

# **SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED**

CIN - L45100PN1982PLC173438

Reg Office: Office No. 510 To 513, 5th Floor, Platinum Square, Shri Satpal Malhotra Marg, Nagar Road, Pune- 411014. Ph. +919607600044 | e: info@belmac.in | www.supremeholdings.net

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September 05, 2020

## **BSE Limited**

Department of Corporate Services  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

Dear Sir,

**Ref.: Scrip Code N0. 530677**

**Subject: Submission of Annual Report for FY 2019-20 under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulations')**

Pursuant to Regulation 34 of the Listing Regulations, we hereby submit Annual Report for the Financial Year 2019-20 which is being dispatched/ sent to shareholders by electronic mode.

The said Annual Report is also available on the website of the Company at [www.supremeholdings.net](http://www.supremeholdings.net).

You are requested to take the above on record and acknowledge the receipt of the same.

Thanking you,

Yours Faithfully

**For Supreme Holdings & Hospitality (India) Ltd**

**Sd/-**  
**Kailash Sharma**  
**Company Secretary**  
**A-7192**  
**Mobile: 7977254452**



**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED**

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**38<sup>th</sup>**  
**ANNUAL REPORT**  
**2019 - 2020**



**BOARD OF DIRECTORS**

<b>VIDIP JATIA</b>	- Chairman Managing Director & C.F.O.
<b>S. N. ATREYA</b>	- Independent Director
<b>RAGHAV AGARWALA</b>	- Independent Director
<b>SHRUTI JATIA</b>	- Independent Director
<b>ROMIE HALAN</b>	- Independent Director
<b>NAMITA JATIA</b>	- Executive Director

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**KAILASH SHARMA** - Company Secretary

Auditors

**Mittal Agarwal & Company**

Chartered Accountants

Registered Office:

**Office No. 510 TO 513, 5th Floor,  
Platinum Square, Shri Satpal Malhotra Marg,  
Nagar Road, Pune - 411014.**

**www.supremeholdings.net**

**Email : investors@supremeholdings.net**

**CIN - L45100PN1982PLC173438**

**Tel : 9607600044**

Registrar & Transfer Agents:

**Link Intime India Pvt Ltd**

C-101, 247 Park, L. B. S. Marg,

Vikhroli -West, Mumbai - 400 083.

Tel: 022 28515606 / 022 28515644,

Fax: 022 2851 2885

Email: support@sharexindia.com

Email: investor@sharexindia.com

**IMPORTANT COMMUNICATION TO MEMBERS**

In terms of the Amended Regulation 40(1) of the Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirement) Regulations, 2015, except in the case of transmission or transposition of Securities, requests for effecting the transfer of Securities shall not be processed unless the securities are held in dematerialized form.

In view of the above, Members are requested to dematerialized their shares of the Company held in physical form as any request for transfer of shares in physical form will not be processed.

**PURSUANT TO MERGER OF OUR RTA, SHAREX DYNAMIC INDIA PRIVATE LIMITED WITH LINK INTIME INDIA PVT LTD THE NAME OF OUR RTA HAS CHANGED TO LINK INTIME INDIA PVT LTD.**



## NOTICE

**NOTICE** is hereby given that Thirty Eighth Annual General Meeting of Supreme Holdings & Hospitality (India) Limited will be held on Wednesday, 30<sup>th</sup> September, 2020 at 3.00 pm, through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") facility to transact following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended 31st March, 2020 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Namita Jatia (DIN: 07660840), who retires by rotation and being eligible, offer herself for re-appointment.

### SPECIAL BUSINESS:

3. **TO APPROVE APPOINTMENT OF MRS. NAMITA JATIA (DIN: 07660840) AS WHOLETIME DIRECTOR DESIGNATED AS EXECUTIVE DIRECTOR**

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 Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 [hereinafter referred to as "the Act" including any modification(s) or re-enactment(s) thereof for the time being in force] and subject to such other approvals, permissions and sanction as may be required in this regard, consent of the shareholders be and is hereby accorded for appointment of Mrs. Namita Jatia (DIN: 07660840) as Wholtime Director designated as Executive Director of the Company, for a period of 3 (Three) years with effect from 14<sup>th</sup> February 2020 up to 13<sup>th</sup> February, 2023, on the terms and conditions of appointment including the payment of remuneration, perquisites & other benefits and including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of her appointment, as set out in the Explanatory Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board or duly constituted committee thereof be and is hereby authorised to alter, vary and modify the said terms including salary, allowances, perquisites in such manner as may be agreed to between the Board and Mrs. Namita Jatia provided such revision is within the overall limits as prescribed under the Act read with Schedule V thereto, and or any guidelines prescribed by the Government from time to time.

