SUGAM VANIJYA HOLDINGS PRIVATE LIMITED
Regd Office: VR Bengaluru, Plot No. 11B, Sy No. 40/9, Dyvasandra Industrial Area Stage II, KR Puram Hobli
Bengaluru -560 048. Karnataka
CIN No: U74899KA1987PTC070519
Website: www.vrbengaluru.com; Phone No. 080-67234313

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 34th Annual General Meeting of the Members of Sugam Vanijya Holdings Private Limited ("the Company") will be held on Wednesday, 29th September, 2021 at 03:00 pm at the Registered Office of the Company at VR Bengaluru, No. 11B, Sy No. 40/9, Devasandra Industrial Area, 2nd Stage, KR. Puram Hobli, Bangalore – 560048, Karnataka, to transact the following business:

ORDINARY BUSINESS:

1 To receive, consider and adopt the Audited Annual Financial Statements of the Company comprising of Balance Sheet as at 31st March, 2021, Statement of Profit & Loss for the year ended on that date along with Cash Flow Statement as at 31st March, 2021 and the Explanatory Notes annexed to, or forming part of any document referred above, the Auditors' Report thereon and the Directors' Report thereto.

SPECIAL BUSINESS:

2 **REGULARISATION OF APPOINTMENT OF MR. TARIQ CHINOY AS A DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provisions of section 152, 161 and any other applicable provisions of the Companies Act, 2013, and any rules made there under, Mr. Tariq Chinoy (DIN: 08830666), who was appointed as an Additional Director of the Company by the Board of Directors in the Board Meeting held on 20th April, 2021 to hold office up to the date of this Annual General Meeting be and is hereby elected and appointed as Director of the Company;

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

3 **REGULARISATION OF APPOINTMENT OF MS. SUMI GUPTA AS A DIRECTOR OF THE COMPANY**

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

VR Dakshin Private Limited Bengaluru

"RESOLVED THAT pursuant to the provisions of section 152, 161 and any other applicable provisions of the Companies Act, 2013, and any rules made there under, Ms. Sumi Gupta (DIN: 09067974), who was appointed as an Additional Director of the Company by the Board of Directors in the Board Meeting held on 20th April, 2021 to hold office up to the date of this Annual General Meeting be and is hereby elected and appointed as Director of the Company;

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

4 **REGULARISATION OF APPOINTMENT OF MR. ANUJ DUSEJA AS A DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provisions of section 152, 161 and any other applicable provisions of the Companies Act, 2013, and any rules made there under, Mr. Anuj Duseja (DIN: 02031561), who was appointed as an Additional Director of the Company by the Board of Directors in the Board Meeting held on 27th August, 2021 to hold office up to the date of this Annual General Meeting be and is hereby elected and appointed as Director of the Company;

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

5 **APPROVAL FOR CHANGE OF NAME OF THE COMPANY AND ALTERATION OF THE MEMORANDUM OF ASSOCIATION**

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

"**RESOLVED THAT** pursuant to the provisions of Section 4, 5, 13, 14 read with rule 8 & 29 and other applicable provisions and rules if any, amended till date, and subject to the approval of the Central Government, the consent of the shareholders be and is hereby accorded, to change the name of the company from "**SUGAM VANIJYA HOLDINGS PRIVATE LIMITED"** to "**VR DAKSHIN PRIVATE LIMITED"**

RESOLVED FURTHER THAT subsequent to the issue of fresh certificate of incorporation by Registrar of Companies, Ministry of Corporate Affairs for the change of name, the old name "**SUGAM VANIJYA HOLDINGS PRIVATE LIMITED**" as appearing in Name clause of the

Memorandum of Association of the Company and wherever appearing in the Articles of Asssociation of the Company and other documents and places be substituted with the new name "**VR DAKSHIN PRIVATE LIMITED"**;

RESOLVED FURTHER THAT for purpose of giving effect to this resolution, any director of the company be and is hereby authorised on behalf of the company to do all such acts, deeds, matters, things as deemed necessary and to sign and execute all necessary documents, applications and returns, e-forms and to take all such steps that may be required."

6 **APPROVAL FOR ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY**

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

"RESOLVED THAT subject to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013, and the Rules framed thereunder (including any statutory modifications and re-enactments, for the time being in force), the approval of the shareholders of the Company be and is hereby accorded for adopting the restated Articles of Association of the Company enclosed hereto in substitution of the existing Articles of Association of the Company;

RESOLVED FURTHER THAT, each of the directors of the Company, be and are hereby severally authorized, on behalf of the Company, to execute and deliver any and all documents, regulatory filings, certificates or instruments (including a certified copy of these resolutions) and to do or cause to be done any and all acts, things or deeds as may be necessary, appropriate or advisable solely in order to carry out the purposes and intent of, and to give effect to, the foregoing resolution, including any forms and documents that may be required to be filed with the Registrar of Companies and any other concerned authorities".

For and on behalf of the Board
Sugam Vanijya Holdings Private Limited

Tariq Chinoy
Director
DIN: 08830666

Date: 20th September, 2021
Place: Bengaluru

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY.

   A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

   PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY LOCATED AT 104A, TRIVENI PLAZA BUILDING 17A / 57, WEA, KAROL BAGH, NEW DELHI-110005 AT LEAST 48 HOURS BEFORE THE MEETING.

   A BLANK FORM OF THE PROXY IS ENCLOSED.

2. Members/ Proxies should bring the Attendance Slip duly filled-in for attending the meeting.

3. Members are requested to notify their change of address, if any, to the Company immediately.

4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

5. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 A.M. to 5:30 P.M.) on all working days, upto and including the date of the Annual General Meeting of the Company.

6. The route map of the venue of the Annual General Meeting is enclosed and forms part of Notice of this meeting.

Explanatory Statement

[Statement pursuant to Section 102 of the Companies Act, 2013 (“Act“)]

Item Nos. 2, 3 and 4:

As per the provisions of Section 161 of the Companies Act, 2013, Mr. Tariq Chinoy (DIN: 08830666) and Ms. Sumi Gupta (DIN: 09067974) were appointed as an Additional Directors with effect from 20th April, 2021 and Mr. Anuj Duseja (DIN: 02031561) was appointed as an Additional Director with effect from 27th August, 2021 who holds the office up to the date of forthcoming Annual General Meeting of the Company. However, in order to regularize their appointment as Directors the approval of the members of the Company are sought.

None of the Directors, Key Managerial Personnel and their relatives are interested in the aforesaid resolution.

The Board recommends this resolution for approval by the Members of the Company as an ordinary resolution.

Item No. 5:

The Board of Directors of the Company in its meeting held on 30th June 2021 decided to change the name of the Company from “SUGAM VANIJYA HOLDINGS PRIVATE LIMITED” to “VR DAKSHIN PRIVATE LIMITED”. The Board believes that the proposed name change would enable the Company to maintain uniformity among its group companies and for better representation.

The name “VR DAKSHIN PRIVATE LIMITED” has been duly approved and made available for changing the name by the Registrar of Companies, vide its name approval letter dated 3rd September, 2021 which is valid for 60 days.

As per the provisions of Sections 13 of the Companies Act, 2014, approval of the shareholders is required to be accorded for changing the name of the Company & consequent alteration in the Memorandum of Association and Articles of Association by way of passing a Special Resolution. Hence, Your Directors recommend the above as Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are interested in the aforesaid resolution.

Item No. 6:

Upon enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and in view of the same the Articles of Association of the Company needs to be re-aligned as per the provisions of the new Act.

The Board of Directors in its meeting held on 20th September, 2021 decided (subject to the approval of members) to adopt the restated Articles of Association in place of and to the exclusion of existing Articles of Association of the Company.

The draft of the restated Articles proposed for approval is being circulated along with this notice of the Annual General Meeting and also available for inspection by the shareholders of the Company during normal business hours at the Registered office of the Company and copies thereof shall also be made available for inspection at the Corporate Office of the Company and also at the place of the meeting on the meeting day.

In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of special resolution is required for adoption of the restated Articles of Association of the Company.

Your Directors recommend passing of this resolution by way of a special resolution.

None of the Directors, Key Managerial Personnel and their relatives are interested in the aforesaid resolution.

Attendance Slip

Time:
Place:

FULL NAME OF THE FIRST SHAREHOLDER: ________________________________

Joint Shareholders, if any _________________________
Father's/ Husband name _________________________
Address in full ____

FULL NAME(S) OF THE PERSON ATTENDING THE MEETING AS A PROXY ____________________

I/We hereby record my/our attendance at the **34th Annual General Meeting** of the Company being held on Wednesday, 29th September, 2021 at 03:00 pm at the Registered Office of the Company at VR Bengaluru, No. 11B, Sy No. 40/9, Devasandra Industrial Area, 2nd Stage, KR. Puram Hobli, Bangalore – 560048, Karnataka, India.

Folio No: ___________ No. of Shares held: __________

Signature of the member/ proxy ________________.

Form No. MGT-11

Proxy form

[*Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (*Management and Administration*) Rules, 2014]*

CIN: U74899KA1987PTC070519
Name of the Company: Sugam Vanijya Holdings Private Limited
Registered office: VR Bengaluru, No. 11B, Sy No. 40/9, Devasandra Industrial Area, 2nd Stage, Kr. Puram Hobli, Bangalore – 560048, Karnataka, India.

Name of the Member(s): Registered address: E-mail Id: Folio No/ Client Id: DP ID:

I/ We being the Member of Sugam Vanijya Holdings Private Limited, holding …. shares, hereby appoint

1. Name: ________________________________
   Address: ________________________________
   E-mail Id: ______________________________
   Signature:______________________________, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company to be held on Wednesday, 29th September, 2021 at 03:00 pm at the Registered Office of the Company at VR Bengaluru, No. 11B, SY No. 40/9, Devasandra Industrial Area, 2nd Stage, Kr. Puram Hobli, Bangalore – 560048, Karnataka and at any adjournment thereof in respect of such resolution as indicated below:

Item:

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company comprising of Balance Sheet as at 31st March, 2021, Statement of Profit & Loss for the year ended on that date along with Cash Flow Statement as at 31st March, 2021 and the Explanatory Notes annexed to, or forming part of any document referred above, the Auditors' Report thereon and the Directors' Report thereto.
2. Regularisation of appointment of Mr. Tariq Chinoy as a director of the company.
3. Regularisation of appointment of Ms. Sumi Gupta as a director of the company.
4. Regularisation of appointment of Mr. Anuj Duseja as a director of the company.
5. Approval for change of name of the company and alteration of the Memorandum of Association.
6. Approval for alteration of Articles of Association of the company.

Signed this _______ day of ________, 2021

Affix Revenue Stamp

Signature of the Shareholder _______________________________

Signature of Proxy holder(s) _______________________________

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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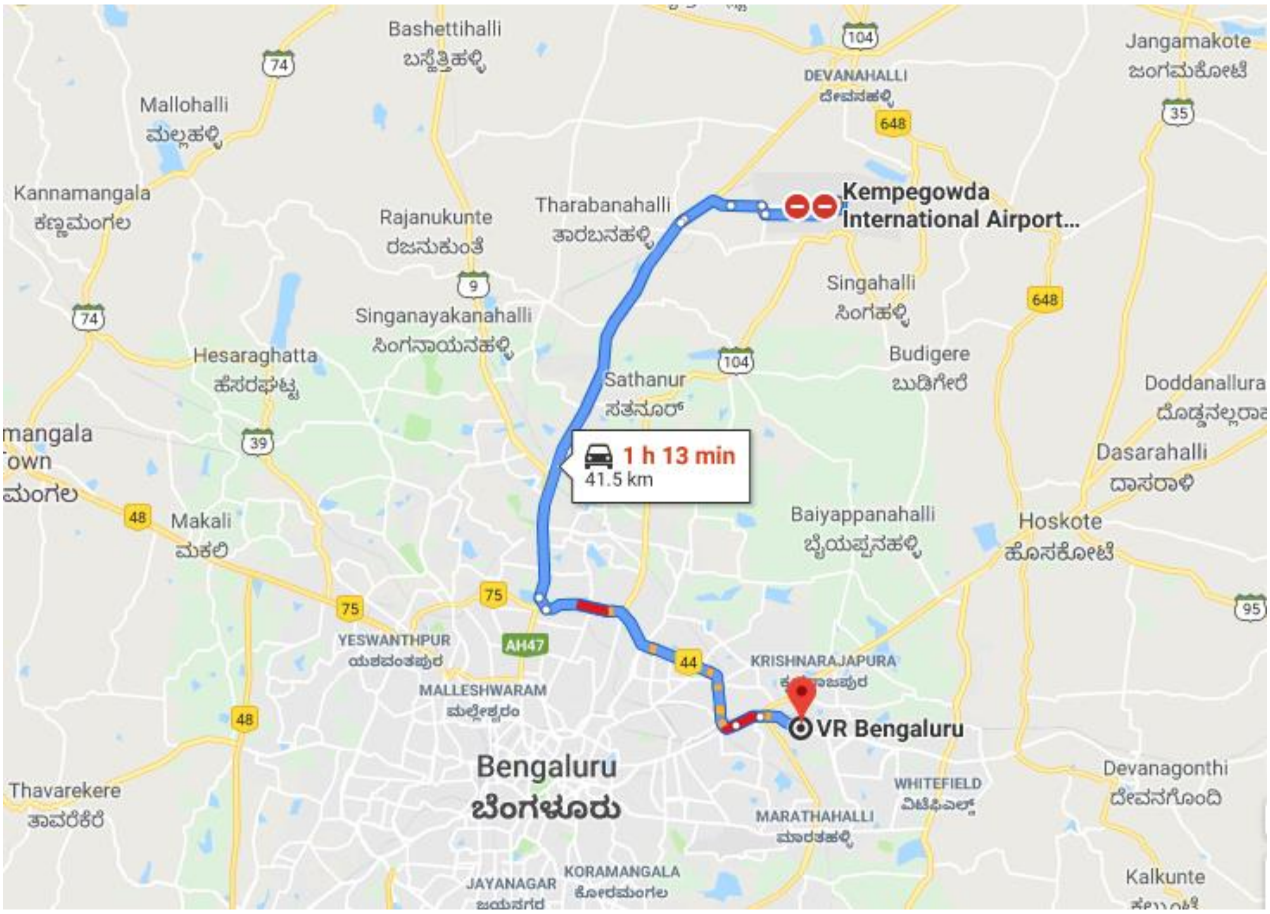
ROUTE MAP FOR THE VENUE OF 34TH ANNUAL GENERAL MEETING OF SUGAM VANIJYA HOLDINGS PRIVATE LIMITED



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To,
The Members,

Your Directors have pleasure in presenting their 34th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021.

