
Granted during the year	-	-	-	-
Forfeited during the year	225	(3,404)	-	-
Exercised during the year	225	(22,611)	-	-
Expired during the year	225	(47,103)	325	(2,923)
<b>Outstanding as at 31<sup>st</sup> March, 2021</b>	<b>225</b>	<b>173,176</b>	<b>325</b>	<b>11,692</b>
Granted during the year	-	-	-	3,537
Forfeited during the year	225	(37,556)	-	-
Exercised during the year	225	(51,505)	-	(4,000)
Expired during the year	225	(5,066)	325	(2,768)
<b>Outstanding as at 31<sup>st</sup> March, 2022</b>	<b>225</b>	<b>79,049</b>	<b>325</b>	<b>8,461</b>

Closing share prices at the date of exercise are as follows :

Exercise date	Closing share price at BSE	Exercise date	Closing share price at BSE
<b>Year ended 31<sup>st</sup> March, 2022</b>		<b>Year ended 31<sup>st</sup> March, 2021</b>	
12 <sup>th</sup> November, 2021	487.55	10 <sup>th</sup> February, 2021	372.30
10 <sup>th</sup> March, 2022	481.25		

Other details :

Particulars	ESOP 2017		ESOS 2018	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Outstanding options as at the year end (no.)	79,049	173,176	8,461	11,692
Exercisable options at the year end (no.)	25,183	35,389	2,000	2,923
Weighted average remaining contractual life of options outstanding (years)	0.66	3.83	1.15	2.40

The Fair Value of options granted under the ESOP Scheme -

Particulars	ESOS 2017 (Series 1)	ESOS 2017 (Series 2)	ESOS 2018 (Series 1)	ESOS 2018 (Series 2)
Option Fair Value (in ₹)	175.50	197.25	143.25	184.11

The fair value at grant date is determined by a valuer using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of each option is estimated on the date of grant based on the following assumptions:

Particulars	ESOS 2017 (Series 1)	ESOS 2017 (Series 2)	ESOS 2018 (Series 1)	ESOS 2018 (Series 2)
Volatility*	38.81%	40.44%	40.12%	42.21%
Dividend yield	0.43%	0.49%	0.49%	0.52%
Risk - free interest rate	6.73%	7.64%	7.31%	6.92%

\*The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Cash inflow on exercise of options at the weighted average share price at the date of exercise.

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022		Year ended 31 <sup>st</sup> March, 2021	
	Numbers	Amount	Numbers	Amount
Exercised during the year ESOS 2017	51,505	115.89	22,611	50.87
Exercised during the year ESOS 2018	4,000	13.00	-	-
<b>Total</b>	<b>55,505</b>	<b>128.89</b>	<b>22,611</b>	<b>50.87</b>

There are no cash settled plans implemented by the Company and hence there is no further liability booked in the books.

The estimates of future cash inflow that may be received upon exercise of options.

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022		Year ended 31 <sup>st</sup> March, 2021	
	Numbers	Amount	Numbers	Amount
Not later than two years	87,141	141.00	173,100	398.25
Later than two years and not later than five years	369	1.20	11,768	29.40
<b>Total</b>	<b>87,510</b>	<b>142.20</b>	<b>184,868</b>	<b>427.65</b>

### Expense arising from share-based payment transactions

During the year, provision relating to share-based payment transactions (Employee Stock Option Plan) has been recognised as employee benefit expense amounting to ₹ 0.35 Lakhs (31<sup>st</sup> March, 2021: expenses provision reversal recognised as other operating revenue of ₹ 21.00 Lakhs).

Provision relating to share based payment transactions has been reversed amounting to ₹ 55.67 Lakhs (31<sup>st</sup> March, 2021: Share based payment expenses ₹ 1.54 Lakhs) relating to employees of subsidiary companies is disclosed under other current financial assets.

### NOTE 41 EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lakhs)

(a) Particulars	As at 31 <sup>st</sup> March, 2022			As at 31 <sup>st</sup> March, 2021		
	Current	Non-current	Total	Current	Non-current	Total
(i) Compensated absences	104.21	-	104.21	94.78	-	94.78
(ii) Gratuity	23.52	83.73	107.25	29.60	66.22	95.82
<b>Total</b>	<b>127.73</b>	<b>83.73</b>	<b>211.46</b>	<b>124.38</b>	<b>66.22</b>	<b>190.60</b>

#### (b) Compensated absences

The Compensated absences cover the Company's liability for sick and earned leave.

The liability is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. The expense recognised during the year towards compensated absences is ₹ 15.84 Lakhs (31<sup>st</sup> March, 2021: ₹ 29.49 Lakhs)

#### (c) Defined contribution plans

##### Provident fund

The Company also has certain defined contribution plans. The contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. Amount recognised as an expense during the year towards defined contribution plan is ₹ 79.51 Lakhs (31<sup>st</sup> March, 2021: ₹ 66.29 Lakhs).

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**(d) Post-employment obligations (Gratuity)**

The Company provides gratuity a defined benefit retirement plan covering eligible employees of the Company as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity. The gratuity plan is a non-funded plan.

**Movement in present value of obligation and net assets**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the years are as follows:

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
	<b>Present value of obligation</b>	
<b>As at beginning of the year</b>	<b>95.82</b>	<b>81.33</b>
Current service cost	10.65	13.50
Interest expense	4.07	5.60
<b>Total amount recognised in the statement of profit or loss</b>	<b>14.72</b>	<b>19.10</b>
(Gain)/ loss from change in demographic assumptions	11.04	(5.27)
Loss/ (Gain) from change in financial assumptions	(7.70)	11.00
Experience losses/ (gains)	7.13	(9.70)
<b>Total amount recognised in other comprehensive income</b>	<b>10.47</b>	<b>(3.97)</b>
Liability transferred in/ acquisitions	-	4.67
Liability transferred out/ divestments	(7.24)	-
Benefit paid directly by the employer	(6.53)	(5.31)
<b>As at end of the year</b>	<b>107.24</b>	<b>95.82</b>

**The significant actuarial assumptions were as follows:**

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Discount rate	6.09%	4.25%
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Attrition rate	20.00%	30.00%
Salary escalation rate	10.00%	10.00%

**Quantitative sensitivity analysis for significant assumptions :**

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Projected benefit obligation on current assumptions	107.24	95.82
Delta effect of +0.5% change in rate of discounting	(3.70)	(1.15)
Delta effect of -0.5% change in rate of discounting	4.03	1.19
Delta effect of +0.5% change in rate of salary increase	3.09	0.94
Delta effect of -0.5% change in rate of salary increase	(2.97)	(0.92)
Delta effect of +0.5% change in rate of employee turnover	(0.92)	(0.39)
Delta effect of -0.5% change in rate of employee turnover	0.97	0.40

## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### Additional details :

Methodology adopted for assured life mortality (ALM) -	Projected unit credit method
Usefulness and methodology adopted for sensitivity analysis -	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count
	This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

### Defined benefit liability and employer contribution

The weighted average duration of the defined benefit obligation is 5 years as at 31<sup>st</sup> March 2022 (31<sup>st</sup> March 2021: 4 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	(₹ in Lakhs)				Total
	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	
<b>Defined benefit obligation (gratuity)</b>					
31 <sup>st</sup> March 2022	23.52	14.55	44.95	55.70	138.72
31 <sup>st</sup> March 2021	29.60	15.93	61.85	-	107.38

### NOTE 42 NATURE OF SECURITY AND TERMS OF REPAYMENT

Sr. No.	Particulars and Nature of Security	Terms of Repayment and Interest rate
	<b>Non- Current Borrowings (including current maturities)</b>	
	<b>Secured</b>	
i)	Term loan from bank, balance outstanding amounting to ₹ 17,936.12 Lakhs (31 <sup>st</sup> March 2021: ₹ 17,756.01 Lakhs) is secured by charge by way of registered mortgage of all pieces and parcel of land used for project Sunteck Westworld 1 & 2 located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables along with 'Sunteck Maxxworld 1, 2 and 3' located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables.	Repayable in 4 equal quarterly installments commencing from end of 37 <sup>th</sup> month i.e. July 2022 and repayable upto April 2023, subject to certain prepayment conditions. During the year, the rate of interest were in the range of 7.80% - 8.20% p.a. (31 <sup>st</sup> March 2021: 8.20% - 9.15% p.a.)
ii)	Term loan from bank, balance outstanding amounting to ₹ 5,340.88 Lakhs (31 <sup>st</sup> March 2021: ₹ 3,740.89 Lakhs) is secured by charge by way of registered mortgage of all pieces and parcel of land used for project 'Sunteck Maxxworld 1, 2, 3 and 4' located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables and Sunteck Westworld 1 and 2 located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables.	Repayable in 4 equal quarterly installments commencing from end of 33 <sup>rd</sup> month i.e. August 2023 and repayable upto May 2024, subject to certain prepayment conditions. During the year, the rate of interest were 8.35% and 8.45% p.a. (31 <sup>st</sup> March 2021: 8.35% p.a.)
iii)	Term loan from bank amounting to Nil (31 <sup>st</sup> March 2021: ₹ 18.18 Lakhs) was fully repaid during the year. The loan was secured by fixed deposit of NIL (31 <sup>st</sup> March 2021: ₹ 300.00 Lakhs) and hypothecated on equipment purchased there against.	Repayable in 24 monthly installments commencing from May 2019 and repayable upto April 2021. During the year, the rate of interest was 9.26% p.a. (31 <sup>st</sup> March 2021: 9.26% p.a.)



## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

Sr. No.	Particulars and Nature of Security	Terms of Repayment and Interest rate
iv)	Term loan from bank, balance outstanding amounting to ₹ 77.68 Lakhs (31 <sup>st</sup> March 2021: ₹ 201.94 Lakhs) and hypothecated on equipment purchased there against.	Repayable in 23 monthly installments commencing from December 2020 and repayable upto October 2022. During the year, the rate of interest was 8.75% p.a. (31 <sup>st</sup> March 2021: 8.75% p.a.)
v)	Term loan from bank, balance outstanding amounting to ₹ 2,755.70 Lakhs (31 <sup>st</sup> March 2021: Nil) is secured by registered mortgage on certain unit of project Signature Island located at Bandra Kurla Complex (Mumbai) and hypothecated on receivables there against.	Repayable in 33 equal monthly installments commencing from January 2022 and repayable up to October 2024. During the year, the rate of interest was 8.50% p.a. (31 <sup>st</sup> March 2021: N.A.)
vi)	Term loan from bank, balance outstanding amounting to ₹ 993.35 Lakhs (31 <sup>st</sup> March 2021: Nil) is secured by registered mortgage on certain unit of project Signia Isles located at Bandra Kurla Complex (Mumbai) and hypothecated on receivables there against.	Repayable in 33 equal monthly installments commencing from April 2022 and repayable upto December 2024. During the year, the rate of interest was 8.25% p.a. (31 <sup>st</sup> March 2021: N.A.)
vii)	Term loan from financial institutions, balance outstanding amounting to ₹ 1,066.84 Lakhs (31 <sup>st</sup> March 2021: ₹ 1,248.88 Lakhs) is secured by registered mortgage on certain unit of project 'Signia Isles' located at Bandra Kurla Complex (Mumbai) and hypothecated on receivables there against.	Repayable in 84 monthly installments commencing from October 2019 and repayable upto September 2026. During the year, the rate of interest were in the range of 9.25% - 9.70% p.a. (31 <sup>st</sup> March 2021: 9.70% and 9.95% p.a.)
viii)	Term loan from financial institutions, balance outstanding amounting to ₹ 1,353.69 Lakhs (31 <sup>st</sup> March 2021: ₹ 1,462.11 Lakhs) is secured by mortgage over a portion of certain floors of the building 'Sunteck Centre' located at Vile Parle (East), Mumbai and certain units of building 'Corporate Centre' located at Andheri (East), Mumbai, and hypothecated on receivables there against.	Repayable in 132 monthly installments commencing from November 2019 and repayable upto October 2030. During the year, the rate of interest were 9.10% and 8.85 % p.a. (31 <sup>st</sup> March 2021: 9.10% and 9.25 % p.a.)
ix)	Term loan from financial institutions, balance outstanding amounting to ₹ 1,509.22 Lakhs (31 <sup>st</sup> March 2021: ₹ 1,852.76 Lakhs) is secured by mortgage over a portion of certain floors of the building 'Sunteck Centre' located at Vile Parle (East), Mumbai and hypothecated on receivables there against.	Repayable in 60 monthly installments commencing from September 2020 and repayable upto October 2025. During the year, the rate of interest were in the range of 9.05% - 9.50% p.a. (31 <sup>st</sup> March 2021: 9.50% p.a.)
x)	Term loan from financial institutions, balance outstanding amounting to ₹ 1,933.73 Lakhs (31 <sup>st</sup> March 2021: ₹ 2,343.08 Lakhs) is secured by registered mortgage on certain unit of project 'Signia Isles' located at Bandra Kurla Complex (Mumbai) and hypothecated on receivables there against.	Repayable in 60 monthly installments commencing from October 2020 and repayable upto November 2025. During the year, the rate of interest were in the range of 9.25% - 9.80%, p.a. (31 <sup>st</sup> March 2021: 9.80% p.a.)
xi)	Term loan from financial institutions, balance outstanding amounting to ₹ 2,748.77 Lakhs (31 <sup>st</sup> March 2021: Nil) is secured by registered mortgage on the Company share of unsold units in project Sunteck Icon and hypothecated on receivables there against.	Repayable in 30 monthly installments commencing from April 2024 and repayable upto September 2026. During the year, the rate of interest were 9.25% and 9.45% p.a. (31 <sup>st</sup> March 2021: N.A.)



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

S. No.	Particulars & Nature of Security	Terms of Repayment and Interest rate
<b>Current Borrowings Secured</b>		
i)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 0.01 Lakhs (debit balance) (31 <sup>st</sup> March 2021: ₹ 773.05 Lakhs) is secured by First & exclusive charge by way of registered mortgage over a portion of 4 <sup>th</sup> floor in the building "Sunteck Centre" located at Vile Parle (East), Mumbai & receivables from sale/ lease/ transfer of said portion of floor.	Repayable on demand. During the year, the rate of interest were in the range of 9.05% - 9.10% p.a. (31 <sup>st</sup> March 2021: 9.10% - 10.05% p.a.)
ii)	Working capital demand loan & bank overdraft, balance outstanding amounting to ₹ 6,000.00 Lakhs (31 <sup>st</sup> March 2021: ₹ 6,000.00 Lakhs) and ₹ 672.55 Lakhs (debit balance) (31 <sup>st</sup> March 2021: ₹ 2,926.78 Lakhs) respectively is secured by exclusive charge by way of registered mortgage on certain units of project "Signature Island" located at Bandra Kurla Complex, Mumbai & hypothecated on cash flows/ future receivables corresponding to the specified units charged.	Repayable on demand. During the year, the rate of interest were 7.90% - 7.95% p.a. (31 <sup>st</sup> March 2021: 7.95% - 8.80% p.a.)
iii)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 18.86 Lakhs (31 <sup>st</sup> March 2021: ₹ 132.70 Lakhs (debit balance) is secured by exclusive charge by way of registered mortgage on certain units of project "Signature Island" located at Bandra Kurla Complex (Mumbai) and lien on Fixed deposit of ₹ 50.00 Lakhs (31 <sup>st</sup> March 2021: ₹ 3,000.00 Lakhs).	Repayable on demand. During the year, the rate of interest were in the range of 4.25% - 5.50% p.a. (31 <sup>st</sup> March 2021: 4.42% - 8.80% p.a.)
iv)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 416.20 Lakhs (31 <sup>st</sup> March 2021: ₹ 295.05 Lakhs) is secured by first charge by way of registered mortgage of all pieces and parcel of land used for project 'Sunteck Westworld 1 and 2' located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables along with 'Sunteck Maxxworld 1, 2 and 3' located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables.	Repayable on demand. During the year, the rate of interest were in the range of 7.80% - 8.80% p.a. (31 <sup>st</sup> March 2021: 8.20% - 9.15% p.a.)
v)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 157.38 Lakhs (31 <sup>st</sup> March 2021: ₹ 134.01 Lakhs) is secured by first charge by way of registered mortgage of all pieces and parcel of land used for project 'Sunteck Maxxworld 1,2 and 3' located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables and Sunteck Westworld 1 and 2 located at Naigoan (East) including unsold units in the project and hypothecated on project specific receivables.	Repayable on demand. During the year, the rate of interest were in the range of 8.35% - 10.35% p.a. (31 <sup>st</sup> March 2021: 8.45% p.a.)

Note: The Company has received sanction of credit facility amounting to ₹ 10,000.00 Lakhs vide the term sheet/ offer letter dated 25<sup>th</sup> March 2022, however, the company has not drawn any amount out of the said facility as on 31<sup>st</sup> March 2022.

Particulars and Nature of Security	Terms of Repayment and Interest rate
The said borrowing is secured by exclusive equitable Mortgage/ registered mortgage charge on identified unsold units of Starlight Systems (I) LLP in the Signia Pearl / Signia Isles located at Bandra Kurla Complex (Mumbai) and exclusive hypothecation charge on current assets (including cashflows / future receivables corresponding to the specified units charged to the bank) (both present and future). Minimum collateral coverage of 200% to be maintaining during the currency of the facility.	Repayable in 7 equal quarterly installments commencing from the end of 18 <sup>th</sup> month from the date of disbursement and repayable up to April 2025.

