

---

**Walker ChandioK & Co LLP**

21st Floor, DLF Square  
Jacaranda Marg, DLF Phase II,  
Gurugram - 122 002  
Haryana, India

T +91 124 462 8099  
F +91 124 462 8001

**Independent Auditor's Report**

**To the Members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited)**

**Report on the Audit of the Financial Statements**

**Opinion**

1. We have audited the accompanying financial statements of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, 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 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.

**Key Audit Matter**

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



---

Chartered Accountants

Offices in Ahmedabad, Bengaluru, Bhubaneswar, Chandigarh, Chennai, Dehradun, Goa, Gurugram, Guwahati, Hyderabad, Indore, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

---

Walker ChandioK & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

# Walker Chandiok & Co LLP

## Independent Auditor's Report to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on Financial Statements for the year ended 31 March 2026 (cont'd)

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Accounting treatment of borrowings and compliance with covenants</b></p> <p>Refer Note 3.2 to the financial statements for Company's material accounting policy information relating to borrowings and Note 13 for details of borrowings and other related disclosures.</p> <p>As at 31 March 2026, the carrying value of borrowings in the nature of non-convertible debentures (NCDs) amounts to ₹ 247,101.36 thousands.</p> <p>During the year, the Company has issued NCDs to finance Project Squadron and Project Savroli. Significant transaction costs were incurred and financial guarantee were provided by related parties towards raising such funds and the same are accounted for basis the guidance given under Ind AS 109, Financial instruments ('Ind AS 109').</p> <p>Further, as per the terms of the debenture trust deed, the Company is required to comply with certain debt covenants including security cover ratio that require the management to perform a fair valuation of assets mortgaged as security at end of each reporting period.</p> <p>The interest cost incurred to the extent directly attributable to the acquisition/construction of real estate projects undertaken by the Company, has been capitalised in accordance with the principles of Ind AS 23.</p> <p>Considering the significance of borrowings, transaction costs incurred, guarantee received and significant management judgments and assumptions involved in estimation of inputs used for debt covenant compliance testing, this matter requires significant audit efforts to determine appropriateness of accounting treatment and related disclosure. Accordingly, this matter has been identified as a key audit matter for the current year audit.</p> | <p><b>Our audit procedures included, but were not limited to, the following:</b></p> <ul style="list-style-type: none"> <li>Evaluated the appropriateness of accounting policy of borrowings in terms of principles enunciated under Ind AS, including Ind AS 32, Ind AS 109 and Ind AS 23, Borrowing Costs;</li> <li>Evaluated the design and tested the operating effectiveness of key internal financial controls in respect of accounting of borrowing costs and compliance with covenants;</li> <li>Obtained and read underlying borrowing and guarantee agreements to understand the relevant terms and conditions such as tenure, covenants, interest rate, guarantee, etc., to ensure appropriateness of the accounting treatment;</li> <li>Reviewed the amortization schedules of borrowings and performed recomputation based on the effective interest method as per Ind AS 109;</li> <li>Assessed that the borrowing cost capitalised during the year is in accordance with Ind AS 23;</li> <li>Verified compliance of debt covenants as specified in debenture deed and accuracy of quarterly statements filed by the Company with NCD holders by comparing with underlying books of accounts;</li> <li>Involved independent auditor's valuation expert to assist in evaluating the appropriateness of key assumptions such as expected selling prices and prevailing real estate market dynamics used by management's valuation experts for fair valuation of mortgaged assets, for aforesaid debt covenant testing;</li> <li>Assessed the competence, capabilities and objectivity of management and auditor's valuation expert;</li> <li>Assessed the maturity profile of the borrowings to evaluate the classification and evaluated the appropriateness and adequacy of related disclosure made in the financial statements in accordance with applicable accounting standards.</li> </ul> |



# Walker Chandio & Co LLP

## Independent Auditor's Report to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on Financial Statements for the year ended 31 March 2026 (cont'd)

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

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

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

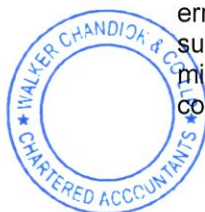
The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

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

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

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. 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;



# Walker Chandio & Co LLP

## Independent Auditor's Report to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on Financial Statements for the year ended 31 March 2026 (cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - 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.
12. 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.
13. 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.
14. 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 matter

15. The financial statements of the Company for the year ended 31 March 2025 were audited by the predecessor auditor, H R A & Co., who have expressed an unmodified opinion on those financial statements vide their audit report dated 21 May 2025.

### Report on Other Legal and Regulatory Requirements

16. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company from 1 April 2025 to 22 September 2025, since the Company is not a public company as defined under section 2(71) of the Act. Effective 23 September 2025, as required by section 197(16) of the Act, based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
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.
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 financial statements;



# Walker Chandio & Co LLP

## Independent Auditor's Report to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on Financial Statements for the year ended 31 March 2026 (cont'd)

- b) Except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act;
- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2026 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 does not have any pending litigation which would impact its financial position as at 31 March 2026;
  - 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 2026;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026;
  - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 41 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), 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, as disclosed in note 41 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.



## Walker Chandiok & Co LLP

**Independent Auditor's Report to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on Financial Statements for the year ended 31 March 2026 (cont'd)**

- v. The Company has not declared or paid any dividend during the year ended 31 March 2026; and
- vi. As stated in note 34 to the financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on or after 1 April 2025, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was not enabled for changes made using privileged access rights for direct data changes at the database level. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with other than the consequential impact of the exception given above. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention except that audit trail at the database level has not been preserved by the Company for the period 01 April 2023 to 09 January 2024.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

*Madhu Sudan*

**Madhu Sudan Malpani**

Partner

Membership No.: 517440

UDIN: 26517440ACCNDP3389



**Place:** Gurugram

**Date:** 19 May 2026

# Walker Chandio & Co LLP

## Annexure I referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on the financial statements for the year ended 31 March 2026

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) The Company does not have any property, plant and equipment, intangible assets, right-of-use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.
- (ii) (a) The inventories held by the Company comprise of land stock and work in progress of project under development, for which, having regard to the nature of such inventory, the management has conducted verification to confirm its physical existence by way of verification of title deeds and site visits, at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made investments in or granted any loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year. Further, the Company has provided guarantee and security to companies during the year, in respect of which:
- (a) The Company has provided guarantee and security to others during the year as per details given below:

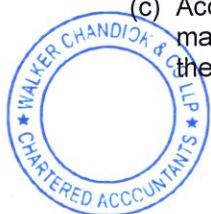
| (₹ in thousands)                                      |              |            |
|-------------------------------------------------------|--------------|------------|
| Particulars                                           | Guarantee    | Security   |
| Aggregate amount provided during the year - Others    | 8,750,000.00 | 727,334.65 |
| Balance outstanding as at balance sheet date - Others | 4,399,830.00 | 727,334.65 |

- (b) In our opinion, and according to the information and explanations given to us, the terms and conditions of guarantees provided and the security given are, prima facie, not prejudicial to the interest of the Company.
- (c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under section 185 of the Act. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 of the Act in respect of investments, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.



**Annexure I referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on the financial statements for the year ended 31 March 2026 (cont'd)**

- (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.
- (b) According to the information and explanations given to us, we report that there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income-Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) In our opinion and 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 government or any government authority.
- (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, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.



**Annexure I referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on the financial statements for the year ended 31 March 2026 (cont'd)**

- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
  - (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred cash losses in the current financial year but had incurred cash losses amounting to ₹ 18,062.11 thousands in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response received by us pursuant to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
- (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 in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.



## Walker Chandiok & Co LLP

**Annexure I referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on the financial statements for the year ended 31 March 2026 (cont'd)**

- (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

*Madhu Sudan*

**Madhu Sudan Malpani**

Partner

Membership No.: 517440

UDIN: 26517440ACCNDP3389



**Place:** Gurugram

**Date:** 19 May 2026

**Annexure II to the Independent Auditor's Report of even date to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on the financial statements for the year ended 31 March 2026**

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

1. In conjunction with our audit of the financial statements of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) ('the Company') as at and for the year ended 31 March 2026, 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 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 financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

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



## Walker Chandiok & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Squadron Developers Limited (formerly known as Squadron Developers Private Limited) on the financial statements for the year ended 31 March 2026 (cont'd)

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2026, 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 ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