1. **Financial Summary or Highlights/Performance of the Company**

The Company's financial performance for the year under review along with previous year's figures are given hereunder:

(All amounts in Millions Indian Rs.)

PARTICULARS	FOR YEAR ENDED 31ST MARCH 2021	FOR YEAR ENDED 31ST MARCH 2020
Net Sales /Income from Operations	1,155.90	2,479.75
Other Income	75.70	55.18
Total Income	**1,231.60**	**2,534.93**
Total Expenses	**2,548.56**	**3,114.05**
Exceptional items	0	220.18
Profit (Loss) before Tax	(1,316.96)	(799.29)
Less: Deferred Tax	57.62	50.71
Net Profit/ Loss after Tax	**(1,374.59)**	**(850.00)**
Re-measurement gains/ (losses) on defined benefit plan	1.25	1.14
Income tax effect	(0.33)	(0.30)
Total comprehensive income for the year	**(1,373.67)**	**(849.16)**
EPS (Basic)	(62,789)	(38,826)
EPS (Diluted)	(62,789)	(38,826)

2. **Business update (State of Company' s Affair)**

During the current financial year, the Company has earned a total income of INR 1,231.60 (in million) and incurred a total expenditure of INR 2,548.56 (in million).

3. **Change in Business of the Company**

During the Financial Year 2020-21, there was no change in the business of the Company.

4. **Global health pandemic from COVID-19**

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company suspended the operations in all ongoing projects in compliance with the lockdown instructions issued by the Central and State Governments. With the second wave which has seen sudden increase in the number of

Rashmi

VR Dakshin Private Limited Bangaluru

cases, regional lockdowns continued. COVID-19 has impacted the normal business operations of the Company by way of interruption in Project execution, supply chain disruption, unavailability of personnel, closure of hospitality facilities and retail spaces during the lockdown period.

The Company's management has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets [including property, plant and equipment, investment property, capital work in progress, inventories, loans and receivables]. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2021, are fully recoverable. The management has also estimated the future cash flows with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial results.

During the year ended March 31, 2021, the leasing and hospitality operations of the Company was impacted due to COVID-19 restrictions. Due to the prevailing circumstances, the Company has recognized revenue for the year and the underlying receivables after having regard to the Company's ongoing discussions with certain customers on best estimate basis.

The Central and State Governments have initiated steps to lift the lockdown and the Company will adhere to the same as it resumes its activities. Retail spaces and hospitality facility have resumed operations. The Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.

5. Change in Share Capital & Debenture/ Bonds of the Company

During the financial year, there was no change in the Capital Structure of the Company.

6. Dividend

Due to the Loss in the Company, the Board of Directors did not recommend any dividend on the equity shares for the financial year ended 31st March, 2021.

7. **Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

8. **Reserves**

The Company did not transfer any amount to the General Reserves for the Financial Year ended March 31, 2021.

9. **Meetings of Board of Directors**

Seven meetings of the Board of Directors were held during the period from 1st April, 20120 to 31st March, 2021.

10. **Audit Committee Meetings**

The Board of Directors have dissolved the Audit Committee in their Board Meeting held on 2nd July, 2020 as there is no requirement of constituting of Audit Committee of the Debt listed Company as per Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

11. **Extract of the Annual Return**

The extract of Annual Return in MGT-9 for the current financial year pursuant to the provisions of Section 92(3) of the Companies Act, 2013 is attached in ***Annexure – I.***

12. **Internal Financial Control**

The Observation related to Internal Financial Control is mentioned under the head Disclaimer of Opinion in Auditor's Report.

Sl. No.	Observation	Explanation
1.	The Company has not established its internal financial control with reference to Ind AS financial statements on criteria based on or considering the essential components of internal control stated in the Guidance Note issued by ICAI	The Company has established & operating Internal Financial Controls as per the Industry standards, however certain additional control mechanism needs to be incorporated in the existing control to meet the criteria based on or considering the essential components of internal control stated in the Guidance Note issued by ICAI

13. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

There was no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future for the financial year 2020-21.

14. Internal Auditor

The Company has appointed M/s Price Waterhouse Coopers Services LLP for VR Chennai & M/s. Deloitte Haskins and Sells LLP for VR Bengaluru in the Board Meeting held on 31st March 2021 as its internal auditor for conducting internal audit as per Section 138 of the Companies Act, 2013.

15. Details of holding/subsidiary/joint ventures/associate companies

M/s Moribus Holdings Pte. Limited is the holding Company. The Company do not have any Subsidiary, associate and joint venture Company.

16. Deposits

The Company has neither accepted nor renewed any deposits during the year under review.

17. Statutory Auditors

M/s. S R Batliboi & Associates LLP, Chartered Accountants, (Firm Registration No: 101049W/ E300004) are the present auditors of the Company As per Companies (Amendment) Act, 2017, the Auditors will hold the office till the conclusion of annual general meeting to be held in 2022 without ratification at every AGM.

18. Secretarial Auditor and Secretarial Audit Report

The Board appointed G Bhat and Associates, to conduct Secretarial Audit for the financial year 2020-21 in their Board Meeting held on 31st March, 2021. The Secretarial Audit Report for the financial year ended 31st March, 2021 is annexed herewith as ***Annexure – II.*** The Secretarial Audit Report issued by the Secretarial Auditor contains the following observation:

Sr.No	Observation	Explanation
1	In terms of Section 203 of the Companies Act, 2013, the Company has appointed the Company Secretary and	The company could not find deserving candidate to fill in the vacancy as required. The hiring process is

	during the financial year the Company Secretary has resigned from the office w.e.f. 21st October, 2020. However, after the said resignation the Company has not appointed the Company Secretary in terms of Section 203 and Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.	undergoing and a Company Secretary shall be appointed during 2021-22
2	In terms of Regulation 6 of the Regulation office of Company Secretary as the compliance officer is vacant from 22nd October, 2020	The company could not find deserving candidate to fill in the vacancy as required. However the hiring process is undergoing and a Company Secretary shall be appointed during 2021-22

19. Auditors' Report

There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditors (other than as stated in Pt 12 of this Director's Report) in their Reports dated 30th June 2021 on the Financial Statements of the Company for FY 2020 -21.

20. Secretarial Standards

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

21. Cost Records

Maintenance of Cost record is not applicable to the Company.

22. General Meeting

One meeting of the Shareholder as an Annual General Meeting was held during the period from 1st April, 2020 to 31st March, 2021.

23. Declaration by Independent Director

Declaration by Independent Directors - The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

24. Share Capital

The Authorised Share Capital of the Company is INR 15,00,000/-. The Issued, Subscribed and Paid-up Equity Share Capital of the Company as on March 31, 2021, was INR 1,99,900/- comprising 19,990 Equity Shares of Rs.10/- each. There were no changes in the share capital during the year.

a) buy back of securities
There was no buy back for the shares of the Company during the financial year under review.

b) sweat equity
The Company has not issued any Sweat Equity Shares during the year under review.

c) bonus shares
No Bonus Shares were issued during the year under review.

d) employees stock option plan
The Company has not provided any Stock Option Scheme to the employees.

e) Conservation of energy, technology absorption and foreign exchange earnings and outgo

a. Conservation of Energy

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

b. Technology Absorption

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

c. Foreign Exchange Earnings and outgo

The Foreign Exchange earnings and outgo during the financial period ended 31st March, 2021 is as follows:

Particulars	**31st March, 2021 (INR in million)**	**31st March, 2020 (INR in million)**
Foreign Exchange Earnings	-	44.76
Foreign Exchange Outgo	-	19.91

f) Directors

A. **Changes in Directors and Key Managerial Personnel**

As on date, the following are the Directors and Key Managerial Personnel of the Company:

1) Mr. Amit Bhushan, Director
2) Mr. Neeraj Kumar, Director
3) Mrs. Aparna Goel, Director
4) Mr. Tariq Maqbool Chinoy, Director
5) Ms. Sumi Gupta, Director
6) Mr. Rajendra Pai, Chief Financial Officer and Manager

During the current financial year, Ms. Upasana Dikshit, has resigned from the post of Company Secretary w.e.f. 22nd October, 2020

Mr. Tariq Maqbool Chinoy and Ms. Sumi Gupta were appointed as Directors of the Company w.e.f. 24th April, 2021.

B. **Formal Annual Evaluation**

Not Applicable

g) Disclosure under the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013

a. Number of complaints of sexual harassment received in the year – Nil
b. Number of complaints disposed off during the year – Nil
c. Number of cases pending for more than ninety days – Nil
d. Number of workshops or awareness programme against sexual harassment carried out – Nil
e. Nature of action taken by the employer or district officer - Nil

h) Particulars of loans, guarantees, securities or investments under section 186

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statement.

i) Particulars of contracts or arrangements with related parties

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review - Nil.

j) Managerial Remuneration

NOT APPLICABLE

k) Risk Management Policy

The Company has adopted the following measures concerning the development and implementation of a Risk Management Policy after identifying the following elements of risks which in the opinion of the Board may threaten the very existence of the Company itself is furnished in ***Annexure – III*** and is attached to this report.

l) Corporate Social Responsibility (CSR)

Not Applicable

m) Disclosure for Providing Vigil Mechanism

The Company has established a vigil mechanism and overseas the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to one of the directors authorized by the Board, on reporting issues concerning the interests of employees and the Company.

n) Directors' Responsibility Statement

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

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis; and

(e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

o) Acknowledgements

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed in your Company.

For and on behalf of the Board of Directors of Sugam Vanijya Holdings Private Limited

Tariq Chinoy	**Amit Bhushan**
Director	**Director**
DIN - 08830666	**DIN - 01910476**

Place: New Delhi
Date: 30th June, 2021

SUGAM VANIJYA HOLDINGS PRIVATE LIMITED
Regd Office: VR Bengaluru, Plot No. 11B, Sy No. 40/9, Dyvasandra Industrial Area Stage II, KR Puram Hobli
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CIN No: U74899KA1987PTC070519
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ANNEXURE I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON 31.03.2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U74899KA1987PTC070519
ii.	Registration Date	08/09/1987
iii.	Name of the Company	Sugam Vanijya Holdings Private Limited
iv.	Category / Sub-Category of the Company	Company limited by Shares / Non-Government Company
v.	Address of the Registered office and contact details	VR Bengaluru, No. 11b, Sy No. 40/9, Devasandra Industrial Area, 2nd Stage, Kr. Puram Hobli Bangalore – 560048, Karnataka
vi.	Whether listed company	Yes (Non-Convertible Debentures only)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Integrated Enterprises (India) Limited, No. 30, Ramana Residency, 4th Floor, Sampige Road, Malleshwaram, Bangalore – 560003, Karnataka

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Real Estate Activities	686810	98 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Moribus Holdings Pte Limited **Add:** 10, Marina Boulevard, #16-3, Marina Bay Financial Center, Singapore – 081983	--	Holding Company	99.99%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									

d) Bodies Corp									
e) Banks / FI									
f) Any Other									
Sub-total(A)(1): -	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
2) Foreign									
g) NRIs-Individuals									
h) Other-Individuals									
i) Bodies Corp.	19,989	01	19,990	100 %	19,989	01	19,990	100%	Nil
j) Banks / FI									
k) Any Other....									
Sub-total (A)(2): -	**19,989**	**01**	**19,990**	**100 %**	**19,989**	**01**	**19,990**	**100%**	**Nil**
B. Public Shareholding									
1. *Institutions*									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									

i) Others (specify)									
Sub-total (B)(1)	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
2.Non Institutions									
a) Bodies Corp. (i) Indian									
(ii) Overseas									
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
Others(Specify)									
Sub-total (B)(2)	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
C. Shares held by Custodian for GDRs & ADRs	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Grand Total (A+B+C)	**19,989**	**01**	**19,990**	**100 %**	**19,989**	**01**	**19,990**	**100%**	**Nil**

B) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total	% change in shareholding during the year
1.	Moribus Holdings Pte Limited **Add:** 10, Marina Boulevard, #16-3, Marina Bay Financial Centre, Singapore –	19,989	99.99%	--	19,989	99.99%	--	--
2.	Virtuous Retail South Asia Pte Limited **Add:** 10, Marina Boulevard, #16-3, Marina Bay Financial Centre, Singapore –	01	0.01%	--	01	0.01%	--	--
	Total	**19,990**	**100%**	**--**	**19,990**	**100%**	**--**	**--**

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Shareholding of each Promoter	Shareholdings at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	19,990	100%	19,990	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the End of the year	**19,990**	**100%**	**19,990**	**100%**

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Shareholding of each Promoter	Shareholdings at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil

	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the End of the year	**Nil**	**Nil**	**Nil**	**Nil**

B) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Shareholding of each Promoter	Shareholdings at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the End of the year	**Nil**	**Nil**	**Nil**	**Nil**

C) **INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment (in million)

Particulars	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8981.92	5118.63	-	14100.55
ii) Interest due but not paid	19.89	81.27	-	101.16
iii) Interest accrued but not paid	-	537.60	-	537.60
Total (i + ii + iii)	**9001.81**	**5737.50**	**-**	**14739.32**
Change in Indebtedness during the financial year				
- Addition	171.92	587.85	-	759.77
- Reduction	219.43	-	-	219.43
Net Change	**(47.51)**	**587.85**		**540.34**
Indebtedness at the end of the financial year				
i) Principal Amount	8935.74	5118.63	-	14054.38
ii) Interest due but not paid	18.56	131.52	-	150.08
iii) Interest accrued but not due	-	1075.20	-	1075.20
Total (i + ii + iii)	**8954.30**	**6325.35**	**-**	**15279.66**

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager -

Sl. No.	Particulars of Remuneration	Name of ~~MD/WTD/~~ Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	2.13				2.13
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of profit - others, specify... (Salary)					
5.	Others, please specify					
6.	Total (A)	2.13				2.13
	Ceiling as per the Act					

B. Remuneration to other directors: Nil

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify		
	Total (1)	Nil	Nil
	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify (Remuneration)	Nil	Nil
	Total (2)	Nil	Nil
	Total (B)=(1+2)	Nil	Nil
	Total Managerial Remuneration	Nil	Nil
	Overall Ceiling as per the Act		

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel (INR in Million)			
		CEO	CS	CFO	Total
1.	Gross salary (a) Salary as per	Nil	0.72	0.95	1.67

	provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
6.	Total	**Nil**	**0.72**	**0.95**	**1.67**

During the current financial year, Ms. Upasana Dikshit, has resigned from the post of Company Secretary w.e.f 22nd October, 2020

Mr. Tariq Maqbool Chinoy and Ms. Sumi Gupta were appointed as Directors of the Company w.e.f 24th April, 2021.

D) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding	Authority [RD /NCLT/Court]	Appeal made. If any (give

α

			fees imposed		details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other Officers in Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors of Sugam Vanijya Holdings Private Limited

Tariq Chinoy
Director
DIN - 08830666

Amit Bhushan
Director
DIN - 01910476

Place: New Delhi
Date: 30th June, 2021

Annexure – III

RISK MANAGEMENT POLICY

Sugam Vanijya Holdings Private Limited, Bangalore like any other business entity is exposed to various risks in the normal course of its activities. No business can be conducted without accepting a certain level of risk, and any expected gain from a business activity is to be assessed against the risk that activity involves. The Company's policy is to identify risks particularly those risks which can threaten the existence of the Company. At the same time, the Company will also determine such risks which are within the limit of risk acceptance, followed by actions which need to be taken to avoid, mitigate, and transfer or to purely monitor the risk. Risk Management is a continuous process of analyzing and managing the opportunities and threats faced by the Company in its efforts to achieve its goals, and to ensure the continuity of the business.

The risk can be classified as follows: Firstly, the risk can be identified as being internal or external, secondly subject matter wise the risk can be classified as:

1. Operational risk

2. Compliance related risk

3. Financial risk

4. Hazard risk

OPERATIONAL RISK:
The risks as assessed/faced by the Company at present are as follows:
1. The Company is exposed to normal industry risk factors of competition, economic cycle and uncertainties in the international and domestic markets.
2. Shortage of Skilled / Unskilled labour.
3. Government policies with regard to taxation on imports and domestic production which is affecting demand and putting pressure on prices.

Policy:
The Company has always been on fast track of modernization. The Company has its Retail Mall at Bangalore and Chennai in the current financial year, wherein the Company shall be adopting the measures and policies of engaging all skilled Service providing Agencies, Consultants and Employees to run and operate the Mall smoothly and effectively.

COMPLIANCE RELATED RISKS:
The risks as assessed/faced by the Company at present are as follows: In view of rapidly changing legislative framework in India directed towards a very stringent compliance by the corporate laws as is evident from the new Companies Act, 2013, various regulations framed

by SEBI on regular basis and stringent provisions for penalty and prosecution, compliance related risk have assumed high importance.
Policy: The Company's legal & Secretarial department constantly reviews the legislative changes to ensure that the Company complies with the changing regulations as a constant monitoring process and in time.

FINANCIAL RISKS:
The risks as assessed/faced by the Company at present are as follows:
The Company does not see any financial risks as the Company is having sufficient funds to complete its Retails Malls. After completion of the Malls, the Company shall be able to operate the Malls on lease basis, where Company shall not require own funds.

HAZARD RISKS:
The risks as assessed/faced by the Company at present are as follows:
There is risk towards damage of Company's Assets like Building, Plant & Machinery, Furniture, Office Equipment, etc. There is also risk of health of its employees and dependent.
Policy: The Company has taken appropriate insurance policy to cover risk related to its moveable and Immoveable Assets. As far as health is concern, the company cover a group of employee under Mediclaim Policies issued by Insurance companies approved by IRDA.

OTHER EMPLOYEE RELATED RISK:
The risks as assessed/faced by the Company at present are as follows:
There is risk related to fraud, theft, misuse of company property and transmitting the data accounts to outsider.
Policy: The Company Code of business ethics is the key guideline for all employees. The Company is committed to high ethical standards and integrity in its businesses, preventing corruption and violations of the principles set forth in the code of business ethics of the Company. The Company's top management has zero tolerance for corruption and fraud.

For and on behalf of the Board of Directors of Sugam Vanijya Holdings Private Limited

Tariq Chinoy
Director
DIN - 08830666

Amit Bhushan
Director
DIN - 01910476

Place: New Delhi
Date: 30th June, 2021

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Sugam Vanijya Holdings Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Sugam Vanijya Holdings Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 33(c)(i) to the Ind AS financial statements which states that the Company is in legal dispute in relation to a portion of its land, alleged to be encroached land reserved for public purposes.

We draw attention to Note 38(ii) to the Ind AS financial Statements for the year ended March 31, 2021, which describes the management's evaluation of COVID-19 impact on the business operations and future cash flows of the Company and its consequential effects on the carrying value of its assets as at March 31, 2021. In view of the uncertain economic conditions, the management's evaluation of the impact on the subsequent periods is highly dependent upon conditions as they evolve.

Our opinion is not modified in respect of the above matters.

S.R. Batliboi & Associates Bengaluru

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.
We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Accounting for lease rental income *(as described in note 2.2(a)(i) of the Ind AS financial statements)*	
Lease rental income amounted to Rs. 708.27 million for the year ended March 31, 2021. Generally, lease revenue is recognized, in accordance with the terms of lease contracts over the lease term on a straight-line basis. Also, there are lease arrangements involving revenue share, where revenue recognition is not subject to straight line basis. However, revenue in these cases are based on management's estimate, depending on the nature of the lease arrangements and performance of the lease. There is an inherent risk around the accuracy of the revenue recorded given the volumes and impact of the terms of lease agreements to the revenue recognition.	Our audit procedures included, among others, the following: • We considered the appropriateness of the Company's revenue recognition accounting policies and assessed compliance with the policies in terms of the applicable accounting standards. • We identified and tested controls relating to revenue recognition with specific focus on whether lease income is recorded over the lease term on a straight-line basis or other applicable basis as per the terms of the lease contract. • We tested, on a sample basis, the contracts entered into with the customers to assess whether lease income recorded is as per the contract terms and also to identify any non-standard lease clauses and to assess the appropriateness of rental income accounting. • We assessed the completeness of lease rental income recorded during the year through matching the data used in the revenue recognition to the approved lease agreements with the customers on a sample basis. We also on a sample basis, tested the basis of management estimates i.e. tenants sales report obtained by management in relation to the revenue share arrangements. • We also performed analytical procedures of lease rental income and the timing of its recognition.

S.R. Batliboi & Associates LLP Bengaluru

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Assessing the recoverability of carrying value of Investment property, Property, plant and equipment (PPE) and Capital work-in-progress (CWIP)</u> (as described in note 2.2(b), note 2.2(c), note 2.2(e), note 3(b)(iii) and note 3(b)(v) of the Ind AS financial statements)</td></tr>
<tr><td>As at March 31, 2021, the carrying value of the Investment property, PPE and CWIP is Rs. 12,270.26 million, Rs. 637.61 million and Rs. 1.58 million respectively. The carrying value of the investment property, PPE and CWIP (collectively referred to as 'Assets') is calculated using land costs, construction costs, interest costs and other related costs. Management reviews on a periodical basis whether there are any indicators of impairment of such Assets i.e. ensuring that its Assets are carried at no more than their recoverable amount.

We considered the valuation of Investment property, PPE and CWIP as a key audit matter given the value of the underlying Assets and the significant estimates and judgment including effects of COVID-19 involved in its impairment assessment.</td><td>Our audit procedures included, among others, the following:
• We assessed the Company's valuation methodology and assumptions based on current economic and market conditions including effects of COVID-19 pandemic applied in determining the recoverable amount.
• We obtained and read the management internal valuation or valuation report used by the management for determining the fair value ('recoverable amount') of the Investment property, PPE and CWIP.
• We assessed the key assumptions used in the valuation including but not limited to discount rates, cash flows, etc.
• We considered the independence, competence and objectivity of the management specialist involved in determination of valuation.
• We assessed the Company's valuation methodology applied and compared key property related data used as input with historical actual data.
• We compared the recoverable amount of the Investment property, PPE and CWIP to the carrying value in books.
• We also assessed the adequacy of the disclosures made in the Ind AS financial statements.</td></tr>
</table>

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

S.R. Batliboi & Associates LLP Bengaluru

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) The matter described in Emphasis of Matter paragraph above on COVID-19, in our opinion, may have an adverse effect on the functioning of the Company;

S.R. Batliboi & Associates LLP Bengaluru

(f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

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

(h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 33(c) to the Ind AS financial statements;

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

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

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

S. R. Batliboi & Associates LLP
Bengaluru

per Adarsh Ranka
Partner
Membership Number: 209567

UDIN: 21209567AAAAEL4954

Place of Signature: Bengaluru, India
Date: June 30, 2021

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

Re: Sugam Vanijya Holdings Private Limited ("the Company")

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

(b) All property, plant and equipment and investment property have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment and investment property are held in the name of the Company and mortgaged with the lenders of the Company. There is a dispute on certain portion of immovable property at the Company's Bengaluru location. Also refer note 33(c)(i).

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted loan to one party covered in the register maintained under section 189 of the Companies Act, 2013. We are informed by the company that the loan granted was interest free and accordingly, in our opinion, the terms and conditions of the said loan are prejudicial to the interest of the company.

(b) In respect of interest free loan granted to party covered in the register maintained under Section 189 of the Companies Act, 2013, in which directors of the Company are interested, repayment of principal was not stipulated.

(c) In respect of interest free loan granted to a Company listed in the register maintained under section 189 of the Companies Act, 2013, the repayment terms has not been stipulated and hence we are unable to comment on the same.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

S. R. Batliboi & Associates LLP Bengaluru

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the construction of buildings/ structures and other related activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been slight delay in remittance of tax deducted at source, provident fund and employees' state insurance in few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statue	Nature of dues	Amount # (Rs. In millions)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax credit including penalty	82.80	April 2011 to September 2015	Customs, Central Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income tax liability	-	2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax liability	-	2014-15	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income tax liability	103.62	2015-16	Income Tax Appellate Tribunal
Income Tax Act, 1961	Penalty for non- deduction of taxes	1.96	2015-16	Commissioner of Income Tax (Appeals)

Net of Rs. 161.42 million paid/ adjusted under protest.

S. R. Batliboi & Associates LLP Bengaluru

(viii) In our opinion and according to the information and explanations given by the management and based on confirmations given by bank/ financial institutions, the Company has not defaulted in repayment of loans and borrowing to a financial institution or bank or government, except the Company has defaulted in case of repayment of interest dues to the holders of Fully Compulsorily Convertible Debenture amounting to Rs. 570.68 million. The details are tabulated as under:

Particulars	Amount of the default as at Balance sheet date (Rs. In millions)	Period of default since	Remarks
Fully Compulsorily Convertible Debentures	285.34	FY 2019-20	Amount of interest on Fully Compulsorily Convertible Debenture
Fully Compulsorily Convertible Debentures	285.34	FY 2020-21	Amount of interest on Fully Compulsorily Convertible Debenture

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of debt instruments in the nature of non-convertible debentures and term loans (representing loans with a repayment period beyond 36 months) for the purpose for which the loan was obtained.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

S.R. Batliboi & Associates LLP
Bengaluru

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

S.R. Batliboi & Associates LLP Bengaluru

per Adarsh Ranka
Partner
Membership Number: 209567

UDIN: 21209567AAAAEL4954

Place of Signature: Bengaluru, India
Date: June 30, 2021

Annexure 2 to the Independent Auditor's Report of even date on the Ind AS financial statements of Sugam Vanijya Holdings Private Limited

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

We were engaged to audit the internal financial controls with reference to Ind AS financial statements of Sugam Vanijya Holdings Private Limited ("the Company") as of March 31, 2021, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls with reference to these Ind AS financial statements of the Company.