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 43 RELATED PARTY DISCLOSURES AS PER IND AS 24**

i)	List of related parties and relationship
<b>A)</b>	<b>Name of related parties where control exists irrespective of whether transaction is entered or not</b>
	<b>Subsidiaries</b>
	Advait Infraprojects Private Limited
	Clarissa Facility Management LLP
	Mithra Buildcon LLP
	Magnate Industries LLP
	Starlight Systems (I) LLP
	Sahrish Construction Private Limited
	Satguru Infocorp Services Private Limited
	Starlight Systems Private Limited
	Starteck Lifestyle Private Limited
	Sunteck Infraprojects Private Limited
	Sunteck Lifestyle International Private Limited (Mauritius)
	Sunteck Property Holdings Private Limited
	Sunteck Real Estates Private Limited
	Sunteck Realty Holdings Private Limited
	Sunteck Lifespace Private Limited (w.e.f. 2 <sup>nd</sup> November, 2021)
	Sunteck Infracon Private Limited (w.e.f. 30 <sup>th</sup> March, 2022) (Refer note 64)
	<b>Step down subsidiaries</b>
	Satguru Corporate Services Private Limited
	Skystar Buildcon Private Limited
	Sunteck Lifestyle Management DMCC
	Sunteck Lifestyle Limited (UAE)
	Industele Property Private Limited (w.e.f. 1 <sup>st</sup> November, 2021)
	Rammit Corporate Solutions Private Limited (w.e.f. 18 <sup>th</sup> February 2022) (Refer note 58)
	Prija Trading Private Limited (w.e.f. 18 <sup>th</sup> February 2022 and till 29 May 2022) (Refer notes 58 and 66)
	Shivay Brokers Private Limited (w.e.f. 19 <sup>th</sup> November, 2020)
	<b>Joint ventures</b>
	GGICO Sunteck Limited
	Kanakan & Associates (Partnership firm) (till 6 <sup>th</sup> October 2020) (Refer note 59)
	Nariman Infrastructure LLP
	Piramal Sunteck Realty Private Limited
	Uniworth Realty LLP
	Yukti Infraprojects LLP (till 23 <sup>th</sup> February, 2021)
<b>B)</b>	<b>List of other related parties to the extent with whom transaction has been entered into in the ordinary course of business</b>
	<b>Key managerial personnel</b>
	Mr. Kamal Khetan - Chairman and Managing Director
	Mr. Atul Poopal - Executive Director
	Mrs. Rachana Hingarajia - Director and Company Secretary
	Mr. Kishore Vussonji - Independent Director (till 30 <sup>th</sup> September, 2021)
	Mr. Ramakant Nayak - Independent Director (till 30 <sup>th</sup> September, 2021)
	Mrs. Sandhya Malhotra - Independent Director
	Mr. Chaitanya Dalal - Independent Director (w.e.f. 18 <sup>th</sup> September, 2021)
	Mr. Mukesh Jain - Independent Director (w.e.f. 18 <sup>th</sup> September, 2021)
	Mr. Vaddarse Prabhakar Shetty - Independent Director (w.e.f. 11 <sup>th</sup> November, 2021)
	Mr. Manoj Agarwal - Chief Financial Officer



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

<b>Other parties over which Key Managerial Personnel and/ or his relative having significant influence:</b>
Mrs. Manisha Khetan (Spouse of Mr. Kamal Khetan)
Mr. Vipul Vallabh Hingarajia (Spouse of Mrs. Rachana Hingarajia)
Mrs. Sangeeta Manoj Agarwal (Spouse of Mr. Manoj Agarwal)
SW Capital Private Limited
SW Investment Limited
Eskey Infrastructure Development Private Limited
Samagra Wealthmax Private Limited
Starteck Finance Limited
Starteck Infracore Private Limited
Pathway Buildcon LLP
Matrabhav Trust
Krupa Family Private Trust
Shraddha Trust
Kanga and Company (till 30 <sup>th</sup> September, 2021)

### ii) Transactions during the year

(₹ in Lakhs)

Particulars	Subsidiaries and other parties where control exist		Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Sale of residential and commercial units	-	-	-	-	61.85	51.79
Rent from properties	-	-	-	-	7.10	6.91
Share of profit/ (loss) from LLP/ Partnership firm	167.29	(51.19)	(0.09)	(0.22)	-	-
Interest income	-	13.37	325.81	61.12	2.17	2.54
Dividend income	52.60	1,456.00	-	-	-	-
(Reversal)/ Reimbursement of ESOS expense	(55.67)	1.54	-	-	-	-
Reimbursement of finance costs	-	367.77	-	-	-	-
<b>Investment made</b>						
Preference shares	179.13	667.33	-	-	-	-
Fixed capital in LLP invested/ (withdrawn) (net)	-	0.01	-	(67.50)	-	-
Investment in equity shares	1.00	-	-	-	-	-
Redemption of optionally convertible debentures	(9,203.82)	-	-	-	-	-
Current investment in LLP - current capital invested/ (withdrawn) (net)	(10,978.28)	(5,775.46)	153.68	(208.67)	-	-
Purchase of interest in Mithra Buildcon LLP from	-	0.02	-	-	-	-
Loans given	86,480.40	27,665.90	4,571.08	782.47	-	-
Loans repayment received	63,097.51	30,267.42	3,890.10	244.30	-	-
Society management fees	112.52	251.16	-	-	-	-
Dividend paid	45.00	45.00	-	-	-	-
Director sitting fees	-	-	-	-	11.80	6.20
Sale of property, plant and equipment	-	-	-	0.26	-	-
Transfer of materials						
Transfer - in	2.29	13.97	-	0.39	-	-
Transfer - out	7.53	10.81	-	-	-	-

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**iii) Outstanding balances as at the year end**

(₹ in Lakhs)

Particulars	Subsidiaries and other parties where control exist		Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Security deposit payable	-	-	-	-	16.50	18.00
Trade receivables	-	-	-	-	-	0.72
Trade payables	-	312.66	-	-	-	-
Loans given	34,466.29	11,071.04	1,219.93	538.96	-	-
Interest accrued on loan given	775.09	764.11	293.22	-	-	-
Advance from customer	-	-	-	-	1.01	0.61
Other receivable	164.62	220.31	-	-	-	-

**Note:** For investments refer notes 6 and 11.

**iv) Disclosure in respect of related parties transactions during the year**

(₹ in Lakhs)

Particulars	Subsidiaries and other parties where control exist		Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Sale of residential and commercial units</b>						
Krupa Family Private Trust	-	-	-	-	21.31	12.04
Pathway Buildcon LLP	-	-	-	-	15.22	8.60
Shraddha Trust	-	-	-	-	(15.05)	10.27
Matrabhav Trust	-	-	-	-	30.41	17.27
Others	-	-	-	-	9.96	3.61
<b>Rent from properties</b>						
Starteck Finance Limited	-	-	-	-	4.10	3.91
SW Capital Private Limited	-	-	-	-	3.00	3.00
<b>Share of profit/ (loss) from LLP/ Partnership firm</b>						
Starlight Systems (I) LLP	117.65	(31.83)	-	-	-	-
Mithra Buildcon LLP	(0.18)	(0.19)	-	-	-	-
Clarissa Facility Management LLP	83.45	(18.75)	-	-	-	-
Magnate Industries LLP	(33.63)	(0.41)	-	-	-	-
Others	-	-	(0.09)	(0.22)	-	-
<b>Interest income on Loans</b>						
Yukti Infraprojects LLP	-	-	-	53.75	-	-
Piramal Sunteck Realty Private Limited	-	-	325.81	7.37	-	-
Starteck Lifestyles Private Limited	-	13.37	-	-	-	-