*Madhu Sudan*

**Madhu Sudan Malpani**  
Partner

Membership No.: 517440

UDIN: 26517440ACCNDP3389



Place: Gurugram

Date: 19 May 2026

**Squadron Developers Limited (formerly known as Squadron Developers Private Limited)**  
**CIN : U70100KA2022PLC158620**  
**Balance sheet as at 31 March 2026**  
*(All amounts in ₹ thousands, unless otherwise stated)*

|                                                                          | Notes | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--------------------------------------------------------------------------|-------|------------------------|------------------------|
| <b>ASSETS</b>                                                            |       |                        |                        |
| <b>Non current assets</b>                                                |       |                        |                        |
| Financial assets                                                         |       |                        |                        |
| - Other financial assets                                                 | 4     | 34,267.04              | 69,750.00              |
| Income-tax assets (net)                                                  | 5     | -                      | 1,790.90               |
| <b>Total non-current assets</b>                                          |       | <b>34,267.04</b>       | <b>71,540.90</b>       |
| <b>Current assets</b>                                                    |       |                        |                        |
| Inventories                                                              | 6     | 8,26,671.74            | 6,75,519.27            |
| Financial assets                                                         |       |                        |                        |
| - Cash and cash equivalents                                              | 7     | 2,48,807.03            | 46,439.22              |
| - Bank balances other than cash and cash equivalents                     | 8     | -                      | 2.06                   |
| - Other financial assets                                                 | 9     | -                      | 90.00                  |
| Other non financial assets                                               | 10    | 232.94                 | 1,200.53               |
| <b>Total current assets</b>                                              |       | <b>10,75,711.71</b>    | <b>7,23,251.08</b>     |
| <b>Total assets</b>                                                      |       | <b>11,09,978.75</b>    | <b>7,94,791.98</b>     |
| <b>EQUITY AND LIABILITIES</b>                                            |       |                        |                        |
| <b>Equity</b>                                                            |       |                        |                        |
| Equity share capital                                                     | 11    | 100.00                 | 100.00                 |
| Other equity                                                             | 12    | (30,661.26)            | (25,014.84)            |
| <b>Total equity</b>                                                      |       | <b>(30,561.26)</b>     | <b>(24,914.84)</b>     |
| <b>Non-current liabilities</b>                                           |       |                        |                        |
| Financial liabilities                                                    |       |                        |                        |
| - Borrowings                                                             | 13    | 2,47,101.36            | -                      |
| - Other financial liabilities                                            | 14    | 4,060.24               | -                      |
| <b>Total non-current liabilities</b>                                     |       | <b>2,51,161.60</b>     | <b>-</b>               |
| <b>Current liabilities</b>                                               |       |                        |                        |
| Financial liabilities                                                    |       |                        |                        |
| - Borrowings                                                             | 15    | 8,71,312.40            | 8,09,454.76            |
| - Trade payables                                                         | 16    |                        |                        |
| Total outstanding dues to micro enterprises and small enterprises (MSME) |       | 412.56                 | 7,396.09               |
| Total outstanding dues to creditors other than MSME                      |       | 12,927.00              | 1,982.83               |
| - Other financial liabilities                                            | 17    | 2,230.44               | -                      |
| Other non financial liabilities                                          | 18    | 2,496.01               | 873.14                 |
| <b>Total current liabilities</b>                                         |       | <b>8,89,378.41</b>     | <b>8,19,706.82</b>     |
| <b>Total equity and liabilities</b>                                      |       | <b>11,09,978.75</b>    | <b>7,94,791.98</b>     |
| <b>Material accounting policy information</b>                            | 3     |                        |                        |

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For Walker Chandlok & Co LLP  
Chartered Accountants  
Firm registration number: 001076N/N500013

*Madhu Sudan*  
**Madhu Sudan Malpani**  
Partner  
Membership No. 517440

Place: Gurugram  
Date: 19 May 2026



For and on behalf of the Board of Directors of  
**Squadron Developers Limited (formerly known as  
Squadron Developers Private Limited)**

*Rajesh Karmal*  
**Rajesh Karmal**  
Director  
DIN:03158687

Place: Bengaluru  
Date: 19 May 2026

*Deepak Verma*  
**Deepak Verma**  
Chief Financial Officer

Place: Bengaluru  
Date: 19 May 2026

*Raghavendra R Y*  
**Raghavendra R Y**  
Director  
DIN:11022925

Place: Bengaluru  
Date: 19 May 2026

*Ritu Garg*  
**Ritu Garg**  
Company Secretary  
ACS No: A74378

Place: Bengaluru  
Date: 19 May 2026

Squadron Developers Limited (formerly known as Squadron Developers Private Limited)  
CIN : U70100KA2022PLC158620  
Statement of profit and loss for the year ended 31 March 2026  
(All amounts in ₹ thousands, unless otherwise stated)

|                                                                    | Notes | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|--------------------------------------------------------------------|-------|-----------------------------|-----------------------------|
| <b>INCOME</b>                                                      |       |                             |                             |
| Other income                                                       | 19    | 10,945.82                   | 18,617.62                   |
| <b>Total income</b>                                                |       | <b>10,945.82</b>            | <b>18,617.62</b>            |
| <b>EXPENSES</b>                                                    |       |                             |                             |
| Cost of land and other related cost                                |       | 1,51,152.47                 | 6,75,519.27                 |
| Change in inventories                                              | 20    | (1,51,152.47)               | (6,75,519.27)               |
| Other expenses                                                     | 21    | 5,489.72                    | 36,675.02                   |
| <b>Total expenses</b>                                              |       | <b>5,489.72</b>             | <b>36,675.02</b>            |
| <b>Profit/(loss) before tax</b>                                    |       | <b>5,456.10</b>             | <b>(18,062.11)</b>          |
| Tax expense                                                        |       | -                           | 4.71                        |
| - Current tax                                                      | 23    | -                           | -                           |
| - Deferred tax                                                     |       | -                           | -                           |
| <b>Profit/(loss) for the year</b>                                  |       | <b>5,456.10</b>             | <b>(18,062.11)</b>          |
| <b>Other comprehensive income</b>                                  |       | <b>-</b>                    | <b>-</b>                    |
| <b>Total comprehensive income/(loss) for the year</b>              |       | <b>5,456.10</b>             | <b>(18,062.11)</b>          |
| <b>Earnings per equity share (nominal value of ₹ 10 per share)</b> |       |                             |                             |
| - Basic (₹)                                                        | 24    | 545.61                      | (1,806.21)                  |
| - Diluted (₹)                                                      | 24    | 545.61                      | (1,806.21)                  |

**Material accounting policy information**

3

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm registration number: 001076N/N500013

*Madhu Sudan*  
Madhu Sudan Malpani  
Partner  
Membership No. 517440

Place: Gurugram  
Date: 19 May 2026



For and on behalf of the Board of Directors of  
Squadron Developers Limited (formerly known as Squadron  
Developers Private Limited)

*Rajesh Kaimal*  
Rajesh Kaimal  
Director  
DIN:03158687

Place: Bengaluru  
Date: 19 May 2026

*Deepak Verma*  
Deepak Verma  
Chief Financial Officer

Place: Bengaluru  
Date: 19 May 2026

*Raghavendra*  
Raghavendra R Y  
Director  
DIN:11022925

Place: Bengaluru  
Date: 19 May 2026

*Ritu*  
Ritu Garg  
Company Secretary  
ACS No: A74378

Place: Bengaluru  
Date: 19 May 2026

Squadron Developers Limited (formerly known as Squadron Developers Private Limited)  
CIN : U70100KA2022PLC158620  
Cash flow statement for the year ended 31 March 2026  
(All amounts in ₹ thousands, unless otherwise stated)

|                                                                     | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|---------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Cash flows from operating activities:</b>                        |                             |                             |
| Profit/(loss) before tax                                            | 5,456.10                    | (18,057.40)                 |
| <b>Adjustments:</b>                                                 |                             |                             |
| - Interest income (refer note 19)                                   | (3,171.69)                  | (18,117.62)                 |
| - Guarantee commission (refer note 19)                              | (7,774.13)                  | -                           |
| <b>Operating cash flow before working capital changes</b>           | <b>(5,489.72)</b>           | <b>(36,175.02)</b>          |
| <b>Working capital adjustments:</b>                                 |                             |                             |
| - Inventories                                                       | (82,148.16)                 | (6,75,519.27)               |
| - Other current and non-current financial assets                    | 90.00                       | (69,840.00)                 |
| - Other current and non-current assets                              | 967.60                      | (1,196.99)                  |
| - Trade payables                                                    | 3,960.64                    | (45,712.40)                 |
| - Other current and non-current liabilities                         | 1,622.87                    | 873.14                      |
| <b>Cash used in operating activities</b>                            | <b>(80,996.77)</b>          | <b>(8,27,570.54)</b>        |
| Income tax refund, net                                              | 1,889.42                    | 3,877.91                    |
| <b>Net cash used in operating activities (A)</b>                    | <b>(79,107.35)</b>          | <b>(8,23,692.63)</b>        |
| <b>Cash flow from investing activities:</b>                         |                             |                             |
| - Proceeds from maturity of fixed deposits                          | 2.06                        | 16,445.21                   |
| - Interest received                                                 | 0.04                        | 21,972.99                   |
| <b>Net cash flows from investing activities (B)</b>                 | <b>2.10</b>                 | <b>38,418.20</b>            |
| <b>Cash flows from financing activities:</b>                        |                             |                             |
| - Proceeds from long-term borrowings (net of transaction cost)      | 2,48,500.00                 | -                           |
| - Proceeds from short-term borrowings                               | 8,96,274.01                 | 1,37,032.49                 |
| - Repayment of short-term borrowings                                | (8,34,416.39)               | (1,34,600.00)               |
| - Interest paid                                                     | (28,884.55)                 | -                           |
| <b>Net cash flows from financing activities (C)</b>                 | <b>2,81,473.07</b>          | <b>2,432.49</b>             |
| <b>Net Increase/(decrease) in cash and cash equivalents (A+B+C)</b> | <b>2,02,367.81</b>          | <b>(7,82,841.94)</b>        |
| Cash and cash equivalents at the beginning of the year              | 46,439.22                   | 8,29,281.16                 |
| <b>Cash and cash equivalents at the end of the year</b>             | <b>2,48,807.03</b>          | <b>46,439.22</b>            |
| <b>Cash and cash equivalents comprise of:</b>                       |                             |                             |
| <b>Components of cash and cash equivalents (refer note 7)</b>       |                             |                             |
| - in current accounts                                               | 2,48,807.03                 | 46,439.22                   |
|                                                                     | <b>2,48,807.03</b>          | <b>46,439.22</b>            |

The disclosure on reconciliation of movements of liabilities to cash flows arising from financing activities is disclosed in note 33.  
The above "Statement of cash flows" has been prepared as per the indirect method as set out in Ind AS-7, "Statement of Cash Flows".