Meaning of Internal Financial Controls With Reference to Ind AS Financial Statements

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

S.R. Batliboi & Associates LLP Bengaluru

Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control with reference to Ind AS financial statements on criteria based on or considering the essential components of internal control stated in the Guidance Note issued by ICAI. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls with reference to Ind AS financial statements as at March 31, 2021 and whether such internal financial controls were operating effectively. Accordingly, we do not express an opinion on Internal Financial Controls with reference to these Ind AS financial statements.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by ICAI, as specified under Section 143(10) of the Act, the Ind AS financial statements of Sugam Vanijya Holdings Private Limited, which comprise the Balance Sheet as at March 31, 2021, and the related Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information, and our report dated June 30, 2021 expressed an unqualified opinion thereon. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Ind AS financial statements of the Company, and the disclaimer does not affect our opinion on the Ind AS financial statements of the Company.

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

per Adarsh Ranka
Partner
Membership Number: 209567

S.R. Batliboi & Associates LLP
Bengaluru

UDIN: 21209567AAAAEL4954

Place of Signature: Bengaluru, India
Date: June 30, 2021

Sugam Vanijya Holdings Private Limited
Balance sheet as at March 31, 2021

(Rs. in millions)

	Notes	As at 31-Mar-21	As at 31-Mar-20
Assets			
Non-current assets			
Property, plant and equipment	4.1	637.61	629.45
Investment property	4.2	12,270.26	12,565.93
Capital work-in-progress	4.3	1.58	25.39
Financial assets			
Investments	5	0.01	0.01
Other financial assets	9	69.55	64.69
Assets for current tax (net)		481.55	538.61
Other non-current assets	10	196.21	221.27
		13,656.77	**14,045.35**
Current assets			
Inventories	6	17.86	20.57
Financial assets			
Loans	8	0.50	0.50
Trade receivables	7	269.50	166.64
Cash and cash equivalents	11	92.43	501.51
Bank balance other than cash and cash equivalents	11	312.48	339.59
Other financial assets	9	83.42	63.16
Other current assets	10	36.34	36.01
		812.53	**1,127.97**
Total assets		**14,469.29**	**15,173.33**

S. R. Batliboi & Associates LLP
Bengaluru

Sugam Vanijya Holdings Private Limited
Balance sheet as at March 31, 2021

			(Rs. in millions)
	Notes	**As at 31-Mar-21**	**As at 31-Mar-20**
Equity and liabilities			
Equity			
Equity share capital	12	0.20	0.20
Other equity	13	(2,521.97)	(1,148.30)
Total equity		**(2,521.77)**	**(1,148.10)**
Non-current liabilities			
Financial liabilities			
Borrowings	14	13,364.27	13,564.60
Other financial liabilities	15	1,264.56	846.02
Deferred revenue	16	22.08	43.55
Long term provisions	17	2.76	3.72
Deferred tax liabilities (net)	18	404.40	346.45
		15,058.06	**14,804.34**
Current liabilities			
Financial liabilities			
Borrowings	14	271.37	298.45
Trade payables	19		
i) total outstanding dues of micro enterprises and small enterprises		-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		239.78	184.16
Other financial liabilities	15	1,373.95	955.40
Other current liabilities	20	23.71	35.45
Deferred revenue	16	21.96	41.17
Provisions	17	2.23	2.44
		1,933.00	**1,517.08**
Total liabilities		**16,991.06**	**16,321.42**
Total equity and liabilities		**14,469.29**	**15,173.33**
Summary of significant accounting policies	2.2		

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

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

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bengaluru, India
Date: June 30, 2021

For and on behalf of the Board of Directors of
Sugam Vanijya Holdings Private Limited

Tariq Chinoy
Director
DIN: 08830666

Place: New Delhi, India
Date: June 30, 2021

Amit Bhushan
Director
DIN: 01910476

Place: New Delhi, India
Date: June 30, 2021

Rajendra Pai
Chief Financial Officer

Place: Bengaluru, India
Date: June 30, 2021

S.R. Batliboi & Associates LLP Bengaluru

Sugam Vanijya Holdings Private Limited

Sugam Vanijya Holdings Private Limited
Statement of profit and loss for the year ended March 31, 2021

(Rs. in millions)

	Notes	31-Mar-21	31-Mar-20
Income			
Revenue from operations	21	1,155.90	2,479.75
Other income	22	20.54	35.84
Finance income	23	55.16	19.34
Total income		**1,231.60**	**2,534.93**
Expenses			
Employee benefits expense	24	98.08	166.58
Depreciation and amortisation expense	25	414.40	400.13
Finance costs	27	1,455.98	1,530.10
Other expenses	26	580.10	1,017.24
Total expenses		**2,548.56**	**3,114.05**
Loss before exceptional items and tax		**(1,316.96)**	**(579.11)**
Exceptional items	28	-	220.18
Loss before tax		**(1,316.96)**	**(799.29)**
Tax expenses			
Current tax	18	-	-
Deferred tax charge/ (credit)	18	57.62	50.71
Income tax expense		**57.62**	**50.71**
Loss for the year		**(1,374.59)**	**(850.00)**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plan		1.25	1.14
Income tax effect		(0.33)	(0.30)
Other comprehensive income for the year, net of tax		**0.92**	**0.84**
Total comprehensive income for the year		**(1,373.67)**	**(849.16)**
Earnings per equity share (in Rs.) [nominal value of Rs. 10 (Previous year - Rs. 10)]	32		
Basic and Diluted		(62,789)	(38,826)
Summary of significant accounting policies	2.2		

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

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

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bengaluru, India
Date: June 30, 2021

S. R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Sugam Vanijya Holdings Private Limited

Tariq Chinoy
Director
DIN: 08830666

Place: New Delhi, India
Date: June 30, 2021

Amit Bhushan
Director
DIN: 01910476

Place: New Delhi, India
Date: June 30, 2021

Rajendra Pai
Chief Financial Officer

Place: Bengaluru, India
Date: June 30, 2021

Sugam Vanijya Holdings Private Limited

Sugam Vanijya Holdings Private Limited
Statement of changes in equity for the year ended March 31, 2021

a. Equity share capital

	No of Shares in million	Amount in Rs. million
Equity shares of Rs.10 each issued, subscribed and fully paid		
At April 1, 2019	0.02	0.20
At March 31, 2020	0.02	0.20
At March 31, 2021	**0.02**	**0.20**

b. Other equity *
For the year ended March 31, 2021

(Rs. in millions)

	Attributable to equity holders of the Company			Total
	Reserves and Surplus			
	Equity component of convertible debentures	Securities premium account	Retained earnings	
As at April 1, 2020	343.10	1,599.59	(3,090.99)	(1,148.30)
Loss for the year	-	-	(1,374.59)	(1,374.59)
Other comprehensive income				
Re-measurement gains/ (losses) on defined benefit plans	-	-	0.92	0.92
Total comprehensive income	**343.10**	**1,599.59**	**(4,464.66)**	**(2,521.97)**
At March 31, 2021	**343.10**	**1,599.59**	**(4,464.66)**	**(2,521.97)**

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S.R. Batliboi & Associates LLP Bengaluru

Sugam Vanijya Holdings Private Limited

Sugam Vanijya Holdings Private Limited
Statement of changes in equity for the year ended March 31, 2021

For the year ended March 31, 2020

(Rs. in millions)

	Attributable to equity holders of the Company			Total
	Reserves and Surplus			
	Equity component of convertible debentures	Securities premium account	Retained earnings	
As at April 1, 2019	343.10	1,599.59	(2,241.83)	(299.14)
Loss for the year	-	-	(850.00)	(850.00)
Other comprehensive income				
Re-measurement gains/ (losses) on defined benefit plans	-	-	0.84	0.84
Total comprehensive income	**343.10**	**1,599.59**	**(3,090.99)**	**(1,148.30)**
At March 31, 2020	**343.10**	**1,599.59**	**(3,090.99)**	**(1,148.30)**

*Also refer note 13

Summary of significant accounting policies 2.2

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

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

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bengaluru, India
Date: June 30, 2021

S.R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Sugam Vanijya Holdings Private Limited

Tariq Chinoy
Director
DIN: 08830666

Place: New Delhi, India
Date: June 30, 2021

Amit Bhushan
Director
DIN: 01910476

Place: New Delhi, India
Date: June 30, 2021

Rajendra Pai
Chief Financial Officer

Place: Bengaluru, India
Date: June 30, 2021

Sugam Vanijya Holdings Private Limited

Sugam Vanijya Holdings Private Limited
Statement of Cash Flows for the year ended March 31, 2021

(Rs. in millions)

		31-Mar-21	31-Mar-20
Operating activities			
Loss before tax		**(1,316.96)**	**(799.29)**
Adjustments to reconcile loss before tax to net cash flows:			
Depreciation on property, plant and equipment & investment property		414.40	400.13
Impairment loss on property, plant and equipment		-	220.18
Finance income (including fair value change in financial instruments)		(55.16)	(19.34)
Finance costs (including fair value change in financial instruments)		1,452.21	1,518.65
Impairment of trade receivables and contract asset		126.30	95.31
Re-measurement gains/ (losses) on defined benefit plan		0.92	0.84
Share of (profit)/ loss from investment in partnership firm		(0.00)	(0.00)
Working capital adjustments:			
(Increase)/ decrease in trade receivables		(229.16)	(134.13)
(Increase)/ decrease in investments		(0.00)	(0.00)
(Increase)/ decrease in inventories		2.71	(7.47)
(Increase)/ decrease in other financial assets		(25.62)	(13.03)
(Increase)/ decrease in other assets		(3.59)	148.20
Increase/ (decrease) in trade payables and other financial liabilities		99.36	85.19
Increase/ (decrease) in provisions		(1.17)	0.16
Increase/ (decrease) in other liabilities		(11.75)	(2.65)
		452.49	1,492.74
Income tax paid (net of refund)		57.39	(179.63)
Net cash flows from operating activities (A)		**509.88**	**1,313.11**
Investing activities			
Purchase of property, plant and equipment & Investment Property (including capital work-in-progress and capital advances)		(100.03)	(429.64)
Inter corporate deposits made during the year		-	(37.75)
Inter corporate deposits repaid by related party during the year		-	37.25
Investments in fixed deposits		(491.59)	(486.30)
Redemption of fixed deposits		518.70	389.26
Interest received		55.67	15.18
Net cash flows used in investing activities (B)		**(17.25)**	**(512.00)**
Financing activities			
Proceeds from term loan from banks		171.92	2,599.05
Proceeds from short-term borrowings		-	298.45
Repayment of term loan from banks & financial institutions		(57.02)	(2,414.52)
Repayment of non-convertible bonds issued to banks		(134.00)	(62.94)
Repayment of short-term borrowings		(27.08)	-
Interest paid (gross)		(855.52)	(869.15)
Net cash flows used in financing activities (C)		**(901.70)**	**(449.10)**
Net increase/ (decrease) in cash and cash equivalents		(409.08)	352.00
Cash and cash equivalents at the beginning of the year (refer note 11)		501.51	149.51
Cash and cash equivalents at the end of the year (refer note 11)		**92.44**	**501.51**
Summary of significant accounting policies	2.2		

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

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

S.R. Batliboi & Associates LLP Bengaluru

per Adarsh Ranka
Partner
Membership No.: 209567
Place: Bengaluru, India
Date: June 30, 2021

For and on behalf of the Board of Directors of
Sugam Vanijya Holdings Private Limited

Tariq Chinoy
Director
DIN: 08830666
Place: New Delhi, India
Date: June 30, 2021

Amit Bhushan
Director
DIN: 01910476
Place: New Delhi, India
Date: June 30, 2021

Rajendra Pai
Chief Financial Officer
Place: Bengaluru, India
Date: June 30, 2021

Sugam Vanijya Holdings Private Limited

Sugam Vanijya Holdings Private Limited
Notes to the financial statements for the year ended March 31, 2021

1 Corporate Information

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

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

The financial statements have been authorised for issuance by the Company's Board of Directors on June 30, 2021.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

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

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

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

2.2 Summary of significant accounting policies

a) Revenue recognition

i Rental income from operating leases

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

Also refer note 2.2(t) below.

ii Revenue from contracts with customers

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

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

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

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

S. R. Batliboi & Associates LLP Bengaluru

Sugam Vanijya Holdings Private Limited

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

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

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

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

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

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

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

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

b) Property, plant and equipment

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

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

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

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

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

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

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

c) Investment properties

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

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

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

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

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

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

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

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

Freehold land is not depreciated.

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

e) Impairment of non financial assets

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

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

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

f) Impairment of financial assets

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

g) Current versus non-current classification

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

All other assets are classified as non-current.

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

The Company classifies all other liabilities as non-current.