**RESOLVED FURTHER THAT** the Board be and are hereby authorized to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

4. **TO APPROVE RE-APPOINTMENT OF MR. VIDIP JATIA (DIN: 06720329) AS MANAGING 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 Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 [hereinafter referred to as "the Act" including any modification(s) or re-enactment(s) thereof for the time being in force] and subject to such other approvals, permissions and sanction as may be required in this regard, consent of the shareholders be and is hereby accorded for reappointment of Mr. Vidip Jatia (DIN: 06720329) as Managing Director of the Company, for a period of 3 (three) years with effect from 13<sup>th</sup> May, 2020 up to 12<sup>th</sup> May, 2023, on the terms and conditions of appointment including the payment of remuneration, perquisites & other benefits and including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment, as set out in the Explanatory Statement annexed hereto .

**RESOLVED FURTHER THAT** the Board or duly constituted committee thereof be and is hereby authorised to alter, vary and modify the said terms including salary, allowances, perquisites in such manner as may be agreed to between the Board and Mr. Vidip Jatia provided such revision is within the overall limits as prescribed under the Act read with Schedule V thereto, and or any guidelines prescribed by the Government from time to time.

**RESOLVED FURTHER THAT** the Board be and are hereby authorized to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

5. **TO APPROVE APPOINTMENT OF MR. RAGHAV AGARWALA (DIN: 02109541) AS AN INDEPENDENT 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, including any statutory modification(s) or re-enactment thereof for the time being in force and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Raghav Agarwala, (DIN: 02109541) who was appointed as an Additional Independent Director of the Company with effect from 13th November, 2019 under Section 161 of the Companies Act, 2013, and in respect of whom the Company has under Section 160 of the Companies Act 2013, received a notice in writing proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 13th November, 2019.

**RESOLVED FURTHER THAT** the Board be and are hereby authorized to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

6. **TO APPROVE APPOINTMENT OF MR. ROMIE HALAN, (DIN: 02816976) AS AN INDEPENDENT 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, including any statutory modification(s) or re-enactment thereof for the time being in force and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Romie Halan, (DIN: 02816976) who was appointed as an Additional Independent Director of the Company with effect from 25th August, 2020 under Section 161 of the Companies Act, 2013, and in respect of whom the Company has under Section 160 of the Companies Act 2013, received a notice in writing proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 25th August, 2020.

**RESOLVED FURTHER THAT** the Board be and are hereby authorized to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

7. **TO APPROVE THE RE-APPOINTMENT OF MRS. SHRUTI JATIA (DIN: 05009237) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, including any statutory modification(s) or re-enactment thereof for the time being in force and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Shruti Jatia (DIN: 05009237) who was appointed as an independent director of the Company up to 9th March 2020 and is eligible for being re-appointed as an independent director and in respect of whom a notice in writing pursuant to section 160 of the Act has been received be and is hereby re-appointed as an independent director on the Board of the Company for a second term of five consecutive years effective from 10th March 2020 up to 9th March 2025.

**RESOLVED FURTHER THAT** the Board be and are hereby authorized to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

8. **TO APPROVE MATERIAL RELATED PARTY TRANSACTIONS:**

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

**"RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the consent and approval of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power, including the powers conferred by this Resolution) for the arrangements/ transactions/ contracts) entered or to be entered into by the Company with related parties within the meaning of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as detailed in the Explanatory Statement annexed to this Notice.



**RESOLVED FURTHER THAT** the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ modification/ ratification to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties.