#### Material accounting policy information

3

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm registration number: 001076N/N500013

*Madhu Sudan*  
Madhu Sudan Malpani  
Partner  
Membership No. 517440

Place: Gurugram  
Date: 19 May 2026



For and on behalf of the Board of Directors of  
Squadron Developers Limited (formerly known as  
Squadron Developers Private Limited)

*Rajesh Kaimal*  
Rajesh Kaimal  
Director  
DIN:03158687

Place: Bengaluru  
Date: 19 May 2026

*Raghavendra R Y*  
Raghavendra R Y  
Director  
DIN:11022925

Place: Bengaluru  
Date: 19 May 2026

*Deepak Verma*  
Deepak Verma  
Chief Financial Officer

Place: Bengaluru  
Date: 19 May 2026

*Ritu Garg*  
Ritu Garg  
Company Secretary  
ACS No: A74378

Place: Bengaluru  
Date: 19 May 2026

Squadron Developers Limited (formerly known as Squadron Developers Private Limited)  
CIN : U70100KA2022PLC158620  
Statement of changes in equity for the year ended 31 March 2026  
(All amounts in ₹ thousands, unless otherwise stated)

**A. Equity share capital**

|                                                               | Number of shares | Amount |
|---------------------------------------------------------------|------------------|--------|
| Equity shares of Rs 10 each issued, subscribed and fully paid |                  |        |
| Balance as at 01 April 2024                                   | 10,000           | 100.00 |
| Changes during the year                                       | -                | -      |
| Balance as at 31 March 2025                                   | 10,000           | 100.00 |
| Changes during the year                                       | -                | -      |
| Balance as at 31 March 2026                                   | 10,000           | 100.00 |

**B. Other Equity**

|                                                                                                | Corporate guarantee given to/received from Holding Company and fellow subsidiaries | Reserves and surplus<br>Retained earnings | Total equity attributable to owners of the Company |
|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------------|
| Balance as at 01 April 2024                                                                    | -                                                                                  | (6,952.73)                                | (6,952.73)                                         |
| Loss during the year                                                                           | -                                                                                  | (18,062.11)                               | (18,062.11)                                        |
| Balance as at 31 March 2025                                                                    | -                                                                                  | (25,014.84)                               | (25,014.84)                                        |
| Profit during the year                                                                         | -                                                                                  | 5,456.10                                  | 5,456.10                                           |
| Impact of corporate guarantee given to fellow subsidiaries (refer note 14 and note 17)         | (14,064.82)                                                                        | -                                         | (14,064.82)                                        |
| Impact of corporate guarantee taken from holding company & fellow subsidiaries (refer note 13) | 2,962.30                                                                           | -                                         | 2,962.30                                           |
| Balance as at March 31, 2026                                                                   | (11,102.52)                                                                        | (19,558.74)                               | (30,661.26)                                        |

**Material accounting policy information** 3

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm registration number: 001076N/N500013

*Madhu Sudan*  
Madhu Sudan Malpani  
Partner  
Membership No. 517440

Place: Gurugram  
Date: 19 May 2026



For and on behalf of the Board of Directors of  
Squadron Developers Limited (formerly known as  
Squadron Developers Private Limited)

*Rajesh Kaimal*  
Rajesh Kaimal  
Director  
DIN:03158687

Place: Bengaluru  
Date: 19 May 2026

*Raghavendra*  
Raghavendra R Y  
Director  
DIN:11022925

Place: Bengaluru  
Date: 19 May 2026

*Deepak Verma*  
Deepak Verma  
Chief Financial Officer

Place: Bengaluru  
Date: 19 May 2026

*Ritu Garg*  
Ritu Garg  
Company Secretary  
ACS No: A74378

Place: Bengaluru  
Date: 19 May 2026

Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026

(All amounts in ₹ thousands, unless otherwise stated)

**1 Background**

Squadron Developers Limited (formerly known as Squadron Developers Private Limited) ("the Company") is a public company domiciled in India. The Company was incorporated on 07 March 2022. The registered office of the Company is situated in Bengaluru, India. The Company is engaged in the business of real estate development.

The Company has been converted from Private Limited Company to Public Limited Company on 23 September 2025. Consequently, the name of the Company has been changed to Squadron Developers Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies. The Company has listed its debt on 18 March 2026 on Bombay Stock Exchange.

**2 Basis of preparation**

**2.1 Statement of compliance**

The Company has prepared these financial statements in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

These financial statements were authorised for issue by the Company's Board of Directors on 19 May 2026. The revision of financial statements is permitted by Board of Directors after obtaining approvals or at the instance of regulatory authorities as per provisions of the Act.

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

**2.2 Functional and presentation currency**

The Company has presented financial statements in Indian Rupees (₹), which is also the Company's functional and presentation currency. All amounts have been rounded-off to the nearest thousands upto two places of decimals, unless otherwise indicated.

**2.3 Basis of measurement**

The Company has prepared financial statements on accrual and going concern basis under the historical cost basis.

**2.4 Current versus non-current classification**

Assets and liabilities in the balance sheet are presented based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

**2.5 Use of estimates and judgements**

In preparing these financial statements, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

**A. Significant management judgement**

**Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions (refer note 3.11).

**B. Estimation uncertainty**

Information about estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2026 is included in the following notes:

**Fair value measurement**

Management applies valuation techniques to determine the fair value of financial instruments. This involves developing estimates and assumptions consistent with how market participants would price the same. Information about the valuation techniques and inputs used in determining the fair value are disclosed in the notes to the financial statements (refer note 3.1).

**Impairment of non-financial assets**

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit. Estimation uncertainty relates to assumptions about recoverable amount (refer note 3.5).

**Provisions and contingencies**

At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement (refer note 3.6, note 3.13)

**Impairment of financial assets**

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets (refer note 3.5).



### 3 Material accounting policy information

#### 3.1 Fair value measurement

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The Company has an established control framework with respect to the measurement of fair values. Significant valuation issues are reported to the Company's board of directors.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Further, information about the assumptions made in measuring fair values is included in note 27.

#### 3.2 Financial instruments

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

##### i. Recognition and initial measurement

All financial assets (except trade receivables) are recognised initially at fair value adjusted with transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through statement of profit and loss.

Financial liabilities are classified as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

##### ii. Subsequent measurement

###### (i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### (ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

###### (iii) Financial assets at fair value through statement of profit and loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.

###### (iv) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through statement of profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

##### iii. Financial guarantee contracts

A financial guarantee contract is a promise by one party (the guarantor) to another (the holder) to make payments if a specified debtor fails to meet their financial obligations as per the terms of contracts. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization. The financial guarantee is recognised in profit and loss account over the tenure of the guarantee.

##### iv. Offsetting of financial instruments

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



### 3.2 Financial Instruments (cont'd)

#### v. Derecognition of financial instrument

A financial asset is primarily derecognised when:

(a) The rights to receive the cash flows from the asset have expired or

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

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

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

### 3.3 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing the properties to their present location and condition. The method of determination of cost for various categories of inventories is as follows:

Real estate inventories are valued at lower of cost and net realizable value. Cost includes cost of land/land development rights, materials, services, borrowing costs and other related overheads, incurred in bringing the inventories to their present location and condition.

Construction/development material is valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost comprises of purchase price and other costs incurred in bringing the inventories to their present location and condition.

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

### 3.4 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and deposits held at call with financial institutions. Bank balances other than cash and cash equivalents includes unpaid dividend accounts and fixed deposits with maturity of more than three months but less than or equal to twelve months.

### 3.5 Impairment of assets

#### i. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

##### Trade receivables

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

##### Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due. The Company considers a financial asset to be in default when: (i) the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or (ii) the financial asset is 365 days or past due.

#### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

#### Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt and securities at fair value through other comprehensive income, the loss allowance is charged to profit or loss and its recognized in other comprehensive income.

#### ii. Impairment of non-financial assets

The Company's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents smallest group of assets that generates cash inflows that are largely independent of the cash inflows or other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognized.