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

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

h) Financial instruments

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

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Financial assets

Initial recognition and measurement

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

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

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

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

Subsequent measurement

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

Debt instruments at amortised cost

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

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

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

Debt instruments at amortised cost

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

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

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

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

Debt instrument at FVTOCI

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

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL

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

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

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Derecognition

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

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

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

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

Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

Loans and borrowings

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

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

Trade and other payables

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

Derecognition

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

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i) Fair value measurement

The Company measures financial instruments, such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

j) Convertible debentures

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

k) Borrowing costs

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

l) Cash and cash equivalents

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

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m) Retirement and other employee benefits

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

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

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

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

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

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

n) Provisions

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

o) Contingent liabilities

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

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p) Earnings per share

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

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

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

q) Inventory

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

r) Taxes

Tax expense comprises of current and deferred tax.

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

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

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

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

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

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

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

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s) Foreign currency translation

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

t) Leases

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

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

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

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

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

iii) Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases of certain assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of certain assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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Company as a lessor

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

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

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

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

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

u) Cash dividend to equity holders of the Company

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

3 Significant accounting judgements, estimates and assumptions

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

a) Judgements

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

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

b) Estimates and assumptions

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

i) Taxes

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

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ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 35 for further disclosures.

iii) Valuation of Investment property

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

iv) Lease rental income

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

v) Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company' management has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets including property, plant and equipment, investment property, capital work in progress, inventories, loans and receivables. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2021, are fully recoverable. The management has also estimated the future cash flows for the Company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements.

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Notes to the financial statements for the year ended March 31, 2021

4.1 Property, plant and equipment

(Rs. in millions)

	Office equipment	Freehold land	Buildings	Leasehold Improvement	Computers	Plant and machinery	Electrical Installation	Furniture and fixtures	Total
Cost or valuation									
At 1 April 2019	72.20	-	400.14	0.26	18.34	112.91	34.41	93.88	732.14
Additions	2.87	-	145.83	-	5.45	13.33	30.93	12.88	211.28
Adjustment (refer note (b))	-	86.13	-	-	-	-	-	-	86.13
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2020	**75.07**	**86.13**	**545.97**	**0.26**	**23.79**	**126.24**	**65.33**	**106.76**	**1,029.56**
Additions	0.05	-	41.15	-	0.23	10.11	2.95	7.88	62.37
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2021	**75.12**	**86.13**	**587.12**	**0.26**	**24.02**	**136.35**	**68.28**	**114.64**	**1,091.93**
Depreciation and impairment									
At 1 April 2019	42.15	-	19.44	0.26	14.35	21.58	9.92	25.33	133.05
Depreciation charge for the year	15.00	-	7.15	-	2.61	7.68	4.13	10.31	46.89
Impairment	-	-	220.18	-	-	-	-	-	220.18
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2020	**57.15**	**-**	**246.77**	**0.26**	**16.96**	**29.27**	**14.06**	**35.65**	**400.11**
Depreciation charge for the year	14.04	-	9.18	-	2.76	8.46	6.56	13.20	54.20
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2021	**71.19**	**-**	**255.95**	**0.26**	**19.72**	**37.73**	**20.62**	**48.85**	**454.31**
Net Book value									
At 1 April 2019	**30.05**	**-**	**380.69**	**0.00**	**3.99**	**91.33**	**24.49**	**68.55**	**599.09**
At 31 March 2020	**17.92**	**86.13**	**299.19**	**0.00**	**6.83**	**96.97**	**51.28**	**71.11**	**629.45**
At 31 March 2021	**3.93**	**86.13**	**331.17**	**0.00**	**4.30**	**98.62**	**47.67**	**65.79**	**637.61**

Note:

a) Property, plant and equipment with a carrying amount of Rs. 637.61 million (March 31, 2020 - Rs. 629.45 million) are subject to a first charge to secure the Company's bank loans.
b) Freehold land balance pertaining to hotel operation have been classified under Property, plant and equipment from Investment Property.

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Sugam Vanijya Holdings Private Limited

4.2 Investment property

(Rs. in millions)

	Freehold land	Buildings	Leasehold land	Other assets forming part of Building				Right- of- use asset (Leasehold land) (refer note 33(a)(ii))	Total
				Computers	Plant and machinery	Electrical Installation	Furniture and fixtures		
Cost or valuation									
At 1 April 2019	3,223.42	7,401.11	10.51	35.83	1,683.78	739.98	247.51	-	13,342.15
Additions	-	98.87	-	0.19	6.94	65.70	1.77	-	173.46
Adjustment (refer note (b))	(86.13)	-	-	-	-	-	-	-	(86.13)
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2020	**3,137.29**	**7,499.98**	**10.51**	**36.02**	**1,690.72**	**805.68**	**249.28**	-	**13,429.48**
Additions	-	13.07	-	-	4.55	0.52	4.64	46.24	69.02
Disposals	-	-	-	-	(6.89)	-	-	-	(6.89)
At 31 March 2021	**3,137.29**	**7,513.05**	**10.51**	**36.02**	**1,688.38**	**806.20**	**253.92**	**46.24**	**13,491.60**
Depreciation and impairment									
At 1 April 2019	-	172.42	0.33	9.58	160.85	119.21	47.90	-	510.29
Charge for the year	-	127.83	0.11	8.84	113.57	77.08	25.81	-	353.24
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	**300.25**	**0.44**	**18.42**	**274.42**	**196.29**	**73.72**	-	**863.53**
Charge for the year	-	128.61	0.11	8.67	113.86	81.25	26.08	1.61	360.20
Disposals	-	-	-	-	(2.39)	-	-	-	(2.39)
At 31 March 2021	-	**428.86**	**0.55**	**27.09**	**385.88**	**277.54**	**99.80**	**1.61**	**1,221.33**
Net Book value									
At 1 April 2019	**3,223.42**	**7,228.69**	**10.18**	**26.25**	**1,522.93**	**620.77**	**199.60**	-	**12,831.85**
At 31 March 2020	**3,137.29**	**7,199.73**	**10.07**	**17.60**	**1,416.30**	**609.39**	**175.56**	-	**12,565.93**
At 31 March 2021	**3,137.29**	**7,084.19**	**9.96**	**8.93**	**1,302.50**	**528.66**	**154.12**	**44.63**	**12,270.26**

Note:

a) Investment property with a carrying amount of Rs.12,270.26 million (March 31, 2020 - Rs. 12,565.93 million) are subject to a first charge to secure the Company's bank loans.

b) Freehold land balances pertaining to hotel operation have been classified under Property, plant and equipment from Investment Property.

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Information regarding income and expenditure of investment property

(Rs. in millions)

	31-Mar-21	31-Mar-20
Rental income derived from investment properties	1,117.48	2,308.52
Direct operating expenses (including repairs and maintenance) generating rental income	(358.85)	(681.81)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(48.33)	(100.48)
Profit arising from investment properties before depreciation and indirect expenses	**710.30**	**1,526.22**
Less:- Depreciation	(360.20)	(353.24)
Profit arising from investment properties before indirect expenses	**350.10**	**1,172.98**

The management has determined that the investment properties consist of two classes of assets – office and retail- based on the nature, characteristics and risks of each property.
As at December 31, 2020 and December 31, 2019, the fair values of the properties are Rs.20,740 million and Rs.21,896 million respectively. These valuations are based on valuations performed by CBRE South Asia Private Limited, an accredited independent valuer. As at March 31, 2021 the management doesn't foresee any material change in the fair values which was determined as at December 31, 2020.
The fair value of investment property is based on discounted cash flows and classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs. Fair value hierarchy for investment property has been provided in Note 35.

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

(Rs. in millions)

	Total
As at 1 April 2019	**118.69**
- Additions (subsequent expenditure)	108.96
- Capitalised during the year	(202.26)
As at 31 March 2020	**25.39**
- Additions (subsequent expenditure)	39.75
- Capitalised during the year	(63.56)
As at 31 March 2021	**1.58**

Note:

a) Capital work-in progress represents property, plant and equipment under construction amounting to Rs. 1.58 million as at March 31, 2021 (March 31, 2020 - Rs. 25.39 million).

b) Capital work-in progress with carrying amount of Rs. 1.58 million (March 31, 2020 - Rs. 25.39 million) are subject to a first charge to secure the Company's bank loans.

5 Investments

(Rs. in millions)

	31-Mar-21	31-Mar-20
Non-current investments:		
Investments carried at fair value through profit and loss		
Investment in the capital of partnership firm		
0.01% (March 31, 2020 - 0.01%) share in the profits of partnership firm:		
Virtuous Retail Property Services LLP - Capital account	0.00	0.00
Virtuous Retail Property Services LLP - Current account	0.01	0.01
Unquoted equity shares		
1 (March 31, 2020- 1) equity share of Thales Ventures Limited	0.00	0.00
1 (March 31, 2020- 1) equity share of Alena Ventures Limited	0.00	0.00
Total investments carried at fair value through profit and loss	**0.01**	**0.01**
Aggregate amount of unquoted investments	0.01	0.01
Aggregate amount of impairment in value of investments	-	-

Details of investments in partnership firms
Investment in Virtuous Retail Property Services LLP

Name of Partner	Share of partner in profits (%) 31-Mar-21	31-Mar-20
Sugam Vanijya Holdings Private Limited	0.01	0.01
Moribus Holdings Pte.Ltd	99.99	99.99
Total capital of the firm (Rs. in million)	**0.20**	**0.20**

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

(Rs. in millions)

	31-Mar-21	31-Mar-20
Food and beverages	1.63	1.62
Hotel consumables	16.23	18.95
	17.86	**20.57**

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7 Trade receivables

(Rs. in millions)

	Current	
	31-Mar-21	**31-Mar-20**
Trade receivables	265.51	163.02
Receivables from related parties (refer note 29)	3.99	3.62
Total Trade receivables	**269.50**	**166.64**
Trade receivables		
Secured, considered good	129.83	137.97
Unsecured, considered good	135.67	25.05
Trade Receivables - credit impaired	197.90	119.99
	463.41	283.01
Impairment Allowance (allowance for bad and doubtful debts)		
Trade Receivables - credit impaired	(197.90)	(119.99)
	265.51	**163.02**
Other receivables		
Unsecured, considered good	3.99	3.62
	3.99	3.62
Total Trade receivables	**269.50**	**166.64**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are interest bearing and are generally on terms of 7 to 30 days.

8 Loans

(Rs. in millions)

	Current	
	31-Mar-21	**31-Mar-20**
Inter-corporate deposit		
Unsecured, considered good (refer note 29)	0.50	0.50
	0.50	**0.50**

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

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

Name of the loanee	Rate of Interest	Due date	Secured/ unsecured	31-Mar-21	31-Mar-20
Thales Ventures Limited	Nil	On demand	Unsecured	0.50	0.50

The loan granted has been utilized for meeting their working capital requirements.

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Notes to the financial statements for the year ended March 31, 2021

9 Other financial assets

(Rs. in millions)

	Current		Non-current	
	31-Mar-21	**31-Mar-20**	**31-Mar-21**	**31-Mar-20**
Others				
Security deposits	0.83	1.29	61.63	56.77
Unbilled revenue (net off credit impaired of Rs.50.56 million (March 31, 2020 :25.17 million))	73.63	52.40	-	-
Non-current bank balances (refer note 11)	-	-	7.92	7.92
Interest accrued on fixed deposits	8.97	9.47	-	-
	83.42	**63.16**	**69.55**	**64.69**

10 Other assets

(Rs. in millions)

	Current		Non-current	
	31-Mar-21	**31-Mar-20**	**31-Mar-21**	**31-Mar-20**
Capital advances				
Unsecured, considered good (refer note 34(B))	-	-	155.20	173.33
Advances receivable in cash or kind				
Unsecured, considered good	17.40	14.70	-	-
Others				
Prepaid expenses	18.93	21.31	37.68	44.61
Balances with statutory/ government authorities	-	-	3.33	3.33
	36.34	**36.01**	**196.21**	**221.27**

11 Cash and bank balances

(Rs. in millions)

	Current		Non-current	
	31-Mar-21	**31-Mar-20**	**31-Mar-21**	**31-Mar-20**
Cash and cash equivalents				
Balances with banks:				
– On current accounts	91.13	72.34		
– On Overdraft accounts	-	0.57		
– Deposits with less than three months maturity	-	426.07		
Cash on hand	1.30	2.53		
	92.43	**501.51**		
Bank balance other than cash and cash equivalents				
– Deposits with maturity for less than 12 months	17.00	75.00	-	-
– Deposits with maturity for more than 12 months	-	19.00	-	-
– Margin money deposit	295.48	245.59	7.92	7.92
	312.48	**339.59**	**7.92**	**7.92**
Less: Amount disclosed under non-current financial assets (refer note 9)	-	-	(7.92)	(7.92)
	404.91	**841.10**	-	-

Margin money deposits given as security

Margin money deposits with a carrying amount of Rs. 292.97 million (March 31, 2020 - Rs. 243.08 million) are subject to first charge to secure the Company's bank loans. Margin money deposits with a carrying amount of Rs. 10.43 million (March 31, 2020 - Rs.10.43 million) has been pledged against certain bank guarantees.