**RESOLVED FURTHER THAT** the Board be and are hereby authorized to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

9. **TO APPROVE TO GIVE LOAN /GUARANTEE /SECURITIES**

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

**"RESOLVED THAT** pursuant to provisions of Section 185 ("said Section"), and other applicable provisions, if any of the Companies Act, 2013, and the rules framed there under, (including any statutory modification or enactment thereof for the time being in force), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power conferred by this resolution), for making of loan(s) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any loan taken/to be taken by Shrilekha Trading Private Limited, Dilshad Trading Co. Pvt. Ltd. and Belmac Care Services LLP, being entities under the category of "a person in whom any of the Director of the Company is interested", as specified in the explanation to Sub-section 2 of the said Section, for an aggregate outstanding amount not exceeding Rs. 25,00,00,000/- (Rupees Twenty Five Crore only).

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board is hereby authorised to negotiate, finalise and agree the terms and conditions of the aforesaid loan/guarantee/security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all required and necessary acts, deeds and things as the Board may think fit and suitable."

10. **TO APPROVE PAYMENT OF REMUNERATION TO EXECUTIVE DIRECTORS WHO ARE PROMOTERS IN EXCESS OF THRESHOLD LIMITS AS PER REGULATION 17(6)(E) OF SEBI AMENDED LISTING REGULATIONS.**

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

**"RESOLVED THAT** pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any amendment thereof) and as per the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for payment of remuneration (including any fees or compensation) to the Executive Directors of the Company being promoters or member of Promoter group in accordance with the limits approved by the Members while approving the appointment of such Executive Directors notwithstanding that the said limits of the aggregate annual remuneration payable to such Executive Directors exceeds 5 per cent of the net profit of the Company calculated as per section 198 of the Companies Act, 2013, provided that the overall managerial remuneration of the Executive Directors is within the limits prescribed under Section 197 read with Schedule V of the Company Act, 2013 at any point in time.

**RESOLVED FURTHER THAT** the approval of shareholders shall be valid only till the expiry of the existing term of Executive Directors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos. 3 to 10 of the Notice, is annexed hereto. Brief resume and other details of the Director proposed to be appointed/ reappointed as required in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 are attached hereto. The Board of Directors have considered and decided to include Item Nos. 3 to 10 given above as special businesses in the Thirty Eighth Annual General Meeting ("AGM"), as they are unavoidable in nature
2. The Register of Members and the Share Transfer Register of the Company shall remain closed from Thursday, 24<sup>th</sup> September, 2020, to Wednesday, 30<sup>th</sup> September, 2020 both days inclusive.

3. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs vide its circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 ("**MCA Circulars for General Meetings**"), and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 permitted the holding of the General Meetings through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**"), the above MCA and SEBI Circulars for General Meetings, the AGM of the Company is being held through VC / OAVM.
4. Since the AGM is being held through VC / OAVM, physical attendance of Members is dispensed with and consequently, the facility for appointment of proxies is not applicable. Hence proxy forms and attendance slips are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members through electronic mode during the AGM. The documents referred to in the Notice will also be available electronically for inspection by the Members, without payment of any fees, from the date of circulation of this Notice up to the date of AGM. Members seeking inspection of the aforementioned documents are requested to send an email to [investors@supremeholdings.net](mailto:investors@supremeholdings.net)
6. In compliance with the MCA Circulars on General Meetings and SEBI Circular dated May 12, 2020, Notice of the AGM of the Company, inter alia, indicating the process and manner of e-voting along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depository Participant.
7. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.
8. The email addresses can be registered with the Depository Participant in case the shares are held in electronic form and with the RTA of the Company in case the shares are held in physical form.

Members may also note that the Notice of the AGM and the Annual Report 2019-2020 are available on the Company's website i.e [www.supremeholdings.net](http://www.supremeholdings.net), website of the BSE Limited i.e [www.bseindia.com](http://www.bseindia.com) and Central Depository Services (India) Limited ("**CDSL**") (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

**9. THE INTRUCTIONS FOR SHAREHOLDRES FOR ATTENDING THE AGM THROUGH VC/OAVM, REMOTE E-VOTING AND E-VOTING DURING AGM ARE AS UNDER:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of for participating in the AGM through VC / OAVM and also of remote e-voting and e-voting during the AGM to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency.

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

- I. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- II. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013
- III. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.