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Subsidiaries and other parties where control exist		Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Non-convertible debentures</b>						
Eskay Infrastructure Development Private Limited	-	-	-	-	0.51	0.63
Samagra Wealthmax Private Limited	-	-	-	-	1.42	1.63
Stardeck Infraprojects Private Limited	-	-	-	-	0.23	0.28
<b>Dividend income</b>						
Satguru Infocorp Services Private Limited	27.00	-	-	-	-	-
Starlight Systems Private Limited	25.60	1,456.00	-	-	-	-
<b>(Reversal) / Reimbursement of ESOS expenses</b>						
Clarissa Facility Management LLP	(0.66)	0.39	-	-	-	-
Satguru Corporate Services Private Limited	(7.51)	11.89	-	-	-	-
Skystar Buildcon Private Limited	1.06	0.08	-	-	-	-
Starlight Systems (I) LLP	(48.56)	(10.82)	-	-	-	-
<b>Reimbursement of finance costs</b>						
Starlight Systems (I) LLP	-	367.77	-	-	-	-
<b>Investment made/ purchased during the year</b>						
<b>Preference shares</b>						
Sunteck Lifestyle International Private Limited	179.13	667.33	-	-	-	-
<b>Fixed capital in LLP invested/ (withdrawn) (net)</b>						
Mithra Buildcon LLP	-	0.01	-	-	-	-
Yukti Infraprojects LLP	-	-	-	(67.50)	-	-
<b>Equity shares</b>						
Sunteck Lifespace Private Limited	1.00	-	-	-	-	-
<b>Optionally convertible debentures</b>						
Satguru Corporate Services Private Limited	(9,203.82)	-	-	-	-	-
<b>Current investment in LLP - current capital invested/ (withdrawn) (net)</b>						
Starlight Systems (I) LLP	(5,700.95)	(6,837.35)	-	-	-	-
Mithra Buildcon LLP	(5,411.59)	1,086.05	-	-	-	-
Magnate Industries LLP	36.97	(0.27)	-	-	-	-
Clarissa Facility Management LLP	97.29	(23.89)	-	-	-	-
Nariman Infrastructure LLP	-	-	145.67	5.00	-	-
Uniworth Realty LLP	-	-	8.01	6.07	-	-
Yukti Infraprojects LLP	-	-	-	(219.74)	-	-

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Subsidiaries and other parties where control exist		Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Purchase of interest in Mithra Buildcon LLP from</b>						
Satguru Infocorp Services Private Limited	-	0.01	-	-	-	-
Starlight Systems Private Limited	-	0.01	-	-	-	-
<b>Loans given</b>						
Piramal Sunteck Realty Private Limited	-	-	4,571.08	782.47	-	-
Skystar Buildcon Private Limited	29,378.55	18,338.63	-	-	-	-
Satguru Corporate Services Private Limited	27,169.95	5,142.00	-	-	-	-
Sahrish Constructions Private Limited	3,933.05	474.18	-	-	-	-
Sunteck Real Estates Private Limited	9,543.16	2,179.98	-	-	-	-
Advait Infraprojects Private Limited	0.03	149.50	-	-	-	-
Sunteck Property Holding Private Limited	0.45	0.85	-	-	-	-
Sunteck Infraprojects Private Limited	1,343.01	1,193.97	-	-	-	-
Satguru Infocorp Services Private Limited	2,528.84	-	-	-	-	-
Starlight Systems Private Limited	2,501.74	2.63	-	-	-	-
Sunteck Realty Holding Private Limited	8,627.49	184.16	-	-	-	-
Stardeck Lifestyles Private Limited	1.13	-	-	-	-	-
Industele Property Private Limited	1,453.00	-	-	-	-	-
<b>Loans repayment received</b>						
Piramal Sunteck Realty Private Limited	-	-	3,890.10	244.30	-	-
Skystar Buildcon Private Limited	15,438.78	25,043.64	-	-	-	-
Satguru Corporate Services Private Limited	29,750.62	3,377.25	-	-	-	-
Sahrish Constructions Private Limited	13.82	961.06	-	-	-	-
Sunteck Real Estates Private Limited	6,006.40	730.23	-	-	-	-
Advait Infraprojects Private Limited	-	149.50	-	-	-	-
Sunteck Property Holding Private Limited	-	0.86	-	-	-	-
Sunteck Infraprojects Private Limited	403.75	2.25	-	-	-	-
Satguru Infocorp Services Private Limited	2,514.89	-	-	-	-	-
Starlight Systems Private Limited	2,500.00	2.63	-	-	-	-
Sunteck Realty Holding Private Limited	5,014.95	-	-	-	-	-
Stardeck Lifestyles Private Limited	1.30	-	-	-	-	-
Industele Property Private Limited	1,453.00	-	-	-	-	-
<b>Society management fees</b>						
Clarissa Facility Management LLP	112.52	251.16	-	-	-	-



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Subsidiaries and other parties where control exist		Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Dividend paid</b>						
Satguru Infocorp Services Private Limited	22.50	22.50	-	-	-	-
Starlight Systems Private Limited	22.50	22.50	-	-	-	-
<b>Director sitting fees</b>						
Kishore Vussonji	-	-	-	-	2.10	1.50
Ramakant Nayak	-	-	-	-	2.30	2.60
Sandhya Malhotra	-	-	-	-	3.50	2.10
Chaitanya Dalal	-	-	-	-	1.70	-
Mukesh Jain	-	-	-	-	1.70	-
Vaddarse Prabhakar Shetty	-	-	-	-	0.50	-
<b>Sale of property, plant and equipment</b>						
Piramal Sunteck Realty Private Limited	-	-	-	0.26	-	-
<b>Transfer of materials</b>						
<b>Transfer - in</b>						
Piramal Sunteck Realty Private Limited	-	-	-	0.39	-	-
Skystar Buildcon Private Limited	0.23	2.90	-	-	-	-
Sahrish Constructions Private Limited	-	11.07	-	-	-	-
Sunteck Real Estate Private Limited	0.96	-	-	-	-	-
Sunteck Realty Holding Private Limited	0.12	-	-	-	-	-
Satguru Corporate Services Private Limited	0.98	-	-	-	-	-
<b>Transfer - out</b>						
Starlight Systems (I) LLP	0.78	-	-	-	-	-
Satguru Corporate Services Private Limited	0.10	1.50	-	-	-	-
Skystar Buildcon Private Limited	2.74	6.77	-	-	-	-
Sahrish Constructions Private Limited	1.54	1.91	-	-	-	-
Sunteck Real Estate Private Limited	1.96	0.50	-	-	-	-
Sunteck Realty Holding Private Limited	0.41	0.13	-	-	-	-



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**v) Disclosure in respect outstanding balances of major related parties at the year end**

(₹ in Lakhs)

Particulars	Subsidiaries and other parties where control exist		Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Security deposit payable</b>						
SW Capital Private Limited	-	-	-	-	15.00	15.00
Starteck Finance Limited	-	-	-	-	1.50	1.50
SW Investment Limited	-	-	-	-	-	1.50
<b>Trade receivables</b>						
Vipul Vallabh Hingaraja	-	-	-	-	-	0.72
<b>Trade payables</b>						
Clarissa Facility Management LLP	-	312.66	-	-	-	-
<b>Loans given</b>						
Piramal Sunteck Realty Private Limited	-	-	1,219.93	538.95	-	-
Skystar Buildcon Private Limited	15,863.84	1,924.07	-	-	-	-
Satguru Corporate Services Private Limited	383.50	2,964.17	-	-	-	-
Sahrish Constructions Private Limited	7,258.65	3,339.42	-	-	-	-
Sunteck Infraprojects Private Limited	2,133.23	1,193.97	-	-	-	-
Sunteck Real Estates Private Limited	4,988.76	1,452.00	-	-	-	-
Sunteck Realty Holdings Private Limited	3,796.68	184.14	-	-	-	-
Starteck Lifestyles Private Limited*	23.97	11.78	-	-	-	-
Advait Infraprojects Private Limited	1.03	1.00	-	-	-	-
Satguru Infocorp Service Private Limited	13.95	-	-	-	-	-
Starlight Systems Private Limited	1.74	-	-	-	-	-
Sunteck Property Holding Private Limited	0.95	0.50	-	-	-	-
<b>Interest accrued on loan given</b>						
Sunteck Lifestyle Limited	775.09	751.74	-	-	-	-
Starteck Lifestyles Private Limited	-	12.37	-	-	-	-
Piramal Sunteck Realty Private Limited	-	-	293.22	-	-	-
<b>Advance from customer</b>						
Shraddha Trust	-	-	-	-	0.61	0.61
Matrabhav Trust	-	-	-	-	0.40	-
<b>Other receivable</b>						
Starlight Systems (I) LLP	110.11	195.07	-	-	-	-
Mithra Buildcon LLP	-	0.01	-	-	-	-
Starlight Systems Private Limited	-	0.01	-	-	-	-
Clarissa Facility Management LLP	3.10	3.76	-	-	-	-
Satguru Corporate Services Private Limited	45.17	16.28	-	-	-	-
Skystar Buildcon Private Limited	6.24	5.18	-	-	-	-

**Notes:**

1 Corporate guarantee given:

During the previous year, the Company has provided corporate guarantee for borrowing facility availed by Satguru Corporate Services Private Limited ("Satguru"), which has a limit of ₹ 30,000.00 Lakhs. Satguru has drawn ₹ 21,185.00 Lakhs during current year against this facility (31<sup>st</sup> March, 2021: Nil).