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

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

(Rs. in millions)

	31-Mar-21	31-Mar-20
Balances with banks:		
– On current accounts	91.13	72.34
– On Overdraft accounts	-	0.57
– Deposits with less than three months maturity	-	426.07
Cash on hand	1.30	2.53
	92.43	**501.51**

Changes in liabilities arising from financing activities :

(Rs. in millions)

Particulars	**Non-current borrowings**	**Current borrowings (including current maturities)**	**Total**
Balance as at April 1, 2019	13,543.47	137.03	13,680.50
Cash inflows	2,599.05	298.45	2,897.50
Cash Outflows	(2,477.45)	-	(2,477.45)
Others*	(100.46)	100.46	-
Net debt as at March 31, 2020	**13,564.60**	**535.95**	**14,100.55**
Cash inflows	171.92	-	171.92
Cash Outflows	(191.02)	(27.08)	(218.10)
Others*	(181.23)	181.23	-
Net debt as at March 31, 2021	**13,364.27**	**690.10**	**14,054.37**

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

Break up of financial assets carried at amortised cost

(Rs. in millions)

	31-Mar-21	31-Mar-20
Trade receivables (refer note 7)	269.50	166.64
Loans (refer note 8)	0.50	0.50
Other financial assets (refer note 9)	152.97	127.85
Cash and bank balances (refer note 11)	404.91	841.10
Total financial assets carried at amortised cost	**827.88**	**1,136.09**

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

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Sugam Vanijya Holdings Private Limited

12 Share Capital

	31-Mar-21	31-Mar-20
	(Rs. in millions)	
Authorised shares		
150,000 (March 31, 2020 - 150,000) equity shares of Rs.10 each	1.50	1.50
Issued, subscribed and fully paid-up shares		
19,990 (March 31, 2020 - 19,990) equity shares of Rs.10 each	0.20	0.20
Total issued, subscribed and fully paid-up share capital	0.20	0.20

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

	31-Mar-21		31-Mar-20	
	No of Shares	Rs. in million	No of Shares	Rs. in million
Equity shares				
At the beginning of the year	19,990	0.20	19,990	0.20
Outstanding at the end of the year	19,990	0.20	19,990	0.20

(b) Terms/ rights attached to equity shares

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

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

	31-Mar-21		31-Mar-20	
	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of Rs.10 each fully paid up				
Moribus Holdings Pte Limited, Singapore	19,989	99.99%	19,989	99.99%

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

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Sugam Vanijya Holdings Private Limited
Notes to the financial statements for the year ended March 31, 2021

13 Other equity

(Rs. in millions)

	31-Mar-21	31-Mar-20
Equity component of convertible debentures		
Balance at the beginning of the year	343.10	343.10
Closing balance	**343.10**	**343.10**
Securities premium account		
Balance at the beginning of the year	1,599.59	1,599.59
Closing balance	**1,599.59**	**1,599.59**
Deficit in the statement of profit and loss		
Balance at the beginning of the year	(3,090.98)	(2,241.82)
Loss for the year	(1,374.59)	(850.00)
Other comprehensive income		
Re-measurement gains/ (losses) on defined benefit plans	0.92	0.84
Net deficit in the statement of profit and loss	**(4,464.65)**	**(3,090.98)**
Total other equity	**(2,521.97)**	**(1,148.30)**

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14 Borrowings

	31-Mar-21	31-Mar-20
		(Rs. in millions)
Non-current borrowings		
Unsecured debentures		
448 (March 31, 2020 - 448) Listed & tradable redeemable non-convertible debentures [RNCD] of Rs.10 million each *	4,480.00	4,480.00
190,227,500 (March 31, 2020 - 190,227,500) Fully compulsorily convertible debentures [FCCD] of Rs.10 each**	638.63	638.63
Secured loans		
Term loans from banks	4,152.00	4,037.10
4,725 (March 31, 2020 - 4,725) Listed & tradable redeemable non- convertible bonds of Rs. 1 million each ***	4,512.38	4,646.38
	8,664.38	8,683.47
Amount disclosed under the head "other current financial liabilities" (refer note 15)	(418.74)	(237.50)
Net amount	8,245.64	8,445.97
Total non-current borrowings	**13,364.27**	**13,564.60**
Current borrowings		
Secured loans		
Cash credit from banks	271.37	298.45
Total current borrowings	**271.37**	**298.45**

*448 RNCD's (March 31, 2020: 448) of face value Rs. 10,000,000 issued on February 04, 2015 to Argos Holdings Pte Ltd, Singapore, will be redeemed on February 03, 2035. RNCDs shall carry a coupon rate of 12% p.a. with effect from the date of issuance upto the date of redemption. On November 07, 2016, these 448 RNCDs of Rs. 10,000,000 each aggregating to Rs. 4,480,000,000 were transferred from Argos Holding Pte Ltd, Singapore to Robusta Holdings Pte Ltd, Singapore. These RNCD's carry a coupon rate of 12% p.a. and payable on a quarterly basis or on a pay-as-able basis based on sufficiency of funds available with the Company.

The Company has obtained confirmation from debenture holder i.e Robusta Holdings Pte. Ltd for deferment of interest payment for the year ended March 31, 2021 and March 31, 2020 due to insufficiency of funds and accordingly classified the interest payable for the year under non-current financial liabilities as interest accrued but not due on borrowings. Also, refer note 15.

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**190,227,500 FCCDs (March 31, 2020 : 190,227,500) of face value Rs. 10 each were issued to Vassam Limited during the year ended March 31, 2012 which were subsequently transferred to Virtuous Retail Pte Limited during the year ended March 31, 2014. These debentures will be converted into equity shares in the first board meeting to be held after March 2024. The conversion ratio shall be one equity share against each 100,000 FCCD. The conversion price shall be Rs. 1,000,000 per equity share. These FCCDs carried a coupon rate of 15% p.a. with effect from date of issuance upto March 31, 2012 and 12% p.a. thereafter upto March 31, 2014 and 15% p.a. for rest of the period till the conversion. Interest shall be paid on a quarterly basis and the dates for payment of interest shall be March 31, June 30, September 30, and December 31 of each year. The Board of Directors in their meeting held on November 04, 2016 approved the transfer of 190,227,500 fully compulsorily convertible debentures of Rs. 10 each aggregating to Rs. 1,902,275,000 as at September 30, 2016 from Virtuous Retail Pte Limited, Singapore to Moribus Holdings Pte. Limited, Singapore.

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

*** During the year ended March 31, 2019, the Company had issued 4,725 secured redeemable non-convertible bonds of Rs.1,000,000 each on December 20, 2018, which were listed on BSE Limited ('BSE') on January 09, 2019.

(A) Non-current borrowings

(i) Unsecured debentures

Particulars	Amount outstanding (Rs. in million) 31-Mar-21	31-Mar-20	Effective Interest rate	Security details	Repayment terms
Redeemable Non Convertible Debentures (RNCD)	4,480.00	4,480.00	12%	No securities against the debentures.	Repayable on February 03, 2035.
Fully Compulsorily Convertible Debentures (FCCD)	638.63	638.63	14.40%	No securities against the debentures.	Convertible into equity shares in the first board meeting to be held after March 2024.

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(ii) Secured loans

Particulars	Amount outstanding (Rs. in million) 31-Mar-21	31-Mar-20	Effective Interest rate	Security details	Repayment terms
Term loans from banks	2,459.17	2,487.59	8% - 10%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and fifty instalments from the date of first utilisation.
Term loans from banks	96.62	99.05	8% - 10%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and forty four instalments from the date of first utilisation.
Term loans from banks	112.19	-	8% - 9%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and forty one instalments from the date of first utilisation.
Term loans from banks	1,484.01	1,450.46	7% - 9%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and thirty instalments from the date of first utilisation.
Redeemable Non Convertible Bonds	4,512.38	4,646.38	8% - 10%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	One hundred and twenty three instalments from the date of first utilisation.

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(B) Current borrowings

(i) Secured loans

Particulars	Amount outstanding (Rs. in million)		Effective Interest rate	Security details	Repayment terms
	31-Mar-21	31-Mar-20			
Cash credit	67.24	75.37	8% - 10%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	Repayable on demand.
Cash credit	204.14	223.08	9% - 10%	Secured by exclusive mortgage on the property, exclusive charge by way of hypothecation on certain assets in relation to the property.	Repayable on demand.

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Sugam Vanijya Holdings Private Limited

15 Other financial liabilities

		(Rs. in millions)
	31-Mar-21	31-Mar-20
Financial liabilities at amortised cost		
Non-current		
Security deposits	126.07	276.97
Right of use-Lease liability (refer note 33(a)(ii))	41.31	-
Interest accrued but not due on borrowings (refer note 29)	1,075.20	537.60
Payable to capital creditors	21.98	31.45
Total non-current other financial liabilities	**1,264.56**	**846.02**
Current		
Current maturities of long-term borrowings (refer note 14)	418.74	237.50
Interest accrued and due on borrowings	150.08	101.16
Others		
Security deposit	787.07	581.34
Right of use-Lease liability (refer note 33(a)(ii))	4.73	-
Payable to capital creditors	12.91	18.52
Unearned income	0.41	16.87
Total other current financial liabilities	**1,373.95**	**955.40**
Total other financial liabilities	**2,638.51**	**1,801.43**

16 Deferred revenue

				(Rs. in millions)
	Current		Non-current	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Deferred revenue	21.96	41.17	22.08	43.55
	21.96	**41.17**	**22.08**	**43.55**

17 Provisions

				(Rs. in millions)
	Short term		Long term	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Provision for employee benefits				
Provision for gratuity (refer note 31)	0.27	0.31	2.76	3.72
Provision for leave benefits	1.96	2.13	-	-
	2.23	**2.44**	**2.76**	**3.72**

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18 Income tax

a) Tax expenses

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

Statement of profit and loss:
Profit or loss section

(Rs. in millions)

	31-Mar-21	31-Mar-20
Current income tax:		
Current income tax charge	-	-
	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	0.00	0.00
Deferred tax impact on accounting for compound financial instruments	61.12	53.06
Deferred tax impact on fair valuation of financial assets and financial liabilities	(0.49)	0.46
Deferred tax impact on other adjustments	(2.65)	(2.82)
Deferred tax impact on Right- of- use asset	(0.37)	-
	57.62	50.71
Income tax expense reported in the statement of profit or loss	**57.62**	**50.71**

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

(Rs. in millions)

	31-Mar-21	31-Mar-20
Net loss/(gain) on remeasurements of defined benefit plans	0.33	0.30
Income tax charge to OCI	0.33	0.30

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:

(Rs. in millions)

	31-Mar-21	31-Mar-20
Accounting loss before income tax	(1,316.96)	(799.29)
Tax on accounting loss at statutory income tax rate 26% (March 31, 2020: 26%)	-	-
Deferred tax on other adjustments	57.62	50.71
Relating to origination and reversal of temporary differences	0.00	0.00
At the effective income tax rate of Nil (March 31, 2020: Nil)	57.62	50.71
Tax expense reported in the Statement of profit or loss	**57.62**	**50.71**

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b) Deferred tax

	31-Mar-21	(Rs. in millions) 31-Mar-20
Deferred tax liabilities		
Difference between carrying amounts of property, plant and equipment & investment property in financial statement and the income tax return	664.88	571.65
On account of straight lining of rental income	16.25	14.59
On accounting for compound financial instruments	391.17	330.05
On fair valuation of financial assets and financial liabilities	1.57	2.05
On account of remeasurements of defined benefit plans	0.30	-
On account of other adjustments	11.72	14.37
Gross deferred tax liabilities	**1,085.89**	**932.71**
Deferred tax assets		
On account of interest disallowed on payment made to non-residents	492.27	261.00
On account of provision for gratuity & leave encashment	1.30	1.60
On account of impairment of financial assets	64.60	37.74
On account of impairment loss on property, plant and equipment	57.25	57.25
On account of carried forward losses *	65.60	224.26
On account of remeasurements of defined benefit plans	-	0.02
On account of right- of- use asset	0.37	-
On account of other adjustments	0.11	4.40
Gross deferred tax assets	**681.49**	**586.26**
Net deferred tax liabilities	**404.40**	**346.45**

* The Company has carried forward losses of Rs. 1,789.23 million. The management has recognised deferred tax asset on losses amounting to Rs. 252.32 million.

Reconciliation of deferred tax liabilities (net):

	31-Mar-21	(Rs. in millions) 31-Mar-20
Balance at the beginning of the year	346.45	295.45
Tax income/(expense) during the year recognised in profit or loss	57.62	50.71
Tax income/(expense) during the year recognised in OCI	0.33	0.30
Closing balance	**404.40**	**346.45**

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

19 Trade payables

	31-Mar-21	(Rs. in millions) 31-Mar-20
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 29)	239.78	184.16
	239.78	**184.16**

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30 to 60 day terms.

Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2021. This has been relied upon by the Auditors.

For explanations on the Company's credit risk management processes, refer to note 36.