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

**3.6 Provisions and contingent liabilities**

The Company recognises provisions when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. 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 recognized 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 recognized as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

**3.7 Foreign currency transactions**

Transactions in foreign currencies are translated into the respective functional currencies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at exchange rate at the date of transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

**3.8 Revenue recognition**

Revenue is recognized when control is transferred and is accounted net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below:

**Revenue with contract from customer**

Revenue is recognized upon transfer of control of promised products at an amount that reflects the consideration received/receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

Revenue is recognized either at point of time and over a period of time based on various conditions as included in the contracts with customers.

**Revenue from sale of real estate properties**

Revenue is recognized at a point in time with respect to sale of real estate properties, including land, plots, apartments, commercial properties, development rights as and when performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e., offer for possession (possession request letter) of properties have been issued to the customers and substantial sales consideration is received from the customers.

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

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

**3.9 Interest income**

Interest income is recognised on a time proportion basis as and when accrued. Interest income on financial instruments are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the asset.

**3.10 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

**3.11 Income taxes**

Income tax comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates to an item directly recognized in equity or in other comprehensive income.

**Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax also includes any tax arising from dividends.



### 3.11 Income taxes (cont'd)

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

### 3.12 Earnings per share

The basic earnings per share is computed by dividing the net profit/(loss) attributable to owner's of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/(loss) per share comprises the weighted average shares considered for deriving basic earnings/(loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

### 3.13 i) Standards issued and made effective

The Ministry of Corporate Affairs ("MCA") notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules 2015 as issued from time to time.

MCA has notified below new amendments which were effective from 01 April 2025.

#### 1. Amendments to Ind AS 1 – Classification of liabilities as current or non-current liabilities with covenants

MCA via notification dated 13 August 2025 announced amendments to Ind AS 1, Presentation of Financial Statements, which elaborate on guidance set out in Ind AS 1 by:

- Clarifying that the right to defer settlement of a liability for at least 12 months after the reporting period;
  - Must have substance; and
  - Must exist at the end of the reporting period;
- Stating that management's expectations around whether the settlement of a liability would be deferred or not, does not impact the classification of the liability;
- Including requirements of liabilities that can be settled using an entity's own instruments; and
- Stating that at the reporting date, the entity does not consider covenants that will need to be complied with in the future when considering the classification of the debt as current and non-current.

In addition an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments have resulted in additional disclosures (refer Note 13), but have not had an impact on the classification of the Group's liabilities as at the balance sheet date.

#### 2. Amendments to Ind AS 21 – Lack of exchangeability

MCA via notification dated 07 May 2025, announced amendments to Ind AS 21, The effects of Changes in Foreign Exchange Rates, to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments do not impact on the Company's financial statements.

#### 3. Amendments to Ind AS 7 and Ind AS 107 – Supplier finance arrangements

MCA via notification dated 13 August 2025 announced amendments to Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instrument: Disclosures and which introduced disclosure requirements with the objective to enable users of financial statements to assess how supplier finance arrangements affects an entity's liabilities, cashflows and exposure to liquidity risk.

The amendments do not impact on the Company's financial statements.

#### 4. Amendments to Ind AS 12 – International tax reform – pillar two model rules

MCA via notification dated 13 August 2025 announced amendments to Ind AS 12, Income taxes, which includes:

- A temporary exception to the recognition and disclosure of deferred taxes arising from the implementation of the pillar two model rules; and
- Additional disclosure requirements targeted at a reporting entity's exposure to income taxes in period in which the pillar two model legislation is enacted or substantively enacted but not yet in effect.

The amendments do not impact on the Company's financial statements.



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

3.13 ii) Standards notified but not yet effective

During the year ended 31 March 2026, MCA has notified following new standards or amendments to the existing standards applicable to the Company:

1. Amendments to Ind AS 1 - Classification of liabilities as current or non-current liabilities with covenants

Paragraph 74 of Ind AS 1 currently effective for the year ended 31 March 2026 requires the entity not to classify the liability as current, if there is a breach of a material covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, however, the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

MCA vide notification dated 13 August 2025, has introduced amendment under paragraph 74 of Ind AS 1 which required the entity to classify the liability under the aforementioned situation because, at the end of the reporting period, it does not have the right to defer its settlement for at least twelve months after that date. Such amendment has been made effective for annual reporting period beginning on or after 01 April 2026 retrospectively in accordance with Ind AS 8.

The amendment is not expected to have a material impact on the Company's financial statements.

(This space has been intentionally left blank)



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

**4 Other financial assets - non current**

|                                                                 | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-----------------------------------------------------------------|------------------------|------------------------|
| <b>At amortised cost</b>                                        |                        |                        |
| Security deposit considered good - unsecured (refer note below) | 34,267.04              | 69,750.00              |
|                                                                 | <u>34,267.04</u>       | <u>69,750.00</u>       |

**Note:**

The security deposit pertains to the interest free refundable security deposit pursuant to the joint development agreement("JDA") entered into between the land owners and the Company. The land owners are required to refund the interest free refundable security deposit within 30 days of receipt of written notice from the Company for receipt of Occupancy Certificate. The same has been discounted as per Ind As 109.

**5 Income-tax assets (net)**

|                                                                                 | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---------------------------------------------------------------------------------|------------------------|------------------------|
| Advance income tax, net of provision for taxation ₹ Nil (31 March 2025: ₹ 4.71) | -                      | 1,790.90               |
|                                                                                 | <u>-</u>               | <u>1,790.90</u>        |

**6 Inventories (valued at lower of cost or net realisable value)**

|                  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|------------------|------------------------|------------------------|
| Land stock       | 7,49,121.84            | 6,65,045.98            |
| Work in progress | 77,549.90              | 10,473.29              |
|                  | <u>8,26,671.74</u>     | <u>6,75,519.27</u>     |

**Note:**

The Company has mortgaged, by way of a pari passu charge, all its present and future rights, title, interest and benefit in relation to the identified inventories in favour of the debenture trustee for the non-convertible debentures issued by the Company and Summit Developments Limited.

The Company has capitalised an amount of ₹ 30,448.23 as interest costs incurred for the project.

**7 Cash and cash equivalents**

|                       | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-----------------------|------------------------|------------------------|
| Balances with banks   | 2,48,807.03            | 46,439.22              |
| - in current accounts | <u>2,48,807.03</u>     | <u>46,439.22</u>       |

**Note:** The Company has created pari passu charge on all its present and future rights, in such current accounts.

**8 Bank balances other than cash and cash equivalents**

|                                                                                                                         | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Deposits with original maturity for more than 3 months but less than 12 months.<br>(including interest accrued thereon) | -                      | 2.06                   |
|                                                                                                                         | <u>-</u>               | <u>2.06</u>            |

**9 Other financial assets - current**

|                   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-------------------|------------------------|------------------------|
| Other receivables | -                      | 90.00                  |
|                   | <u>-</u>               | <u>90.00</u>           |

**10 Other non-financial assets - current**

|                                     | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-------------------------------------|------------------------|------------------------|
| Advances to suppliers               | 187.25                 | -                      |
| Balance with government authorities | -                      | 1,200.53               |
| Prepaid expenses                    | 45.69                  | -                      |
|                                     | <u>232.94</u>          | <u>1,200.53</u>        |

(This space has been intentionally left blank)



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

#### 11 Equity Share capital

|                                                              | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--------------------------------------------------------------|------------------------|------------------------|
| <b>Authorised</b>                                            |                        |                        |
| 100,000 (31 March 2025 - 100,000) equity shares of ₹ 10 each | 1,000.00               | 1,000.00               |
|                                                              | <u>1,000.00</u>        | <u>1,000.00</u>        |
| <b>Issued, subscribed and fully paid-up capital</b>          |                        |                        |
| 10,000 (31 March 2025 - 10,000) equity shares of ₹ 10 each   | 100.00                 | 100.00                 |
|                                                              | <u>100.00</u>          | <u>100.00</u>          |

#### A. Share held by holding Company and shareholders holding more than 5% equity shares of the Company:

| As at 31 March 2026                                            | Number of<br>shares | % Holding   | ₹ in thousands |
|----------------------------------------------------------------|---------------------|-------------|----------------|
| Embassy Developments Limited*                                  | 10,000.00           | 100%        | 100.00         |
|                                                                | <u>10,000.00</u>    | <u>100%</u> | <u>100.00</u>  |
| <b>As at 31 March 2025</b>                                     |                     |             |                |
| Embassy Real Estate Developments and Services Private Limited* | 10,000.00           | 100%        | 100.00         |
|                                                                | <u>10,000.00</u>    | <u>100%</u> | <u>100.00</u>  |

\*Including nominee shares

#### B. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year is as given below:

|                                    | As at 31 March 2026 |               | As at 31 March 2025 |               |
|------------------------------------|---------------------|---------------|---------------------|---------------|
|                                    | Number of shares    | Amount        | Number of shares    | Amount        |
| At the beginning of the year       | 10,000              | 100.00        | 10,000              | 100.00        |
| Issued during the year             | -                   | -             | -                   | -             |
| Outstanding at the end of the year | <u>10,000</u>       | <u>100.00</u> | <u>10,000</u>       | <u>100.00</u> |

#### C. Rights, preferences and restrictions attached to equity:

The Company has only one class of equity shares having par value of ₹ 10 each. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders' meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' meeting. 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 General Meeting.