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

- 2 For investments Refer notes 6 and 11.
- 3 Related party relationship is as identified by the management and relied upon by the auditors.
- 4 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- 5 The Company has given a "non disposal undertaking" to the lender for 500,001 equity shares (31<sup>st</sup> March 2021: 500,001 equity shares) of Piramal Sunteck Realty Private Limited.
- 6 Refer Note 42 for securities given by related parties in respect of borrowings of the Company.
- \* This includes interest accrued on loan amounting to ₹ 12.37 lakhs (31<sup>st</sup> March 2021: Nil).

### vi) Key managerial personnel compensation

(₹ in Lakhs)

Particulars	Transactions during the year		Outstanding balances as at the year end	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Short-term employee benefits</b>				
<b>Remuneration*</b>				
Kamal Khetan	65.43	225.00	-	36.43
Atul Poopal	75.05	137.66	-	32.75
Rachana Hingarajia	65.38	38.80	2.42	6.46
Manoj Agarwal	125.40	67.90	2.75	5.16

\*As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.

\*Remuneration includes reimbursement.

### vii) Disclosure pursuant to Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	Maximum outstanding during the year ended 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	Maximum outstanding during the year ended 31 <sup>st</sup> March, 2021
<b>Subsidiaries</b>				
Advaith Infraprojects Private Limited	1.03	1.03	1.00	1,443.00
Sahrish Construction Private Limited	7,258.65	7,258.65	3,339.42	4,162.21
Satguru Corporate Services Private Limited	383.50	2,964.17	2,964.17	5,996.78
Skystar Buildcon Private Limited	15,863.84	16,897.87	1,924.07	9,152.21
Sunteck Infraprojects Private Limited	2,133.23	2,425.22	1,193.97	1,193.97
Sunteck Realty Holdings Private Limited	3,796.68	5,846.68	184.14	184.14
Sunteck Property Holdings Private Limited	0.95	0.95	0.50	0.50
Sunteck Real Estates Private Limited	4,988.76	5,761.67	1,452.00	1,452.00
Starteck Lifestyle Private Limited	23.97	23.97	11.78	128.78
Satguru Inforcorp Services Private Limited	13.95	2,513.78	-	-
Starlight Systems Private Limited	1.74	2,500.04	-	-
<b>Joint Venture</b>				
Piramal Sunteck Realty Private Limited	1,219.93	4,872.01	538.95	539.41

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 44 FAIR VALUE MEASUREMENTS

##### (i) Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participant at the measurement date.

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are valued using the closing price as at the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

##### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the use of discounted cash flow for fair value at amortised cost.

##### (iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

(₹ in Lakhs)

Financial Assets and Liabilities as at 31 <sup>st</sup> March, 2022	Carrying amounts				Fair Value		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Level 1	Level 3	Total
<b>Financial assets</b>							
Investments							
- Equity instruments							
Quoted	-	0.35	-	0.35	0.35	-	0.35
Unquoted	-	164.53	-	164.53	-	164.53	164.53
- Debentures							
Unquoted	-	-	-	-	-	-	-
Trade receivables	-	-	10,875.40	10,875.40	-	-	-
Loans	-	-	36,906.50	36,906.50	-	-	-
Cash and cash equivalents	-	-	1,462.33	1,462.33	-	-	-
Other bank balances	-	-	194.39	194.39	-	-	-
Other financial assets	-	-	7,479.55	7,479.55	-	-	-
<b>Financial liabilities</b>							
Borrowings	-	-	42,308.42	42,308.42	-	-	-
Trade payables	-	-	8,311.45	8,311.45	-	-	-
Other financial liabilities	-	-	1,173.28	1,173.28	-	-	-



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

(₹ in Lakhs)

Financial Assets and Liabilities as at 31 <sup>st</sup> March, 2021	Carrying amounts				Fair Value		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Level 1	Level 3	Total
<b>Financial assets</b>							
Investments							
- Equity instruments							
Quoted	-	0.20	-	0.20	0.20	-	0.20
Unquoted	-	65.33	-	65.33	-	65.33	65.33
- Debentures							
Unquoted	3,151.55	-	-	3,151.55	-	3,151.55	3,151.55
Trade receivables	-	-	9,598.53	9,598.53	-	-	-
Loans	-	-	15,017.53	15,017.53	-	-	-
Cash and cash equivalents	-	-	2,678.83	2,678.83	-	-	-
Other bank balances	-	-	3,256.85	3,256.85	-	-	-
Other financial assets	-	-	6,986.64	6,986.64	-	-	-
<b>Financial liabilities</b>							
Borrowings	-	-	38,752.74	38,752.74	-	-	-
Trade payables	-	-	7,468.22	7,468.22	-	-	-
Other financial liabilities	-	-	965.69	965.69	-	-	-

**Note :** During the years mentioned above, there have been no transfers amongst the levels of hierarchy. There are no financial assets / liabilities categorised under level 2.

### (iii) Fair value measurements using significant unobservable inputs

(₹ in Lakhs)

Particulars	Debentures	Equity shares
As at 1 <sup>st</sup> April, 2020	3,135.72	53.19
Invested during the year	-	-
Interest income recognised in profit and loss (net of TDS amounting to ₹ 0.20 Lakhs)	2.34	-
Gains recognised in profit and loss	13.49	-
Gains recognised in other comprehensive income	-	12.34
<b>As at 31<sup>st</sup> March, 2021</b>	<b>3,151.55</b>	<b>65.53</b>
Redeemed during the year	(3,070.47)	-
Interest income recognised in profit and loss (net of TDS amounting to ₹ 0.22 Lakhs)	1.94	(0.02)
Losses recognised in profit and loss	(83.03)	-
Gains recognised in other comprehensive income	-	99.37
<b>As at 31<sup>st</sup> March, 2022</b>	<b>-</b>	<b>164.88</b>

#### NOTE 45 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, the Company's risk management is carried out by a corporate treasury and corporate finance department under policies approved by the board of directors and top management. The Company's treasury identifies, evaluates and mitigates financial risks in close cooperation with the Company's operating units. The board provides the guidance for the overall risk management, as well as policies covering specific areas.

This note explains the sources of risks which the entity is exposed to and how the entity manages the risk and the related impact in the financial statement.

#### (A) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their contractual terms and obligations. To manage this, the Company periodically assess financial reliability of customers, taking into account

## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the equity of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a trade receivable failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit & loss.

Credit risk is managed at Company level.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential and commercial sale and rental business. The same is due to the fact that in case of its residential and commercial sell business it does not handover possession till entire outstanding is received. Similarly in case of rental business, the Company keep 3 to 12 months rental as deposit from the occupants.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables, other than what is already provided for. Refer note 12.2 for ageing analysis of trade receivables.

### Reconciliation of loss allowance - trade receivables

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Opening balance	150.00	91.50
Allowance made during the year	-	58.50
<b>Closing balance</b>	<b>150.00</b>	<b>150.00</b>



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### (B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, the Company's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the Company's liquidity position (comprising the unused cash and bank balances along with liquid investments) on the basis of expected cash flows. This is generally carried out at the Company level in accordance with practice and limits set by the Company. These limits vary to take into account the liquidity of the market in which the Company operates.

#### (i) Maturities of financial liabilities

The tables below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities for :

All non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### 31 March 2022

(₹ in Lakhs)

Contractual maturities of financial liabilities	Carrying amount	Fair value					Total as at 31 <sup>st</sup> March 2022
		Payable on demand	within 12 months	1 to 2 years	2 to 5 years	More than 5 years	
Non-derivatives							
Borrowings:							
Bank overdrafts	592.44	592.44	-	-	-	-	592.44
Working capital demand loan	6,000.00	6,000.00	-	-	-	-	6,000.00
Term loans from banks	27,103.73	-	19,649.69	7,890.00	-	-	27,539.69
Term loan from financial institutions	8,612.25	-	1,160.22	3,782.95	3,243.01	525.42	8,711.61
Trade payables	8,311.45	-	8,311.45	-	-	-	8,311.45
Other financial liabilities	1,173.28	-	1,012.62	-	211.61	-	1,224.23
<b>Total non-derivative liabilities</b>	<b>51,793.15</b>	<b>6,592.44</b>	<b>30,134.00</b>	<b>11,672.95</b>	<b>3,454.62</b>	<b>525.42</b>	<b>52,379.42</b>

#### 31 March 2021

(₹ in Lakhs)