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Notes to the financial statements for the year ended March 31, 2021

20 Other liabilities

(Rs. in millions)

	31-Mar-21	31-Mar-20
Advance from customers	0.01	5.26
Payable towards statutory dues	18.91	28.76
Payable to employees	4.78	1.44
	23.71	**35.45**

Breakup of financial liabilities carried at amortised cost

(Rs. in millions)

	31-Mar-21	31-Mar-20
Borrowings (refer note 14)	13,635.64	13,863.05
Other financial liabilities (refer note 15)	2,638.51	1,801.43
Trade payables (refer note 19)	239.78	184.16
Total financial liabilities carried at amortised cost	**16,513.93**	**15,848.64**

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Sugam Vanijya Holdings Private Limited

21 Revenue from operations

(Rs. in millions)

	31-Mar-21	31-Mar-20
Rental income from operating leases	708.27	1,648.42
Revenue from contract with customers		
Operational and facility management charges		
Maintenance and marketing income	369.19	535.12
Revenue from car parking	40.02	124.97
Revenue from hotel operations	38.42	171.23
Other operating revenue		
Share in profit/(loss) of Limited liability partnership from investments (post tax)	0.00	0.00
	1,155.90	**2,479.75**

20.1 Disaggregated revenue information

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

Timing of transfer of goods or services

(Rs. in millions)

	31-Mar-21	31-Mar-20
Revenue from goods or services transferred to customers at a point in time	78.44	296.20
Revenue from goods or services transferred over time	369.19	535.12
	447.63	**831.32**

20.2 Contract balances and performance obligations

(Rs. in millions)

	31-Mar-21	31-Mar-20
Trade receivables	214.28	113.63
Contract liabilities	0.41	16.87
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	16.87	17.23
Revenue recognised in the reporting period from performance obligations satisfied in previous periods	Nil	Nil
Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period	Nil	Nil

22 Other income

(Rs. in millions)

	31-Mar-21	31-Mar-20
Others non-operating income	20.54	35.84
	20.54	**35.84**

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23 Finance income

(Rs. in millions)

	31-Mar-21	31-Mar-20
Interest income		
- On bank deposits	24.23	19.25
- On inter-corporate deposits	-	0.09
- On others	30.93	-
	55.16	**19.34**

24 Employee benefits expense

(Rs. in millions)

	31-Mar-21	31-Mar-20
Salaries, wages and bonus	91.42	152.16
Contribution to provident and other funds	1.78	4.87
Gratuity expense (refer note 31)	1.27	1.74
Compensated absence	0.40	1.07
Staff welfare expenses	3.22	6.74
	98.08	**166.58**

25 Depreciation and amortization expense

(Rs. in millions)

	31-Mar-21	31-Mar-20
Depreciation on property, plant and equipment	54.20	46.89
Depreciation on investment properties	360.20	353.24
	414.40	**400.13**

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26 Other expenses

(Rs. in millions)

	31-Mar-21	31-Mar-20
Marketing expenses	20.90	143.97
Brokerage expenses	6.80	11.37
Operations and management fees	63.23	116.73
Housekeeping and security service	55.45	122.43
Power, fuel and water	89.94	167.22
Consumption	15.53	57.03
Parking expenses	46.52	68.15
Rent	1.89	5.25
Repairs and maintenance		
Buildings	19.20	34.39
Plant and equipment	8.38	26.82
Insurance	18.21	9.71
Rates and taxes	63.47	63.39
Travelling and conveyance expenses	0.56	14.25
Communication expenses	1.22	4.93
Legal and professional fees (includes payment to auditor)*	23.67	48.55
Printing and stationery	0.17	1.26
Donation	-	0.19
Provision for doubtful debts and advances (net of write off)	1.30	9.28
Expected credit loss for trade receivables and contract assets	125.00	95.31
Software expenses	6.37	7.19
Miscellaneous expenses	12.31	9.83
	580.10	**1,017.24**

*** Payment to auditor #**

(Rs. in millions)

	31-Mar-21	31-Mar-20
As auditor:		
Audit fee [including for Limited review Rs. 0.59 million (Previous year - Rs. 0.56 million)]	3.32	3.67
In other capacity:		
Other services	0.83	0.97
Reimbursement of expenses	0.08	0.09
	4.23	**4.73**

Net of taxes

27 Finance costs

(Rs. in millions)

	31-Mar-21	31-Mar-20
Interest		
- On borrowings	1,413.06	1,468.00
- Interest on lease liabilities	2.77	-
- Others	0.63	0.29
Notional interest on lease deposit	36.39	50.64
Bank charges	3.14	11.16
Total finance costs	**1,455.98**	**1,530.10**

28 Exceptional items

(Rs. in millions)

	31-Mar-21	31-Mar-20
Impairment loss on property, plant and equipment (refer note 38(ii))	-	220.18
	-	**220.18**

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Sugam Vanijya Holdings Private Limited

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Notes to the financial statements for the year ended March 31, 2021

29 Related party transactions

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

Ultimate Holding Company
Virtuous Retail South Asia Pte Ltd, Singapore

Holding Company
Moribus Holdings Pte. Ltd

Fellow Subsidiaries
Robusta Holdings Pte Ltd, Singapore
Hamir Real Estate Private Limited
Virtuous Retail Property Services LLP
Thales Ventures Limited (formerly known as TRIF Real Estate and Development Limited) (from December 09, 2019)
Alena Ventures Limited (formerly known as TRIL Amritsar Projects Limited) (from December 09, 2019)
Elpis Ventures Private Limited (from September 17, 2019)
Kleio Developers Private Limited (from October 31, 2019)

Key Management Personnel (KMP)
Mr. Rajendra Pai (Chief Financial Officer & Manager) (from November 22, 2019)
Mr. Sanjay Kumar Das (Manager) (April 24, 2019 to July 3, 2019)
Mr. Alagarsany Sundar Raj (Chief Financial Officer) (from April 24, 2019 to October 20, 2019)
Ms. Upasana Dikshit (Company Secretary) (from January 10, 2020 to October 22, 2020)
Ms. Madhumita Sarkar (Company Secretary) (till January 10, 2020)

b) Details of the transactions with the related parties:

(Rs. in millions)

Particulars	31-Mar-21	31-Mar-20
I. Transactions with related parties		
Interest expense on Fully compulsorily convertible debentures (FCCD's)		
Moribus Holdings Pte. Ltd *	50.26	81.27
Interest expense on Non-convertible debentures (RNCD's)		
Robusta Holdings Pte Ltd, Singapore *	537.60	537.60
Sale of assets to related party		
Hamir Real Estate Private Limited	4.49	-
Inter corporate deposits given to related party		
Elpis Ventures Private Limited	-	25.00
Thales Ventures Limited	-	12.75
Interest Income on Inter corporate deposits given to related party		
Elpis Ventures Private Limited	-	0.09
Inter corporate deposits repaid by related party		
Elpis Ventures Private Limited	-	25.00
Thales Ventures Limited	-	12.25
Investment in unquoted equity shares		
Thales Ventures Limited	-	0.00
Alena Ventures Limited	-	0.00
Mall management fee expense		
Virtuous Retail Property Services LLP	63.23	116.73
Lease rental income		
Virtuous Retail Property Services LLP	3.10	3.97
Payments made by related party on behalf of the Company		
Virtuous Retail Property Services LLP	4.38	-

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Notes to the financial statements for the year ended March 31, 2021

Particulars	31-Mar-21	31-Mar-20
		(Rs. in millions)
Share in profit/ (loss) of partnership firm		
Virtuous Retail Property Services LLP	0.00	0.00

II. Transaction with key managerial personnel

Particulars	31-Mar-21	31-Mar-20
		(Rs. in millions)
Salary (including perquisites)		
Mr. Rajendra Pai	0.91	0.33
Mr. Sanjay Kumar Das	-	1.80
Mr. Alagarsany Sundar Raj	-	0.62
Ms. Upasana Dikshit	0.49	0.23
Ms. Madhumita Sarkar	-	0.49

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

Particulars	31-Mar-21	31-Mar-20
		(Rs. in millions)
I. Balances receivable from and payable to related parties		
Fully compulsorily convertible debentures (FCCD's)		
Moribus Holdings Pte. Ltd	638.63	638.63
Listed & tradable redeemable non-convertible debentures (RNCD's)		
Robusta Holdings Pte Ltd, Singapore	4,480.00	4,480.00
Interest accrued and due on borrowings		
Moribus Holdings Pte. Ltd *	131.52	81.27
Interest accrued but not due on borrowings		
Robusta Holdings Pte Ltd, Singapore *	1,075.20	537.60
Investment in partnership - Capital account		
Virtuous Retail Property Services LLP	0.00	0.00
Investment in partnership - Current account		
Virtuous Retail Property Services LLP	0.01	0.01
Investment in unquoted equity shares		
Thales Ventures Limited	0.00	0.00
Alena Ventures Limited	0.00	0.00
Loans (Inter-corporate deposit)		
Thales Ventures Limited	0.50	0.50
Sale of Asset to Related Party		
Hamir Real Estate Private Limited	5.30	-
Trade payables		
Virtuous Retail Property Services LLP	31.49	11.67
Trade receivable		
Virtuous Retail Property Services LLP	3.99	0.12
Security deposits		
Virtuous Retail Property Services LLP	0.45	0.45

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* The interest expense on FCCD's and RNCD's mentioned above are payable to existing debenture holders as on March 31, 2021 and March 31, 2020, however the actual beneficiary of the receipt of these amounts could be different at the time of actual payment.

30 Segment Information

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

31 Gratuity and other post-employment benefit plans

(Rs. in millions)

Particulars	31-Mar-21	31-Mar-20
Defined benefit plan	3.03	4.03
Non-current	2.76	3.72
Current	0.27	0.31

Employees are entitled to a benefit equivalent to fifteen days' last drawn salary for each completed year of service in line with the Payment of Gratuity Act, 1972 subject to a maximum of Rs. 2 million. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company has not funded the liability as on March 31, 2021.

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

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

(Rs. in millions)

	31-Mar-21	31-Mar-20
Change in projected benefit obligation		
Obligation at beginning of the year	4.03	3.85
Service cost	1.06	1.47
Interest cost	0.21	0.27
Benefits directly paid	(0.75)	(0.42)
Liability transfer	(0.27)	-
Actuarial (gain)/loss (through OCI)	(1.25)	(1.14)
Obligation at end of the year	**3.03**	**4.03**
Present value of projected benefit obligation at the end of the year	3.03	4.03
Net liability recognised in the balance sheet	**3.03**	**4.03**
Expenses recognised in statement of profit and loss		
Service cost	1.06	1.47
Interest cost (net)	0.21	0.27
Gratuity cost	1.27	1.74
Net gratuity cost	**1.27**	**1.74**
Re-measurement (gains)/ losses in OCI		
Actuarial (gain) / loss due to financial assumption changes	(0.01)	0.31
Actuarial (gain) / loss due to experience adjustments	(1.24)	(1.45)
Actuarial (gain) / loss due to demographic assumption changes	-	0.00
Total expenses routed through OCI	**(1.25)**	**(1.14)**

Assumptions

Particulars	31-Mar-21	31-Mar-20
Discount rate	5.65%	5.60%
Future salary increases	8.00%	8.00%
Employee turnover	20.00%	20.00%
Estimated rate of return on plan assets	NA	NA

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Notes to the financial statements for the year ended March 31, 2021

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

(Rs. in millions)

Particulars	31-Mar-21	31-Mar-20
Effect of + 1% change in rate of discounting	(0.17)	(0.23)
Effect of - 1% change in rate of discounting	0.19	0.26
Effect of + 1% change in rate of salary increase	0.18	0.25
Effect of - 1% change in rate of salary increase	0.17	(0.23)
Effect of + 1% change in rate of employee turnover	(0.46)	(0.70)
Effect of - 1% change in rate of employee turnover	0.74	1.12

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

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

(Rs. in millions)

Particulars	31-Mar-21	31-Mar-20
Within the next 12 months	0.27	0.31
Between 2 and 5 years	1.75	2.19
Between 6 and 10 years	1.31	1.92
Beyond 10 years	1.10	1.50
Total expected payments	4.43	5.92
Contributions likely to be made for next one year	0.27	0.31

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Sugam Vanijya Holdings Private Limited

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Notes to the financial statements for the year ended March 31, 2021

32 Earnings per share ['EPS']

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

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

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

(Rs. in millions)

Particulars	31-Mar-21	31-Mar-20
Loss after tax attributable to equity shareholders	(1,374.59)	(850.00)
Effect of dilution	-	-
Loss attributable to equity holders adjusted for the effect of dilution	(1,374.59)	(850.00)
Weighted average number of equity shares for basic and diluted EPS (No.) *	0.02	0.02
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution (No.)	0.02	0.02

* includes 1,902 shares to be issued on conversion of Fully and Compulsorily Convertible Debentures [FCCD] as at March 31, 2021 and March 31, 2020.