In the event of liquidation of the Company, the holders 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.

#### D. Buy back of shares and shares allotted by way of bonus shares

There have been no buy back of shares, issue of shares by way of bonus share or issue of share pursuant to contract without payment being received in cash from the date of incorporation.

#### E. Details of shares held by promoters

Details of shares held by the promoters through group companies is as below:

|                                                               | Number of<br>shares | % of Total<br>Shares | % change during<br>the year |
|---------------------------------------------------------------|---------------------|----------------------|-----------------------------|
| <b>As at 31 March 2026</b>                                    |                     |                      |                             |
| Embassy Developments Limited                                  | 10,000              | 100%                 | 100%                        |
| <b>As at 31 March 2025</b>                                    |                     |                      |                             |
| Embassy Real Estate Developments and Services Private Limited | 10,000              | 100%                 | -                           |

#### 12 Other equity

|                                                                                           | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Retained earnings</b>                                                                  |                        |                        |
| Balance at the beginning of the year                                                      | (25,014.84)            | (6,952.73)             |
| Profit/(loss) for the year                                                                | 5,456.10               | (18,062.11)            |
| Balance at the end of the year                                                            | <u>(19,558.74)</u>     | <u>(25,014.84)</u>     |
| <b>Corporate guarantee given to/received from Holding Company and fellow subsidiaries</b> |                        |                        |
| Balance at the beginning of the year                                                      | -                      | -                      |
| Corporate guarantee given to fellow subsidiary                                            | (14,064.82)            | -                      |
| Corporate guarantee received from holding company and fellow subsidiaries                 | 2,962.30               | -                      |
| Balance at the end of the year                                                            | <u>(11,102.52)</u>     | <u>-</u>               |
| <b>Total</b>                                                                              | <u>(30,661.26)</u>     | <u>(25,014.84)</u>     |

#### Retained earnings :

The cumulative profit/(loss) arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit/(loss) is transferred from the statement of profit and loss to the retained earnings account.

#### Corporate guarantee given to/received from Holding Company and fellow subsidiaries

Equity contribution represents corporate guarantee facility received from the Holding Company and certain fellow subsidiaries and corporate guarantee facility given to fellow subsidiaries. This balance is accounted for as per the provisions of Ind AS towards recognition of corporate guarantee (financial guarantee).

#### 13 Borrowings - non current

|                                                       | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-------------------------------------------------------|------------------------|------------------------|
| <b>Secured</b>                                        |                        |                        |
| Non convertible debentures ('NCD') (refer note below) | 2,47,101.36            | -                      |
|                                                       | <u>2,47,101.36</u>     | <u>-</u>               |



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

**Notes:**

**Terms and repayment schedule**

- (a) The Company entered into debenture trust deed dated 12 March 2026 for issue of 13,000 listed, rated, senior, secured, redeemable NCD having face value of ₹ 100.00 for an aggregate of ₹ 1,300,000.00.
- (b) The NCD carry an interest rate of 13.50% per annum compounded monthly and a redemption premium of 3.25% per annum compounded monthly with a total yield of 18.10% per annum on IRR basis and to be redeemed as per schedule below.
- (c) The NCD are redeemable in quarterly tranches commencing from the 9th quarter from the date of allotment, as per the following schedule:
- |                                            |
|--------------------------------------------|
| 12.50% each in the 9th and 10th quarters   |
| 8.75% each from the 11th to 14th quarters  |
| 10.00% each from the 15th to 18th quarters |
- The NCD are fully redeemable by 31 August 2030. The outstanding balance of NCD as at 31 March 2026 amounts to ₹ 247,101.36 (31 March 2025: Nil).
- (d) **Guarantee and other credit comfort:**  
The NCD are guaranteed by Embassy Developments Limited ("Holding Company"), Summit Developments Limited (formerly known as Summit Developments Private Limited), Fama Builders and Developers Limited, Juventus Infrastructure Limited, Juventus Properties Limited, Selene Land Development Limited, Lavone Builders and Developers Limited, Lucina Builders and Developers Limited, Lucina Properties Limited, Selene Land Development Limited and Vindhya Developers Limited (together "Obligors") pursuant to the relevant deed of guarantee.
- (e) **Security details:**  
a) Identified immovable assets (present and future) of the Company, Fama Builders and Developers Limited, Juventus Infrastructure Limited, Juventus Properties Limited, Lavone Builders and Developers Limited, Lucina Builders and Developers Limited, Lucina Properties Limited, Selene Land Development Limited and Vindhya Developers Limited are charged on a first ranking pari passu basis in favour of debenture holders (shared only with existing secured lender, w.r.t. NCD issued by the Company and Summit Developments Limited).  
b) All movable assets and bank accounts of the obligors (except Holding Company) are secured through first-ranking pari passu charge, including receivables and other moveable assets.  
c) All receivables arising under subordination arrangements are also secured through a first-ranking pari passu charge, ensuring lenders have claim over these cash flows as well.  
d) Pledge over shares of the Company, Summit Developments Limited (formerly known as Summit Developments Private Limited), Fama Builders and Developers Limited, Juventus Infrastructure Limited, Juventus Properties Limited, Lavone Builders and Developers Limited, Lucina Builders and Developers Limited, Lucina Properties Limited, Selene Land Development Limited and Vindhya Developers Limited.
- (f) **Financial Covenants:**  
The Company, until the final settlement date, shall ensure, at all times, that the security cover remains at least one point five times (1.5x) of the debenture outstanding at any point of time. The Company has complied with the covenants during the reporting period.

**14 Other financial liabilities - non current**

Unearned financial guarantee commission

| As at<br>31 March 2026 | As at<br>31 March 2025 |
|------------------------|------------------------|
| 4,060.24               | -                      |
| <b>4,060.24</b>        | <b>-</b>               |

**15 Borrowings - current**

Loan from related parties (Refer note (a) below)  
Loan from Holding Company (Refer note (b) below)

| As at<br>31 March 2026 | As at<br>31 March 2025 |
|------------------------|------------------------|
| -                      | 8,09,454.76            |
| 8,71,312.40            | -                      |
| <b>8,71,312.40</b>     | <b>8,09,454.76</b>     |

- (a) Inter-corporate deposit was obtained from a related party, Embassy Property Developments Private Limited, carrying an interest rate of 13.25% per annum and repayable on demand. The inter-corporate deposit and related interest were repaid during the year
- (b) Inter-corporate deposit from Holding Company is interest free and repayable on demand.

**16 Trade payables**

Trade payables  
- total outstanding dues of micro enterprises and small enterprises (MSME) (refer note b)  
- total outstanding dues of creditors other than micro enterprises and small enterprises

| As at<br>31 March 2026 | As at<br>31 March 2025 |
|------------------------|------------------------|
| 412.56                 | 7,396.09               |
| 12,927.00              | 1,982.83               |
| <b>13,339.56</b>       | <b>9,378.92</b>        |

**a. Trade payables ageing schedules**

|                                              | Not due  | Outstanding for following periods from due date of payment |           |           |                   | Total     |
|----------------------------------------------|----------|------------------------------------------------------------|-----------|-----------|-------------------|-----------|
|                                              |          | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years |           |
| <b>As at 31 March 2026</b>                   |          |                                                            |           |           |                   |           |
| Undisputed dues to MSME                      | 87.08    | 325.48                                                     | -         | -         | -                 | 412.56    |
| Undisputed dues to creditors other than MSME | 3,033.34 | 9,893.66                                                   | -         | -         | -                 | 12,927.00 |
| Disputed dues - MSME                         | -        | -                                                          | -         | -         | -                 | -         |
| Disputed dues - Others                       | -        | -                                                          | -         | -         | -                 | -         |
| <b>As at 31 March 2025</b>                   |          |                                                            |           |           |                   |           |
| Undisputed dues to MSME                      | -        | 7,396.09                                                   | -         | -         | -                 | 7,396.09  |
| Undisputed dues to creditors other than MSME | 176.77   | 1,797.21                                                   | 8.85      | -         | -                 | 1,982.83  |
| Disputed dues - MSME                         | -        | -                                                          | -         | -         | -                 | -         |
| Disputed dues - Others                       | -        | -                                                          | -         | -         | -                 | -         |

**b. Dues to micro enterprises and small enterprises**

|                                                                                                                                                                                                                                                                                     | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year                                                                                                                                                         | 412.56                 | 7,396.09               |
| 2. The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, along with the amounts of the payment made to the supplier beyond the appointed day during the year;                                                                                         | -                      | -                      |
| 3. 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.                                                              | -                      | -                      |
| 4. The amount of interest accrued and remaining unpaid at the end of each accounting year; and                                                                                                                                                                                      | -                      | -                      |
| 5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act. | -                      | -                      |

\* No interest has been paid by the Company during the year. The Company has not received any claim for interest during the year ended 31 March 2026 and 31 March 2025.