Contractual maturities of financial liabilities	Carrying amount	Fair value					Total as at 31 <sup>st</sup> March 2021
		Payable on demand	within 12 months	1 to 2 years	2 to 5 years	More than 5 years	
Non-derivatives							
Borrowings:							
Bank overdrafts	4,128.89	4,128.89	-	-	-	-	4,128.89
Working capital demand loan	6,000.00	6,000.00	-	-	-	-	6,000.00
Term loans from banks	21,717.02	-	142.98	18,284.32	3,973.34	-	22,400.64
Term loan from financial institutions	6,906.83	-	1,028.51	1,146.58	4,250.82	536.65	6,962.56
Trade payables	7,468.22	-	7,468.22	-	-	-	7,468.22
Other financial liabilities	965.69	-	706.21	103.50	213.12	-	1,022.83
<b>Total non-derivative liabilities</b>	<b>47,186.65</b>	<b>10,128.89</b>	<b>9,345.92</b>	<b>19,534.40</b>	<b>8,437.28</b>	<b>536.65</b>	<b>47,983.14</b>

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### (C) Market risk

#### (i) Price risk

##### - Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at "fair value through Other Comprehensive Income."

##### - Sensitivity

The table below summarizes the impact of increases/ decreases of the BSE index on the Company's equity and gain/ loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

#### Impact of profit before tax

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
BSE Sensex 30- Increase 5%	0.02	0.01
BSE Sensex 30- Decrease 5%	(0.02)	(0.01)

#### (ii) Foreign currency risk (unhedged)

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company does not cover foreign currency exposure with any derivative instruments. The Company also imports certain materials which are denominated in USD which exposes it to foreign currency risk. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, including minimising cross currency transactions, using natural hedge to minimise the impact to results of the exchange rate movements. The unhedged exposures are maintained and kept to minimum feasible.

Particulars	Currency Type	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
		Foreign currency (in Lakhs)	Indian currency (₹ in Lakhs)	Foreign currency (in Lakhs)	Indian currency (₹ in Lakhs)
<b>Foreign exchange currency exposure not covered by derivatives instrument (unhedge)</b>					
Loans and advances receivable	USD	10.26	775.09	10.26	751.74
Trade payables	USD	0.06	4.71	3.11	228.01
Other receivables	USD	0.04	2.84	-	-

##### - Foreign Currency Sensitivity

A change of 10% in exchange rate would have following impact on profit before tax :

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
10% increase would increase the profit before tax by	77.32	97.98
10% decrease would decrease the profit before tax by	77.32	97.98

#### (iii) Cash flow and fair value interest rate risk

##### - Interest rate risk management:

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

## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### - Interest rate risk exposure:

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Variable rate borrowings	29,869.48	31,569.22
Fixed rate borrowings	12,438.94	7,183.52
<b>Total borrowings</b>	<b>42,308.42</b>	<b>38,752.74</b>

### - Interest rate sensitivity

A change of 50 bps in interest rates would have following impact on profit before tax :

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
50 bp increase would decrease the profit before tax by*	149.35	157.85
50 bp decrease would increase the profit before tax by*	149.35	157.85

\* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates would be utilised for the whole financial year.

## NOTE 46 CAPITAL MANAGEMENT

### (a) Risk management

The Company's objectives when managing capital are to :

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The amount managed by capital by the Company are summarised as follows:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Net debt (Net of cash and cash equivalent and non-earmarked other bank balances)	40,754.09	32,827.42
Total equity	1,94,189.37	1,94,215.85
<b>Net debt to equity ratio</b>	<b>0.21</b>	<b>0.17</b>

The Company maintains its capital structure and makes adjustments, if required in light of changes in economic conditions and the requirements of the financial covenants. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debts divided by total equity and intends to manage optimal gearing ratios. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

### (b) Dividends

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Final dividend for the year 31 <sup>st</sup> March 2021 of ₹ 1.50 (31 <sup>st</sup> March 2020: ₹ 1.50) per share for non promoter group having face value of ₹ 1 each and ₹ 0.75 (31 <sup>st</sup> March 2020: ₹ 0.75) per share for promoter and promoter group.	1,458.62	1,458.29



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### Proposed dividend

The Board of Directors have recommended a equity dividend of ₹ 1.50 (31<sup>st</sup> March 2021: ₹ 1.50) per equity share of the face value of ₹ 1 each to the shareholders other than Promoter/Promoter group and ₹ 1.50 (31<sup>st</sup> March 2021: ₹ 0.75) per equity share of the face value of ₹ 1 each to Promoter/Promoter group for the financial year ended 31<sup>st</sup> March 2022. The same is subject to the approval of the shareholders of the Company at the Annual General Meeting and therefore not recognised as liability as at the Balance Sheet date

### NOTE 47 NOTE ON IND AS 115 REVENUE FROM CONTRACTS WITH CUSTOMERS

#### (i) Reconciliation of revenue recognised with the contract price is as follows:

##### a. Sale of residential and commercial units (net) and sale of construction services:

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Contract price (net of share of land owners of ₹ 5,872.04 Lakhs; 31 <sup>st</sup> March, 2021 : ₹ 3,355.06 Lakhs)	20,908.17	30,227.10
Less: Finance element included in the contract price	127.60	218.59
<b>Revenue from contract with customers</b>	<b>20,780.57</b>	<b>30,008.51</b>

b. In all other cases, except for the above, contracted price is equivalent to the amount of revenue recognised (Refer note 29).

#### (ii) Disaggregation of revenue

Revenue based on timing of recognition

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Revenue recognition over the period of time	19,423.01	15,972.42
Revenue recognition at a point in time	2,431.10	15,438.67
<b>Total</b>	<b>21,854.11</b>	<b>31,411.09</b>

#### (iii) Contract balances

The table that provides information about trade receivables, contract assets and contract liabilities from contract with customers is as follows:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Trade receivables	11,025.40	9,748.53
Contract assets	16,055.31	11,041.27
Contract liabilities	36,776.71	20,684.50

Changes in contract assets are as follows:	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Contract assets at the beginning of the year	11,041.27	5,473.76
Less: Transferred to receivables	(5,602.02)	(2,251.71)
Add: Revenue recognised (net of invoicing)	10,616.06	7,819.22
<b>Balance at the end of the year</b>	<b>16,055.31</b>	<b>11,041.27</b>

Changes in contract liabilities are as follows:	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Contract liabilities at the beginning of the year	20,684.50	11,145.84
Add: Invoice raised during the year	25,281.36	30,210.85
Add: Advance received from customers (net of invoicing)	(20.86)	1,517.10
Add: Liability towards acquisition of development rights	996.23	-
Less: Net revenue recognised during the year (including ₹ 5,238.78 lakhs; 31 <sup>st</sup> March 2021: ₹ 4,084.84 lakhs recognised out of the opening contract liability)	(10,164.52)	(22,189.29)
<b>Balance at the end of the year</b>	<b>36,776.71</b>	<b>20,684.50</b>



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

### (iv) The significant payment terms:

#### Construction-linked plans (CLP):

Under this plan, the unit holder can book a unit by paying a booking amount. Further, the balance amount is required to be paid as per the construction milestones as mentioned in the agreement.

#### Subvention scheme:

Under this scheme, the unit holder can book a unit by paying an agreed initial amount and balance amount is funded by the bank/ financial institution (FI) based on the construction linked payment schedule as per the agreed terms between the Company, the unit holder and the bank/ FI. Related finance cost for the agreed period is included in the contract price.

### (v) Transaction price remaining performance obligation

The aggregate amount of the transaction price allocated to the unsatisfied performance obligations (including completely unsatisfied obligations in case of pre-sales) as at the year end is ₹ 79,139.76 Lakhs (31<sup>st</sup> March, 2021: ₹ 60,042.02 Lakhs). Out of this, the Company expects, based on current projections, to recognise revenue in the following time bands:

Time Bands	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
0-1 year	12,174.59	20,680.91
1-3 years	66,965.17	39,361.11
<b>Total</b>	<b>79,139.76</b>	<b>60,042.02</b>

### NOTE 48 EARNINGS PER SHARE

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Earnings Per Share (EPS) has been computed as under :</b>		
Profit for the year (₹ in Lakhs) (A)	1,289.75	3,784.18
Weighted average number of equity shares outstanding (considered for calculating basic EPS) (B)	146,417,569	146,377,547
Add: Potential equity shares on account of employee stock options	36,733	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	146,454,303	146,377,547
Basic EPS (Amount in ₹) (A/B) (Face value of ₹ 1 per equity share; 31 <sup>st</sup> March, 2021: ₹ 1 per equity share)	0.88	2.59
Diluted EPS (Amount in ₹) (A/C) (Face value of ₹ 1 per equity share; 31 <sup>st</sup> March, 2021: ₹ 1 per equity share)	0.88	2.59

The following potential equity shares are anti-dilutive and therefore excluded from the weighted average number of equity shares for the purpose of diluted EPS.

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Options to purchase equity shares having anti-dilutive effect	-	24,837

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

#### NOTE 49 DETAILS OF PAYMENTS TO AUDITOR

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Payment to auditor</b>		
Statutory audit (included limited review)*	78.50	40.00
Certification and other services	14.51	2.00
<b>Total payments to auditor</b>	<b>93.01</b>	<b>42.00</b>

\* Includes fees amounting to ₹ 22.00 Lakhs (31<sup>st</sup> March 2021: Nil) pertaining to an earlier year.