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

33 Commitments and contingencies

a. Leases

(i) Operating lease commitments - Company as lessor

The Company is primarily engaged in the business of leasing mall and office space. The Company has entered into non-cancellable operating lease agreements with its lessees. The rental income under non cancellable operating lease for the year ended March 31, 2021 amounts to Rs. 381.81 million (March 31, 2020: Rs. 1048.47 million). The rental income under cancellable operating leases for the year amounts to Rs. 326.46 million (March 31, 2020: Rs. 599.95 million)

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

(Rs. in millions)

Particulars	31-Mar-21	31-Mar-20
Within one year	465.11	907.61
After one year but not more than five years	519.66	970.39
More than five years	-	-
	984.77	1,878.00

(ii) Operating lease commitments - Company as lessee

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

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

(Rs. in millions)

	31-Mar-21
Balance as at April 01, 2019	-
Add: Additions	-
Less: Depreciation charge	-
Balance as at March 31, 2020	-
Add: Additions	46.24
Less: Depreciation charge	(1.61)
Balance as at March 31, 2021	44.63

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

	(Rs. in millions) 31-Mar-21
Balance as at April 01, 2019	-
Add: Interest accrued	-
Less: Payments made	-
Balance as at March 31, 2020	-
Add: Additions	46.24
Add: Interest accrued	2.77
Less: Payments made	(2.97)
Balance as at March 31, 2021	**46.04**
Current	4.73
Non-current	41.31

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

The following are the amounts recognised in profit or loss:

Particulars	31-Mar-21	(Rs. in millions) 31-Mar-20
Depreciation charge on right-of-use asset	1.61	-
Interest expense on lease liabilities	2.77	-
Expense relating to short-term leases (included in other expenses)	1.89	5.25
Total amount recognised in profit or loss	**6.27**	**5.25**

The amount of lease rentals towards cancellable lease agreement as lessee is Rs. 1.89 million (March 31, 2020 : Rs. 2.55 million).

b. Commitments

Particulars	31-Mar-21	(Rs. in millions) 31-Mar-20
Capital commitments		
The estimated amount of contracts, net of advances remaining to be executed on capital account and not provided for	3.15	39.59

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

Particulars	31-Mar-21	(Rs. in millions) 31-Mar-20
Guarantees given by the Company *	192.14	192.14
Income tax matters in dispute (refer note (ii) below)	263.77	453.05
Service tax & GST matters in dispute (refer note (ii) below)	88.93	88.93
	544.85	**734.12**

* Includes Bank Guarantee amounting to Rs. 96.73 million given on behalf of Ozone projects private limited pursuant to agreement as detailed in note 34(B).

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

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Notes to the financial statements for the year ended March 31, 2021

Other litigations

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

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

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

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

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

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

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

34 Capital work-in-progress

A) The Company has constructed Restaurants at VR Chennai and commenced commercial operations during the year and the expenditure incurred has been being capitalised from Capital work-in-progress ("CWIP") are as follows:

VR Chennai Project:

(Rs. in millions)

Particulars	April 1, 2020	Additions during the year	Total	Capitalised *	March 31, 2021
Construction cost	25.39	39.75	65.14	63.56	1.58
Total	**25.39**	**39.75**	**65.14**	**63.56**	**1.58**

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

Block	(Rs. in millions) Transfer from CWIP
Buildings	41.58
Plant and machinery	10.20
Electrical Installation	3.17
Furniture and fixtures	8.57
Office equipment	0.04
Total	**63.56**

B) The Metrozone ("Chennai project") is a mixed use of residential cum commercial project being developed by Ozone Projects Private Limited (OPPL) and Sugam Vanijya Holdings Private Limited (SVHPL). The residential portion is to be developed by OPPL and the commercial portion is to be developed by SVHPL. As per the agreement executed between OPPL and SVHPL, OPPL was required to construct a retention wall in order to facilitate the commercial development undertaken by SVHPL. OPPL expressed its inability to construct the said retention wall and further OPPL requested SVHPL to bear the costs of construction of retention wall along with any incidental expenses and the same is refundable by OPPL. In view of above arrangement, the Company had incurred expenditure towards the construction of retention wall amounting to Rs. 152.09 million and the Company has further given bank guarantee of Rs.96.73 million in favour of Chennai Metropolitan Development Authority on behalf of OPPL (refer note 33(c)). The Company had demanded for the payment of the said amount during the year ended March 31, 2019 and had shown the said amount as good recoverable based on their arrangement with OPPL.

The Company is in advance stages of finalising a plan to recover the above amount through transfer of certain units in the residential project of OPPL by OPPL and accordingly the Company, during the year has obtained possession of certain units pending for registration. Based on Company's future plans the said amount has been classified under capital advances. The management of the Company is confident that the said amount would be recoverable based on their arrangement with OPPL.

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35 Fair value measurements

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

(Rs. in millions)

Particulars	31-Mar-21			31-Mar-20		
	At Cost	Fair value through profit or loss	At Amortised Cost	At Cost	Fair value through profit or loss	At Amortised Cost
Financial assets						
Investments	-	0.01	-	-	0.01	-
Trade receivables	-	-	269.50	-	-	166.64
Loans	-	-	0.50	-	-	0.50
Cash and cash equivalents	-	-	92.43	-	-	501.51
Bank balance other than cash and cash equivalents	-	-	312.48	-	-	339.59
Other financials assets	-	-	152.97	-	-	127.85
Total	-	**0.01**	**827.89**	-	**0.01**	**1,136.09**
Financial liabilities						
Borrowings	-	-	13,635.64	-	-	13,863.05
Trade payables	-	-	239.78	-	-	184.16
Other financial liabilities	-	-	2,638.51	-	-	1,801.43
Total	-	-	**16,513.93**	-	-	**15,848.64**

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Fair value hierarchy

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

(Rs. in millions)

Particulars	31-Mar-21				31-Mar-20			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
Measured at cost/ amortised cost/fair value through profit and loss								
Investments at cost	0.01	-	-	0.01	0.01	-	-	0.01
Trade receivables	269.50	-	-	269.50	166.64	-	-	166.64
Loans	0.50	-	-	0.50	0.50	-	-	0.50
Cash and cash equivalents	92.43	-	-	92.43	501.51	-	-	501.51
Bank balance other than cash and cash equivalents	312.48	-	-	312.48	339.59	-	-	339.59
Other financials assets	152.97	-	-	152.97	127.85	-	-	127.85
	827.90	**-**	**-**	**827.90**	**1,136.10**	**-**	**-**	**1,136.10**
Assets for which fair value are disclosed								
Investment properties	12,270.26	-	-	20,740.00	12,565.93	-	-	21,896.00
	12,270.26	**-**	**-**	**20,740.00**	**12,565.93**	**-**	**-**	**21,896.00**
Financial liabilities								
Measured at amortised cost								
Borrowings	13,635.64			13,635.64	13,863.05	-	-	13,863.05
Trade payables	239.78			239.78	184.16	-	-	184.16
Other financial liabilities	2,638.51			2,638.51	1,801.43	-	-	1,801.43
	16,513.93	**-**	**-**	**16,513.93**	**15,848.64**	**-**	**-**	**15,848.64**

Notes:

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

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

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

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36 Financial risk management objectives and policies

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

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

A Market risk

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

The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are all constant

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

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

a. Interest rate risk

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

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

Interest rate sensitivity

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

(Rs. in millions)

	Increase/ decrease in interest rate	Effect on loss before tax *
March 31, 2021		
INR	+1%	90.97
INR	-1%	(90.97)
March 31, 2020		
INR	+1%	87.08
INR	-1%	(87.08)

* determined on gross basis i.e. with out considering capitalisation of such borrowing cost.

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B Credit risk

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

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at March 31, 2021 and March 31, 2020 is the carrying amounts.

C Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Rs. in millions)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2021						
Borrowings	271.37	88.26	330.48	3,812.84	9,551.43	14,054.38
Interest payable on borrowings	-	71.34	751.61	2,721.08	4,762.24	8,306.26
Trade payables	-	239.78	-	-	-	239.78
Other financial liabilities	763.64	105.54	84.56	1,222.53	43.50	2,219.77
	1,035.01	**504.92**	**1,166.65**	**7,756.45**	**14,357.17**	**24,820.20**
Year ended March 31, 2020						
Borrowings	298.45	44.82	192.69	4,278.36	9,286.24	14,100.56
Interest payable on borrowings	-	71.34	751.61	2,364.41	5,299.84	8,487.19
Trade payables	-	184.16	-	-	-	184.16
Other financial liabilities	514.78	86.02	129.59	833.53	-	1,563.92
	813.23	**386.33**	**1,073.89**	**7,476.30**	**14,586.08**	**24,335.83**

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37 Capital management

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

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

(Rs. in millions)

	31-Mar-21	31-Mar-20
Borrowings (long-term and short-term, including current maturities of long term borrowings) (Note 14 & 15)	14,054.38	14,100.56
Trade payables (Note 19)	239.78	184.16
Other payables (current and non-current, excluding current maturities of long term borrowings) (Note 15 & 20)	2,243.47	1,599.38
Less: Cash and cash equivalents (Note 11)	(92.43)	(501.51)
Net debt	16,445.21	15,382.58
Equity share capital (Note 12)	0.20	0.20
Other equity (Note 13)	(2,521.97)	(1,148.30)
Total capital	(2,521.77)	(1,148.10)
Capital and net debt	**13,923.44**	**14,234.49**
Gearing ratio	118.11%	108.07%

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

38 Going concern

(i) The financial statements indicate that the Company has accumulated losses amounting to Rs. 2,521.97 million , its net worth has been fully eroded and current liability exceeds current assets by Rs. 1,120.48 million as at March 31, 2021.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realize its assets and discharge its liabilities. The financial statements of the Company have been prepared on a 'Going Concern' basis, based on the letter of support from its Parent Company for a period of at least 1 year.

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(ii) The outbreak of COVID-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activities. Due to the lock down announced by the Government, the Company's operations were slowed down/ suspended for part of the current year and accordingly the accompanying financial statements are adversely impacted and not fully comparable with those of the earlier periods.

The Company's management has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of its assets including property, plant and equipment, investment property, capital work in progress, inventories, loans and receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2021, are fully recoverable. The management has also estimated the future cash flows with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements. Further as at March 31, 2021, the Company is not in compliance with some of the financial covenants in relation to listed & tradable redeemable non- convertible bonds as specified in clause 2.3 of schedule 3 of Debenture Trust Deed dated December 03, 2018. The management of the Company doesn't foresee any material impact which requires adjustments to financial statements.

During the year ended March 31, 2021, the leasing and hospitality operations of the Company was impacted due to COVID-19 restrictions. Due to the prevailing circumstances, the Company has recognized revenue for the year and the underlying receivables after having regard to the Company's ongoing discussions with certain customers on best estimate basis. During the year ended March 31, 2020, an impairment loss of Rs. 220.18 million had been recognised in the statement of profit and loss, which represented the write-down value of certain property, plant and equipment to the recoverable amount as a result of the impact of COVID-19 pandemic.

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Sugam Vanijya Holdings Private Limited

Sugam Vanijya Holdings Private Limited
Notes to the financial statements for the year ended March 31, 2021

39 Standards issued but not effective

There were no standards issued but not effective at the time of issuance of the Company's financial statements, hence the disclosure is not applicable.

40 Forward contracts entered for the purpose of hedging, which were outstanding as on March 31, 2021 is Nil (March 31, 2020 -Nil). Unhedged foreign currency exposure as on March 31, 2021 is as follows:

Unhedged foreign currency exposure

(Rs. in millions)

Underlying asset/liability	Foreign currency	31-Mar-21 Amount in foreign currency	31-Mar-21 Amount is Rs.	31-Mar-20 Amount in foreign currency	31-Mar-20 Amount is Rs.
Trade payables	EURO	-	-	2,711	0.22

41 Transfer pricing

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

42 Code of Social Security

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

43 The Company has not complied with the requirements of section 203 of the Companies Act, 2013 with respect to the appointment of whole time Company Secretary for the year ended March 31, 2021. No provision has been made for the penalty, if any, arising for aforesaid non-compliances as the management is of the view that the non-compliances were on account of factors beyond its control and all reasonable efforts were made by the Company to comply with the requirements of the Companies Act, 2013.

As per our report of even date

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

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bengaluru, India
Date: June 30, 2021

For and on behalf of the Board of Directors of
Sugam Vanijya Holdings Private Limited

Tariq Chinoy
Director
DIN: 08830666

Place: New Delhi, India
Date: June 30, 2021

Amit Bhushan
Director
DIN: 01910476

Place: New Delhi, India
Date: June 30, 2021

Rajendra Pai
Chief Financial Officer

Place: Bengaluru, India
Date: June 30, 2021

G BHAT & ASSOCIATES

Company Secretaries
 # 1748 | 18th Main | 8th Cross | Marenahalli
J P Nagar 2nd Phase | Bangalore - 560078
TELEPHONE: +91-9611 589 769 E-MAIL: guruprasadbhatcs@gmail.com

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial year ended 31st March, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members of Sugam Vanijya Holdings Private Limited
VR Bengaluru, No. 11B, Sy No. 40/9, Devasandra Industrial Area,
2nd Stage, KR. Puram Hobli Bangalore KA - 560048

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sugam Vanijya Holdings Private Limited, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and according to the representation made by the management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, except specifically as mentioned hereunder, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

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

In terms of Section 203 of the Companies Act, 2013, the Company has appointed the Company Secretary and during the financial year the Company Secretary has resigned from the office w.e.f. 21st October, 2020. However, after the said resignation the Company has not appointed the Company Secretary

in terms of Section 203 and Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

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

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);

vi. Other specifically applicable laws:
We have not examined the Compliances by the Company with respect to applicable financial laws. Since the same is subject to audit/review by the statutory auditors and member(s) of other professional bodies.

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

i. Listing (Obligations and Disclosure Requirements) Regulations, 2015:

- ***In terms of regulation 6 of the Regulation office of company secretary as the compliance officer is vacant from 22nd October, 2020.***

- ***In terms of Regulations 62 the Company is maintaining the functional website, however information's specified under this regulations are not displayed on the website.***

ii. Secretarial Standards issued by the Institute of Company Secretaries of India

We further report that

- The Board of Directors of the Company duly constituted and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

G BHAT & ASSOCIATES

Company Secretaries

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- All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that

- There are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. But, Company need to strengthen its current system to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

There were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

For, **G Bhat & Associates**

VR Dakshin Private Limited
Bengaluru

Guruprasada Bhat
Proprietor
M. No: A48176
C.P. No.: 18963
UDIN: A048176C000533529