**Squadron Developers Limited (formerly known as Squadron Developers Private Limited)**

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

**17 Other financial liabilities - current**

|                                         | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-----------------------------------------|------------------------|------------------------|
| Unearned financial guarantee commission | 2,230.44               | -                      |
|                                         | <u>2,230.44</u>        | <u>-</u>               |

**18 Other non financial liabilities - current**

|                        | As at<br>31 March 2026 | As at<br>31 March 2025 |
|------------------------|------------------------|------------------------|
| Statutory dues payable | 2,496.01               | 873.14                 |
|                        | <u>2,496.01</u>        | <u>873.14</u>          |

**19 Other income**

|                                                        | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|--------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Interest income</b>                                 |                             |                             |
| Interest on financial assets carried at amortised cost | 3,073.17                    | 17,899.59                   |
| Interest income on income tax refund                   | 98.52                       | 218.03                      |
| <b>Other non-operating income</b>                      |                             |                             |
| Assignment fee                                         | -                           | 500.00                      |
| Guarantee commission                                   | 7,774.13                    | -                           |
|                                                        | <u>10,945.82</u>            | <u>18,617.62</u>            |

**20 Change in inventories of finished goods and construction work-in-progress**

|                                                 | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|-------------------------------------------------|-----------------------------|-----------------------------|
| <b>Inventories at the end of the year</b>       |                             |                             |
| - Land stock                                    | 7,49,121.84                 | 6,65,045.98                 |
| - Work in progress                              | 77,549.90                   | 10,473.29                   |
| <b>Inventories at the beginning of the year</b> |                             |                             |
| - Land stock                                    | 6,65,045.98                 | -                           |
| - Work in progress                              | 10,473.29                   | -                           |
|                                                 | <u>(1,51,152.47)</u>        | <u>(6,75,519.27)</u>        |

**21 Other expenses**

|                                   | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|-----------------------------------|-----------------------------|-----------------------------|
| Rates and taxes                   | 256.14                      | 544.55                      |
| Bank charges                      | 36.79                       | -                           |
| Professional charges              | 2,334.19                    | 35,630.13                   |
| Audit fees (refer note (a) below) | 2,519.36                    | 29.50                       |
| Advertisement charges             | 241.96                      | 429.66                      |
| Foreign exchange loss             | 50.94                       | -                           |
| Power and Fuel                    | 14.10                       | -                           |
| Insurance                         | 12.22                       | -                           |
| Miscellaneous expenses            | 24.02                       | 41.18                       |
|                                   | <u>5,489.72</u>             | <u>36,675.02</u>            |

**(a) Payment to auditor (excluding taxes)**

|                           |                 |              |
|---------------------------|-----------------|--------------|
| As auditors               |                 |              |
| - for statutory audit     | 2,133.50        | 29.50        |
| - for certification       | 354.00          | -            |
| Reimbursement of expenses | 31.86           | -            |
|                           | <u>2,519.36</u> | <u>29.50</u> |

**22 Expenditure on corporate social responsibility activities**

The Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2026 and 31 March 2025.

**23 Taxes**

a) The Company has not recognised income tax expense in the statement of profit and loss and other comprehensive income during the year.

**b) Reconciliation of effective tax rate**

|                                                                                      | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Profit/(loss) before tax</b>                                                      | 5,456.10               | (18,057.40)            |
| Tax as per Income tax Act, 1961 i.e. rate of 25.168% (31 March 2025: 25.168%)        | 1,418.59               | (4,694.92)             |
| <b>Effect of:</b>                                                                    |                        |                        |
| Tax impact of items which will never be allowed/ adjusted                            | (2,729.42)             | 496.85                 |
| Unused tax losses and temporary differences for which deferred tax is not recognised | 1,310.84               | 4,202.78               |
| <b>Tax expense</b>                                                                   | <u>-</u>               | <u>4.71</u>            |

**c) Expiration of losses carried forward**

Deferred tax assets have not been recognised as it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

|               | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---------------|------------------------|------------------------|
| 31 March 2033 | -                      | 15,481.64              |
| 31 March 2034 | 7,468.93               | -                      |
|               | <u>7,468.93</u>        | <u>15,481.64</u>       |

**Notes:**

i) The Company does not have unabsorbed depreciation loss to be carried forward indefinitely.

ii) All brought forward losses, incurred prior to the financial year lapsed on 31 March 2026 due to change in shareholding, as per Section 79 of the Income Tax Act, 1961.



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

#### 24 Earnings per share (EPS)

Basic earnings per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share amounts are calculated by dividing the loss attributable to equity holders (after adjusting for saving in interest or dividend expenses, net of taxes) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

|                                                                                                                  | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| The following reflects the loss and weighted average number of shares data used in the computation:              |                             |                             |
| Profit/(loss) for the year attributable to equity shareholders                                                   | 5,456.10                    | (18,062.11)                 |
| Weighted average number of equity shares for calculating basic and diluted earnings per share (refer note below) | 10,000.00                   | 10,000.00                   |
| Nominal value per share (₹)                                                                                      | 10.00                       | 10.00                       |
| Basic earnings per share (₹)                                                                                     | 545.61                      | (1,806.21)                  |
| Dilutive earnings per share (₹)                                                                                  | 545.61                      | (1,806.21)                  |

#### Note:

##### Reconciliation of basic and diluted shares used in computing earnings per share

|                                                                                                     |           |           |
|-----------------------------------------------------------------------------------------------------|-----------|-----------|
| Weighted average number of equity shares outstanding during the year for calculation of basic EPS   | 10,000.00 | 10,000.00 |
| Effect of dilutive potential equity shares                                                          | -         | -         |
| Weighted average number of equity shares outstanding during the year for calculation of diluted EPS | 10,000.00 | 10,000.00 |

#### 25 Segment information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. The Company's business activities fall within one component (namely, "real estate development"). Accordingly, separate disclosures per the requirements of Ind AS 108, Operating Segments, are not considering necessary. Further, the Company operates only in India. Hence, no disclosure for geographical segment is considered necessary.

(This space has been intentionally left blank)



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

## 26 Related party disclosures

### (i) Related parties with whom transactions have taken place during the year

|                                                                                   |                          |
|-----------------------------------------------------------------------------------|--------------------------|
| Embassy Property Developments Private Limited (till 25 June 2025)                 | Ultimate Holding Company |
| Embassy Developments Limited (with effect from 26 June 2025)                      | Holding Company          |
| Embassy Real Estate Developments and Services Private Limited (till 25 June 2025) | Holding Company          |
| Summit Developments Limited (with effect from 26 June 2025)                       | Fellow Subsidiary        |
| Equinox India Infraestate Limited (with effect from 26 June 2025)                 | Fellow Subsidiary        |
| Vindhyachal Developers Limited (with effect from 26 June 2025)                    | Fellow Subsidiary        |
| Juventus Infrastructure Limited (with effect from 26 June 2025)                   | Fellow Subsidiary        |
| Juventus Properties Limited (with effect from 26 June 2025)                       | Fellow Subsidiary        |
| Lavone Builders and Developers Limited (with effect from 26 June 2025)            | Fellow Subsidiary        |
| Lucina Builders and Developers Limited (with effect from 26 June 2025)            | Fellow Subsidiary        |
| Lucina Properties Limited (with effect from 26 June 2025)                         | Fellow Subsidiary        |
| Selene Land Development Limited (with effect from 26 June 2025)                   | Fellow Subsidiary        |
| Fama Builders and Developers Limited (with effect from 26 June 2025)              | Fellow Subsidiary        |

Entities where KMP or related parties of the KMP are in common or exercise significant influence/ control

Paledium Security Services LLP  
Embassy Property Developments Private Limited (with effect from 26 June 2025)

#### Key management personnel

Rajesh Kaimal, Director  
Raghavendra R Y, Director (with effect from 26 June 2025)  
Swarna R Malharikar, Director (with effect from 26 June 2025)  
B S Narayanan, Director (till 25 June 2025)  
Deepak Verma, Chief Financial Officer (with effect from 18 February 2026)  
Ritu Garg, Company Secretary (with effect from 18 February 2026)

### (ii) Related Party transactions during the year:

|                                                   | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|---------------------------------------------------|-----------------------------|-----------------------------|
| <b>Borrowing</b>                                  |                             |                             |
| Embassy Property Developments Private Limited     | 19,386.51                   | 1,37,032.49                 |
| Embassy Developments Limited                      | 8,71,312.40                 | -                           |
| Equinox India Infraestate Limited                 | 5,575.11                    | -                           |
| <b>Interest on inter-corporate deposits taken</b> |                             |                             |
| Embassy Property Developments Private Limited     | 28,884.55                   | -                           |
| <b>Inter corporate deposit taken repaid</b>       |                             |                             |
| Embassy Property Developments Private Limited     | 8,28,841.28                 | 1,34,600.00                 |
| Equinox India Infraestate Limited                 | 5,575.11                    | -                           |
| <b>Legal and Professional Charges</b>             |                             |                             |
| Embassy Developments Limited                      | 708.00                      | -                           |
| Embassy Property Developments Private Limited     | -                           | 35,400.00                   |
| <b>Project Cost</b>                               |                             |                             |
| Paledium Security Services LLP                    | 1,114.76                    | -                           |

### (iii) Balances receivable from and payable to related parties

| Particulars                                   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-----------------------------------------------|------------------------|------------------------|
| <b>Borrowings</b>                             |                        |                        |
| Embassy Property Developments Private Limited | -                      | 8,09,454.76            |
| Embassy Developments Limited                  | 8,71,312.40            | -                      |
| <b>Trade payables</b>                         |                        |                        |
| Paledium Security Services LLP                | 85.61                  | -                      |

#### Notes:

- (a) During the year, the Company has given guarantee to Equinox India Infraestate Limited in respect of non-convertible debentures aggregating to ₹ 65,00,000.00 out of which debentures to the tune of ₹ 3,050,000.00 were issued during the current year and paid back as well. Hence, the current exposure of the Company is Nil.