#### NOTE 50 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013 (the "Act"), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR Committee has been formed by the Company as per the Act. Following are the details required as per the Act.

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Average net profit of the Company for last three financial years	10,216.95	13,866.68
Prescribed CSR expenditure (2% of the average net profit as computed above)	204.34	277.33
<b>Details of CSR expenditure during the financial period:</b>		
Total amount to be spent for the financial period (including shortfall of previous year of ₹ 209.33 lakhs)	413.67	277.33
Amount spent (include unspent amount of ₹ 110.97 lakhs pertaining for the financial year ended 31 <sup>st</sup> March 2021 paid in the financial year ended 31 <sup>st</sup> March 2022)	112.57	68.00
Amount unspent	301.10	209.33
Unspent amount of previous year transferred to ongoing project during current year	98.36	-

#### Nature of CSR activities undertaken by the Company:

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
a) Gross amount required to be spent during the period	413.67	277.33
b) Amount spent during the year # (includes amounts spent for previous year unspent contribution)		
(i) Environmental sustainability and maintaining quality of soil, air and water	23.80	34.00
(ii) Promoting health care	66.68	3.00
(iii) Promoting education	5.66	3.00
(iv) Slum Area Development	16.43	28.00
<b>Total amount unspent</b>	<b>301.10</b>	<b>209.33</b>

# The above organisations fall within the range of activities which can be undertaken by the Companies as a part of their CSR initiatives specified in Schedule VII to the Companies Act, 2013.

**Reason for shortfall:** The Company believes that CSR should be in the field which has substantial social impact and which co-relate with the philosophy of the Company to improve the quality of life. During the financial year ended 31<sup>st</sup> March 2022, the Company has earmarked projects which are active and ongoing and will make efforts to spend the unspent amount on these ongoing projects. The unspent amount has been already transferred to the dedicated Unspent CSR Account.



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 51 DISCLOSURE IN ACCORDANCE WITH SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:**

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
The Company has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).The disclosure pursuant to the said Act is as under:		
a. The principal amount remaining unpaid to any supplier at the end of the year	928.22	686.53
b. Interest accrued and due to suppliers under MSMED	5.89	5.89
c. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year ;	-	-
d. 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 the MSMED Act, 2006	-	-
e. The amount of interest accrued and remaining unpaid at the end of each accounting year ;	5.89	5.89
f. 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 enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such suppliers under the said Act, as per the intimation received from them, on requests made by the Company.

**NOTE 52 CAPITAL WORK IN PROGRESS**

(₹ in Lakhs)

Ageing of Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31<sup>st</sup> March, 2022</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>As at 31<sup>st</sup> March, 2021</b>					
Projects in progress	929.08	-	-	-	<b>929.08</b>
Projects temporarily suspended	-	-	-	-	-

**52.1** As at 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021, there were no projects, the completion of which was overdue or exceeded cost compared to the original plan.

**NOTE 53 INTANGIBLE ASSETS UNDER DEVELOPMENT**

**(a) Ageing of Intangible assets under development**

(₹ in Lakhs)

	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31<sup>st</sup> March, 2022</b>					
Projects in progress	32.25	28.00	-	-	<b>60.25</b>
Projects temporarily suspended	-	-	-	-	-
<b>As at 31<sup>st</sup> March, 2021</b>					
Projects in progress	28.00	-	-	-	<b>28.00</b>
Projects temporarily suspended	-	-	-	-	-

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**(b) Ageing for Intangible assets under development, whose completion is overdue compared to its original plan**

(₹ in Lakhs)

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>(i) As at 31<sup>st</sup> March, 2022</b>					
Projects in progress	60.25	-	-	-	60.25

(ii) As at 31<sup>st</sup> March 2021 there were no projects, the completion of which was overdue or exceeded cost compared to the original plan.

**NOTE 54 TITLE DEEDS OF IMMOVABLE PROPERTIES**

Particulars	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Land	349.70	1) Smt. Shakuntala S Sathaye 2) Shri. Sanjay S. Sathaye 3) Smt. Nandini Desai (Nandini S. Sathaye)	No	4 <sup>th</sup> May, 2005	Construted as per the Joint Development Agreement with the land owners, which will be transferred in the name of the Company after formation of condominium.
Property, plant and equipment	Land and Building	1,314.14	1) Smt. Shakuntala S Sathaye 2) Shri. Sanjay S. Sathaye 3) Smt. Nandini Desai (Nandini S. Sathaye)	No	1 <sup>st</sup> April, 2009	
Investment properties	Land and Building	1,456.22	1) Smt. Shakuntala S Sathaye 2) Shri. Sanjay S. Sathaye 3) Smt. Nandini Desai (Nandini S. Sathaye)	No	1 <sup>st</sup> April, 2009	
Investment properties	Building-units	178.24	Amenity Software Private Limited	No	1 <sup>st</sup> April, 2018	Transferred as a result of merger order dated 8 <sup>th</sup> August 2019 by The Hon'ble National Company Law Tribunal (NCLT), wherein the title deeds are in the name of the transferor.
Investment properties	Building-units	188.36	Magenta Computer Software Private Limited	No	1 <sup>st</sup> April, 2018	
Investment properties	Commercial units	930.58	Property held as per Joint Development Agreement	No	1 <sup>st</sup> October, 2021	Refer Note #

# Building Constructed as per the Joint Development Agreement dated 31<sup>st</sup> January 2018 with the land owners and subsequently with customer dated 21<sup>st</sup> January 2021, wherein development rights has been assigned to the Company and basis such joint development agreement, the Company has given the properties on lease and appropriate revenue share is being shared with the land owners. The title of the property will be transferred to the society to be formed.

**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 55 ANALYTICAL RATIOS**

Particulars	Numerator	Denominator	Measure in times/ percentage	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	% Variance	Reason for variance
Current ratio	Current assets	Current liabilities	Times	1.67	2.07	-19.26%	
Debt-equity ratio	* Total debt	Total equity	Times	0.22	0.20	9.19%	
Debt service coverage ratio	@ Earning for debt services	^ Debt service	Times	0.22	1.45	-84.69%	Refer note 1
Return on equity ratio (ROE)	Net profit after tax	Average shareholder's equity	Percentage	0.66%	1.96%	-66.12%	Refer note 2
Inventory turnover ratio	Cost of goods sold (Cost of construction & development + Changes in inventories)	Average inventory	Times	0.25	0.57	-56.58%	Refer note 3
Trade receivables turnover ratio	\$ Net credit sales	Average trade receivables	Times	4.12	5.10	-19.24%	
Trade payables turnover ratio	Net credit purchases (including other expenses)	Average trade payables	Times	3.47	1.35	155.95%	Refer note 4
Net capital turnover ratio	Revenue from operation	Working capital	Times	0.44	0.72	-38.45%	Refer note 2
Net profit ratio	Net profit after tax	Revenue from operation	Percentage	5.90%	12.05%	-51.01%	Refer note 5
Return on capital employed (ROCE)	Profit before interest and taxes	# Capital employed	Percentage	2.56%	4.04%	-36.50%	Refer note 2
Return on investment	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

\* Total debt = Borrowings (current + non-current)

@ Earning for debt services = Profit after tax + Interest + Depreciation/ amortisation

^ Debt service= Interest and principal repayment borrowings

# Capital employed = Tangible network + Total debt

\$ Net credit sales represents invoicing during the year

**Note**

- 1 Decrease on account of increase in current maturities of long term borrowings in the current year
- 2 Due to lower revenue recognition as compared to the previous year
- 3 Increase in inventories on account of cost incurred in the current year on projects wherein at a point in time is followed as the basis of revenue recognition
- 4 Movement in ratio on account of significant increase in operations
- 5 Profit after tax margin change is due to change in sales mix and lower revenue recognition



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**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 56 OTHER STATUTORY INFORMATION**

**(i) Utilisation of borrowed funds and share premium**

- i. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) except for the following: or