During the year, the Company has also given guarantee to Summit Developments Limited, Fellow subsidiary, in respect of non-convertible debentures aggregating to ₹ 7,200,000.00 As on 31 March 2026, debentures amounting to ₹ 4,399,830.00 are issued (net of repayments) and outstanding under this arrangement.

- (b) The Company has also received guarantee from the Holding Company and fellow subsidiaries for the non-convertible debentures issued by the Company. Also, refer note 13 for security related details.

- (c) Embassy Developments Limited ('Holding Company') has given financial support to the Company to meet its financial commitments for 12 months from the date of these financial statements.

- (d) All related party transactions have been entered on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash.



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

27 Financial instruments - fair value measurement and Financial risk management

A. Accounting classification and fair value

| As at March 31, 2026                               | Note      | Carrying value | Fair value |         |         | Total        |
|----------------------------------------------------|-----------|----------------|------------|---------|---------|--------------|
|                                                    |           |                | Level 1    | Level 2 | Level 3 |              |
| Financial assets measured at amortised cost:       |           |                |            |         |         |              |
| Other non-current financial assets                 | 4         | 34,267.04      | -          | -       | -       | 34,267.04    |
| Cash and cash equivalents                          | 7         | 2,48,807.03    | -          | -       | -       | 2,48,807.03  |
|                                                    |           | 2,83,074.07    | -          | -       | -       | 2,83,074.07  |
| Financial liabilities measured at amortised cost:  |           |                |            |         |         |              |
| Borrowings (including current maturities)          | 13 and 15 | 11,18,413.76   | -          | -       | -       | 11,18,413.76 |
| Trade payables                                     | 16        | 13,339.56      | -          | -       | -       | 13,339.56    |
| Other financial liabilities                        | 14 and 17 | 6,290.68       | -          | -       | -       | 6,290.68     |
|                                                    |           | 11,38,044.00   | -          | -       | -       | 11,38,044.00 |
| As at March 31, 2025                               | Note      | Carrying value | Fair value |         |         | Total        |
|                                                    |           |                | Level 1    | Level 2 | Level 3 |              |
| Financial assets measured at amortised cost:       |           |                |            |         |         |              |
| Other non-current financial assets                 | 4         | 69,750.00      | -          | -       | -       | 69,750.00    |
| Cash and cash equivalents                          | 7         | 46,439.22      | -          | -       | -       | 46,439.22    |
| Bank balances other than cash and cash equivalents | 8         | 2.06           | -          | -       | -       | 2.06         |
| Other financial assets                             | 9         | 90.00          | -          | -       | -       | 90.00        |
|                                                    |           | 1,16,281.28    | -          | -       | -       | 1,16,281.28  |
| Financial liabilities measured at amortised cost:  |           |                |            |         |         |              |
| Borrowings (including current maturities)          | 13 and 15 | 8,09,454.76    | -          | -       | -       | 8,09,454.76  |
| Trade payables                                     | 16        | 9,378.92       | -          | -       | -       | 9,378.92     |
|                                                    |           | 8,18,833.68    | -          | -       | -       | 8,18,833.68  |

The Company has not disclosed the fair values for financial instruments such as loans, cash and cash equivalents, other financial assets, other financial liabilities and trade payables because their carrying amounts are a reasonable approximation of fair value.

The borrowings of the Company do not have any comparable instrument having the similar terms and conditions with related security being mortgaged and hence the carrying value of the borrowings represents the best estimate of fair value.

(This space has been intentionally left blank)



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

## 27 Financial Instruments (Cont'd)

### B. Financial risk management

The Company's financial assets majorly comprise of cash and cash equivalents and other financial assets. The Company's financial liabilities majorly comprises of borrowings and trade payables.

The Company is exposed to credit risk, liquidity risk and currency risk arising out of operations and the use of financial instruments. The Board of Directors have overall responsibility for establishment and review of the Company's risk management framework.

#### (i) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

#### (ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks, inter-corporate deposits and other financial instruments.

The carrying amount of financial assets represents the maximum credit exposure.

The Company limits its exposure to credit risk by investing in liquid securities and maintaining bank balances only with counterparties that have good credit rating. The Company invests as per the guidelines approved by the Board to mitigate this risk. Cash is placed with reputable banks and the risk of default is considered remote.

|                                                                                                                                                                | Period ended  | Asset group                                        | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount, net of impairment provision |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------------------------|--------------------------------------------|---------------------------------|------------------------|----------------------------------------------|
| Loss allowance measured at 12 month expected credit loss<br>(Financial assets for which credit risk has not increased significantly since initial recognition) | 31 March 2026 | Security deposits                                  | 34,267.04                                  | -                               | -                      | 34,267.04                                    |
|                                                                                                                                                                |               | Cash and cash equivalents                          | 2,48,807.03                                | -                               | -                      | 2,48,807.03                                  |
|                                                                                                                                                                | 31 March 2025 | Security deposits                                  | 69,750.00                                  | -                               | -                      | 69,750.00                                    |
|                                                                                                                                                                |               | Cash and cash equivalents                          | 46,439.22                                  | -                               | -                      | 46,439.22                                    |
|                                                                                                                                                                |               | Bank balances other than cash and cash equivalents | 2.06                                       | -                               | -                      | 2.06                                         |
|                                                                                                                                                                |               | Other financial assets                             | 90.00                                      | -                               | -                      | 90.00                                        |

The maximum exposure as at 31 March 2026 is the carrying amount of these instruments i.e. ₹ 283,074.07 (31 March 2025: ₹ 116,281.27).

**For cash and cash equivalents and other bank balances** - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents and other bank balances is evaluated as very low.

**For security deposits paid** - Credit risk is considered low because the Company is having possession for the lands under JDA for this security deposit.

#### (iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets. Usually the excess of funds is invested in short term mutual funds and fixed deposits. This is generally carried out 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.

#### Financing arrangements

The Company has undrawn borrowing facilities at the end of the reporting period amounting to ₹ 1,178,687.61 (31 March 2025: ₹ 190,545.24).

#### Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted contractual cash flow, and include accrued interest payments.

| As at March 31, 2026                        | Carrying amount     | Total               | Less than 1 year   | 1 to 3 years       | 3 to 5 years       | More than 5 years |
|---------------------------------------------|---------------------|---------------------|--------------------|--------------------|--------------------|-------------------|
| <b>Non-derivative financial liabilities</b> |                     |                     |                    |                    |                    |                   |
| Borrowings (including current maturities)   | 11,18,413.75        | 11,22,918.56        | 8,72,918.56        | 1,06,250.00        | 1,43,750.00        | -                 |
| Interest accrued but not due                |                     |                     |                    |                    |                    |                   |
| - on compulsory convertible debentures      |                     | -                   | -                  | -                  | -                  | -                 |
| - on inter corporate deposits               |                     | -                   | -                  | -                  | -                  | -                 |
| Retention dues                              |                     | -                   | -                  | -                  | -                  | -                 |
| Trade payables                              | 13,339.56           | 13,339.56           | 13,339.56          | -                  | -                  | -                 |
| Other financial liabilities                 | 6,290.69            | 6,290.69            | 2,230.44           | 3,403.46           | 656.78             | -                 |
| <b>Total</b>                                | <b>11,38,044.00</b> | <b>11,42,548.81</b> | <b>8,88,488.56</b> | <b>1,09,653.46</b> | <b>1,44,406.78</b> | <b>-</b>          |
| As at March 31, 2025                        | Carrying amount     | Total               | Less than 1 year   | 1 to 3 years       | 1 to 5 years       | More than 5 years |
| <b>Non-derivative financial liabilities</b> |                     |                     |                    |                    |                    |                   |
| Borrowings (including current maturities)   | 8,09,454.76         | 8,09,454.76         | 8,09,454.76        | -                  | -                  | -                 |
| Trade payables                              | 9,378.92            | 9,378.92            | 9,378.92           | -                  | -                  | -                 |
| <b>Total</b>                                | <b>8,18,833.68</b>  | <b>8,18,833.68</b>  | <b>8,18,833.67</b> | <b>-</b>           | <b>-</b>           | <b>-</b>          |



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

## 27 Financial instruments (Cont'd)

### (iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Market risk comprises of currency risk, interest rate risk and price risk. The Company is primarily exposed to currency risk.

### Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of transacting parties. The functional currency of the Company is ₹.