Sr. No.	Nature of transactions	Date of transaction	Funding Party	Amount (₹ in lakhs)	Details of Counter Party			Compliance with				
					Name	Registered address	Type	PAN Details	Relationship with the company	FEMA Act	Companies Act	PMLA Act
1	Loan given	01 <sup>st</sup> September 2021	Sunteck Realty Limited	1,000.00	Sunteck Realty Holding Private Limited	5 <sup>th</sup> Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (E), Mumbai - 400057	Intermediaries	AAWCS5899Q	Subsidiary	Yes	Yes	Yes
2	Loan given	3 <sup>rd</sup> September 2021	Sunteck Realty Holding Private Limited	1,000.00	Sunteck Property Holding Private Limited	5 <sup>th</sup> Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (E), Mumbai - 400057	Ultimate Beneficiaries	AAPCS1957C	Subsidiary	Yes	Yes	Yes
3	Loan repayment	16 <sup>th</sup> March 2022	Sunteck Realty Limited	1,250.00	Starlight System (I) LLP	5 <sup>th</sup> Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (E), Mumbai - 400057	Intermediaries	ACIFS0005M	Subsidiary	Yes	Yes	Yes
4	Loan repayment	16 <sup>th</sup> March 2022	Starlight System (I) LLP	2,500.00	Piramal Sunteck Realty Private Limited	5 <sup>th</sup> Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (E), Mumbai - 400057	Ultimate Beneficiaries	AAECP4731G	Joint Venture	Yes	Yes	Yes

\* Foreign Exchange Management Act

\*\*Prevention of Money Laundering Act

- (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries



## Summary

of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

- II. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (iv) The Company has complied with the number of layers as prescribed under section 2(87) of the Companies Act, 2013.
- (v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or discharged as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)
- (vi) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (vii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- (viii) There are no transactions or outstanding balances with struck off companies as at and for the year ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021.
- (ix) The Company has not entered into any scheme of arrangement which has an accounting impact on the current and previous financial year.
- (x) The Company is not required to submit quarterly statements carrying financial information to the banks and financial institution for such nature of facility obtained by the Company for the years ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021.

### NOTE 57 SEGMENT REPORTING

#### a) Business segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Company's Chairman and Managing director (CMD) is identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however, the Company is primarily engaged in only one segment viz., 'Real Estate/Real Estate Development and Related Activities' and that most of the operations are in India. Hence, the Company does not have any other reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

- b) None of the customers for the years ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 constituted 10% or more of the total revenue of the Company.

**NOTE 58** On 18<sup>th</sup> February, 2022, the Company through its wholly owned step down subsidiary, Industele Property Private Limited has acquired 99% of the equity stake in Rammit Corporate Solutions Private Limited (RCSPL) by conversion of 100 Optionally Convertible Debentures into 1,000,000 equity shares of face value of ₹ 10 each. As a result of such conversion, RCSPL and Prija Trading Private Limited, wholly owned subsidiary of RCSPL have become step down subsidiaries of the Company.



## Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 59** Other non-current financial assets as at 31<sup>st</sup> March 2022 include ₹ 1,402.73 lakhs (31<sup>st</sup> March 2021: ₹ 1,402.73 lakhs), representing amount receivable from a partnership firm ('Firm') in which the Company was associated as a partner till 6<sup>th</sup> October 2020, which is presently under dispute with respect to alleged illegal sale of the firm's assets by the other partner. The Company had received arbitration award dated 4<sup>th</sup> May 2018 in its favour in respect of this matter which has been further challenged by the other partner in Bombay High Court, which has neither been admitted as yet nor any stay granted against the award. Basis the status of the case, favourable arbitration award and legal opinion, Management is confident of recovering the aforesaid dues and therefore, no provision has been considered necessary at this stage. Further, considering the dispute, the Company has not accounted for its share of profits or losses for the period from 2015 till 6<sup>th</sup> October 2020, as the financial statements from the partnership firm are not available. Since there were no operations in the partnership firm since 2015, Management does not expect the impact of such share of profits or losses, not accounted, to be material.

**NOTE 60** As the Company is engaged in the business of providing infrastructure facilities, the provisions (including disclosure requirements) of Section 186 of the Companies Act, 2013 with respect to loans made, guarantee given or security provided, are not applicable to the Company.

**NOTE 61** Exceptional item for the year ended 31<sup>st</sup> March, 2021 represents balance written off in respect of trade receivables amounting to ₹ 603.50 Lakhs as considered no longer recoverable.

### **NOTE 62** IMPACT OF COVID 19

The Company has used the principles of prudence in applying judgements, estimates and assumptions based on the current assessment and do not foresee any significant impact of pandemic on the Company's financials for the year ended 31<sup>st</sup> March, 2022. However, the Management is continuously monitoring the current COVID-19 developments and possible effects that may result from the current pandemic on its financial conditions, liquidity, operations and actively working to minimise the impact of this unprecedented situation.

**NOTE 63** Non-current investments as at 31<sup>st</sup> March 2022 include ₹ 25,976.02 lakhs (31<sup>st</sup> March 2021: ₹ 25,796.90 lakhs) representing investment in its wholly owned subsidiary, Sunteck Lifestyle International Private Limited (SLIPL), which had further acquired 50% share in joint venture company, GGICO Sunteck Limited (GGICO), through its wholly owned subsidiary, Sunteck Lifestyle Limited (SLL), for development of real-estate project in Dubai. Further, the Company's other non-current financial assets include receivable from SLL amounting to ₹ 775.09 lakhs (31<sup>st</sup> March 2021: ₹ 751.74 lakhs). SLL has incurred losses during initial years and net-worth has been partially eroded. Development of the project undertaken by GGICO has been delayed on account of certain disputes with the other joint venture partner. SLL has obtained favourable order from the court of Dubai International Finance Centre against the claim made by other joint venture partner for termination of joint venture. Further, SLL has initiated arbitration before London Court of International Arbitration (LCIA) against the other partner, alleging that other partner has not obtained necessary regulatory and statutory approvals for commencing the construction activity as specified in the Joint Venture Agreement (JVA). During the previous year, the other JV partner has also initiated arbitration before LCIA against SLL and the Company alleging non-compliance of certain conditions of the JVA and seeking termination of the joint venture. During the current year, partial award has been given by LCIA (in arbitration initiated by SLL) confirming that SLL was not in breach of any joint venture condition, the termination of the joint venture is held to be invalid and also awarded reimbursement of certain payments made by SLL. Basis legal opinion, the management is of the view that such claims are not tenable against the Company and SLL. Further, based on estimated future business results once the project resumes and considering the contractual tenability, present status of negotiation / discussion / arbitration / litigations, Management believes that the realisable amount of investment in subsidiaries is higher than the carrying value of the non-current investments and other non-current financial assets due to which these are considered as good and recoverable as at 31<sup>st</sup> March 2022.



**Summary** of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31<sup>st</sup> March, 2022 (Contd.)

**NOTE 64** On 30<sup>th</sup> March, 2022, a wholly owned subsidiary, Sunteck Infracon Private Limited (“SIPL”) was incorporated wherein the Company has subscribed 10,000 equity shares of SIPL at face value of ₹ 10 per share aggregating ₹ 1 Lakh on 23<sup>rd</sup> May, 2022 at par.

**NOTE 65** On 26<sup>th</sup> April, 2022, a wholly owned subsidiary, Sunteck Realtors Private Limited (“SRPL”) has been incorporated wherein the Company has subscribed 10,000 equity shares of SRPL at face value of ₹ 10 per share aggregating ₹ 1 Lakh at par.

**NOTE 66** On 22<sup>nd</sup> March 2022, the Board of Directors of Industele Property Private Limited (“Industele”) has passed a resolution for withdrawal of Scheme of merger of Rammit Corporate Solutions Private Limited (“Rammit”) and Prija Trading Private Limited (“Prija”) with Industele pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 which was earlier approved by the Board of Directors.

Further on 29<sup>th</sup> March 2022, the Board of Directors of Rammit, has passed a resolution for approving scheme of merger of Prija with Rammit in accordance with provisions of Section 233 of the Companies Act, 2013 (“the Scheme”). The Scheme has been approved by the relevant authority by an order dated 30<sup>th</sup> May 2022 which has been filed with Registrar of Companies on 30<sup>th</sup> May 2022. Considering that both Rammit and Prija are wholly owned subsidiary, there is no impact of the Scheme on the standalone financial statements.

**NOTE 67** The figures for the previous periods have been regrouped/ rearranged wherever necessary to conform to the current period’s classification in order to comply with the requirements of the amended schedule III to the Companies Act, 2013 effective 1<sup>st</sup> April 2021.

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

**For and on behalf of the Board of Directors**

**For Walker Chandio & Co LLP**

Chartered Accountants  
Firm Registration No. 001076N/N500013

**Kamal Khetan**

Chairman and Managing Director  
DIN: 00017527

**Atul Poopal**

Director  
DIN: 07295878

**Chaitanya Dalal**

Director  
DIN: 00185847

**Rakesh R. Agarwal**

Partner  
Membership No. 109632

**Mukesh Jain**

Director  
DIN: 01316027

**Vaddarse Shetty**

Director  
DIN: 00021773

**Sandhya Malhotra**

Director  
DIN: 06450511

**Manoj Agarwal**

Chief Financial Officer

**Rachana Hingarajia**

Director and Company Secretary  
DIN: 07145358

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022







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