(a) As at March 31, 2026, there were no outstanding forward contracts.

(b) As at March 31, 2026, there were no hedged foreign currency exposure.

(c) Exposure to foreign currency risk:

The summary quantitative data about the Company's exposure to currency risk as reported to the management is as follows.

|                                                                     | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---------------------------------------------------------------------|------------------------|------------------------|
| <b>Financial liabilities</b>                                        |                        |                        |
| <b>Trade payables</b>                                               |                        |                        |
| SGD (amounts expressed in ₹)                                        | 3,336.55               | -                      |
| USD (amounts expressed in ₹)                                        | 5,469.09               | -                      |
| <b>Total financial liabilities</b>                                  | <b>8,805.65</b>        | <b>-</b>               |
| <b>Net exposure in respect of recognised assets and liabilities</b> | <b>8,805.65</b>        | <b>-</b>               |

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the respective currencies against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

|               | Profit or Loss          |                     | Equity, net of tax      |                     |
|---------------|-------------------------|---------------------|-------------------------|---------------------|
|               | Strengthening<br>(+ 1%) | Weakening<br>(- 1%) | Strengthening<br>(+ 1%) | Weakening<br>(- 1%) |
| March 31 2026 | 88.06                   | (88.06)             | 87.83                   | (87.83)             |
| March 31 2025 | -                       | -                   | -                       | -                   |

(This space has been intentionally left blank)



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

## 28 Capital management

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

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. The Company's adjusted net debt to equity ratio at 31 March 2026 and 31 March 2025 is as follows:

|                                   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-----------------------------------|------------------------|------------------------|
| Total liabilities                 | 11,40,540.01           | 8,19,706.82            |
| Less: Cash and cash equivalents   | 2,48,807.03            | 46,439.22              |
| Adjusted net debt                 | 8,91,732.99            | 7,73,267.60            |
| Total equity                      | (30,661.26)            | (25,014.84)            |
| Total equity                      | (30,661.26)            | (25,014.84)            |
| Adjusted net debt to equity ratio | (29.08)                | (30.91)                |

29 (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) The Company has complied with provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).

## 30 Contingent liabilities and commitments

### A Contingent liabilities

(i) During the year ended 31 March 2026, the Company provided a corporate guarantee of ₹ 7,200,000.00 ('sanctioned amount') in respect of unlisted non-convertible debentures issued by Summit Developments Limited (formerly known as Summit Developments Private Limited) ('the fellow subsidiary'), against which debentures amounting to ₹ 5,200,000.00 were allotted and post partial repayment ₹ 4,399,830.00 is outstanding as at 31 March 2026 (31 March 2025 - Nil). The corporate guarantee is unconditional, irrevocable and continuing in nature, and remains in force until full repayment of the aforesaid non-convertible debentures. As at 31 March 2026, no liability has crystallised under this arrangement.

### B Commitments

(i) The Company does not have any outstanding capital commitments as at 31 March 2026 (31 March 2025 - Nil).

(This space has been intentionally left blank)



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)

CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)

(All amounts in ₹ thousands, unless otherwise stated)

**31 Ratio Analysis and its elements**

| Ratio                       | Numerator                                             | Denominator                                                        | 31 March 2026 | 31 March 2025 | % Change  | Reason for variance |
|-----------------------------|-------------------------------------------------------|--------------------------------------------------------------------|---------------|---------------|-----------|---------------------|
| Current ratio               | Current Assets                                        | Current Liabilities                                                | 1.21          | 0.88          | 37.08%    | Note 1              |
| Debt Equity Ratio           | Total Debt                                            | Shareholder's Equity                                               | (36.60)       | (32.49)       | 12.64%    |                     |
| Debt Service Coverage ratio | Profit before exception items, tax and finance cost   | Finance cost + Principal repayment made for non-current borrowings | 1.82          | 0.18          | 911.11%   | Note 2              |
| Return on Equity ratio      | Net Profits/(loss) after taxes                        | Average shareholder's equity                                       | (0.18)        | 0.72          | (124.63)% | Note 3              |
| Net Profit/(Loss) ratio     | Net profit for the period                             | Total income                                                       | 0.50          | (0.97)        | (151.39)% | Note 3              |
| Return on Capital Employed  | Profit before exceptional items, tax and finance cost | Networth + Debt                                                    | 0.01          | (0.02)        | (121.79)% | Note 4              |

**Notes:**

1. The change in ratio is mainly attributable to increase in current assets on account of proceeds from issue of debentures lying in bank.
2. The change in ratio is mainly attributable to interest accrued during the current year on account of issue of debentures and other interest bearing loans and increase in profits on account of less professional charges incurred
3. The change in ratio is mainly attributable to increase in profits on account of less professional charges incurred.
4. The change in ratio is mainly attributable to increase in debt on account of issue of debentures.

**Note:** The ratios as required under Schedule III to the Act, to the extent not applicable has not been furnished.

(This space has been intentionally left blank)



Squadron Developers Limited (formerly known as Squadron Developers Private Limited)  
CIN : U70100KA2022PLC158620

Material accounting policy information and other explanatory information to the financial statements for the year ended 31 March 2026 (cont'd)  
(All amounts in ₹ thousands unless otherwise stated)

32 Other statutory Information

- a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.  
b) The Company does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.  
c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.  
d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.  
e) The Company has not defaulted in repayment of loans, or other borrowings or payment of interest thereon to any lender.  
f) The Company has not been declared as wilful defaulter by the bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guideline on wilful defaulter issued by the Reserve Bank of India.  
g) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).  
h) In the opinion of the board of directors, all assets have a value on realization in the ordinary course of the business at least equal to the amounts at which they are stated and provision for all known liabilities have been made.  
i) The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses.  
j) The Company is engaged in business of providing infrastructural facilities as per section 186(11) read with Schedule III of the Act, accordingly disclosure as per section 186(4) of the Act is not applicable.

33 Reconciliation of movements of liabilities to cash flows arising from financing activities:

|            | As at<br>01 April 2025 | Cash flows   |                                                     |                                      | Non-cash<br>movement (Fair<br>value changes) | As at<br>31 March 2026 |
|------------|------------------------|--------------|-----------------------------------------------------|--------------------------------------|----------------------------------------------|------------------------|
|            |                        | Proceeds     | Repayments<br>(including other<br>borrowings costs) | Interest<br>expenses (net of<br>TDS) |                                              |                        |
| Borrowings | 8,09,454.76            | 11,46,274.01 | (8,64,800.94)                                       | 30,448.93                            | (2,962.30)                                   | 11,18,414.46           |

|            | As at<br>01 April 2024 | Cash flows  |                                                     |                                      | Non-cash<br>movement (Fair<br>value changes) | As at<br>31 March 2025 |
|------------|------------------------|-------------|-----------------------------------------------------|--------------------------------------|----------------------------------------------|------------------------|
|            |                        | Proceeds    | Repayments<br>(including other<br>borrowings costs) | Interest<br>expenses (net of<br>TDS) |                                              |                        |
| Borrowings | 8,07,022.27            | 1,37,032.49 | (1,34,600.00)                                       | -                                    | -                                            | 8,09,454.76            |

34 Audit trail

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

The Company, in respect of the financial year commencing on 1 April 2025, has used an accounting software for maintaining books of accounts. The Company has enabled the feature of recording audit trail (edit log) except that the audit trail feature was not enabled for changes made using privileged access rights for direct data changes at the database level. However, the tables at such database level did not impact financial reporting for the year. Other than consequential impact of the above, there was no instance of the audit trail feature being tampered with. Further, the Company has preserved the audit trail feature as per the statutory requirements for record retention in the accounting software except that audit trail at the database level has not been preserved by the Company for the period 01 April 2023 to 09 January 2024.

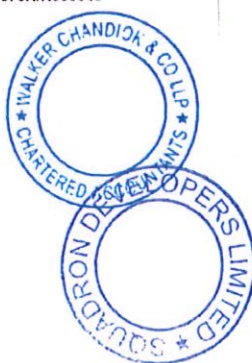
35 Previous year's comparatives have been regrouped wherever necessary to conform to the current year's presentation and any such reclassification/regrouping is immaterial to the users of the financial statements.

As per our report of even date attached.

For Walker Chandlok & Co LLP  
Chartered Accountants  
Firm's registration number: 001076N/N500013

*Madhu Sudan*  
Madhu Sudan Malpani  
Partner  
Membership No. 517440

Place: Gurugram  
Date: 19 May 2026



For and on behalf of the Board of Directors of  
Squadron Developers Limited  
(formerly known as Squadron Developers Private Limited)

*Rajesh Kaimal*  
Rajesh Kaimal  
Director  
DIN: 03158687

Place: Bengaluru  
Date: 19 May 2026

*Deepak Verma*  
Deepak Verma  
Chief Financial Officer

Place: Bengaluru  
Date: 19 May 2026

*Raghavendra R Y*  
Raghavendra R Y  
Director  
DIN: 11022925

Place: Bengaluru  
Date: 19 May 2026

*Ritu Garg*  
Ritu Garg  
Company Secretary  
ACS No: A74378

Place: Bengaluru  
Date: 19 May 2026