- IV. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- V. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- VI. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- VII. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at **investors@supremeholdings.net** . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at **investors@supremeholdings.net**. These queries will be replied to by the company at AGM or suitably by email. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.
- VIII. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

## THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on Sunday, 27<sup>th</sup> September, 2020 at 9.00 a.m. and ends on Tuesday, 29<sup>th</sup> September, 2020 at 5.00 p.m., During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 23<sup>rd</sup> September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on Wednesday, 23<sup>rd</sup> September, 2020.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

- I. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company at investors@supremeholdings.net or RTA at support@sharexindia.com**
- II. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company at investors@supremeholdings.net or RTA at support@sharexindia.com**

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

- I. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- II. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- III. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



- IV. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**(xx) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investors@supremeholdings.net](mailto:investors@supremeholdings.net) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

10. The Board of Directors has appointed Mr. Sanam Umbargikar, Partner, DSM & Associates, Company Secretaries as a Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
11. The results declared along with the Scrutinizer’s report will be forwarded to BSE Limited and be displayed at the Registered Office of the Company and simultaneously uploaded on the Company’s website viz. [www.supremeholdings.net](http://www.supremeholdings.net) and on website of CDSL.
12. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the RTA of the Company.

**ANNEXURE TO THE NOTICE****(EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)****Item No. 3 & 4**

On the recommendations of the Nomination & Remuneration Committee, the Board of Directors of the Company at their meetings held on 13<sup>th</sup> February, 2020 appointed Mrs. Namita Jatia, as Whole time Director designated as Executive Director for a period of 3 years w.e.f. 14<sup>th</sup> February, 2020, subject to approval of Shareholders.

The Tenure of Mr. Vidip Jatia as Managing Director of the Company has expired on 12<sup>th</sup> May, 2020. On the recommendations of the Nomination & Remuneration Committee, the Board of Directors of the Company at their meetings held on 11<sup>th</sup> May, 2020 reappointed Mr. Vidip Jatia, as Managing Director for a period of 3 years w.e.f. 13<sup>th</sup> May, 2020, subject to approval of Shareholders.

A brief profile of Mrs. Namita Jatia and Mr. Vidip Jatia in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2011, is provided below.

The salient features of the terms and conditions of appointment are as follows:

Sr. no		Mrs. Namita Jatia (DIN: 07660840)	Mr. Vidip Jatia(DIN: 06720329)
1.	Period	For a term of 3 years with effect from 14th February, 2020 upto 13th February, 2023	For a term of 3 years with effect from 13 <sup>th</sup> May, 2020 upto 12 <sup>th</sup> May, 2023.
2.	Remuneration	Salary:	
		Rs. 200000/- (Rupees Two Lakh only) per month with such increments as the Board may decide from time to time, in the range of Rs. 200000/- (Rupees Two Lakh only) to Rs. 250000/- (Rupees Two Lakh Fifty Thousand only) per month.	Rs. 2,00,000/- (Rupees Two Lakhs only) per month with such increments as the Board may decide from time to time, in the range of Rs. 2,00,000/- (Rupees Two Lakhs Only) to Rs. 2,50,000/- (Rupees Two Lakh Twenty Five Thousand) per month
		Perquisites:	
		Such perquisites, benefits and allowances as per the policy/ rules of the Company in force and/or as may be approved by the Board from time-to-time.	Such Perquisites, benefits and allowances as per the policy and rules of the Company in force and/ or as may be approved by the Board from time-to-time.
3.	Overall Remuneration	The remuneration payable to the directors (including the basic salary, commission, perquisite, benefits and amenities) shall not exceed the limits prescribed in Section 197 and other applicable provisions of the Act read with schedule V of the Act, including any statutory modifications or re-enactment thereof.	
4	Minimum Remuneration	Notwithstanding anything contained herein, if in any financial year during the currency of the tenure of the directors, the Company has no profits or its profits are inadequate, the Company shall pay the Directors, above remuneration as minimum remuneration within the permissible limit under Schedule V of the Companies Act, 2013 from time to time.	
5.	Termination	The agreement/s may be terminated by either party by giving three months notice or the Company paying three months remuneration in lieu of the notice.	



The details as required under section II of part II of scheduled V to the Act are given here-in-below

Sr.No	Particulars	Information			
I	General Information				
	Nature of Industry	Land Development, Construction & Real Estate and Hospitality			
	Date or expected date of commencement of commercial production.	The Company is an existing Company since 1982.			
	Financial Performance based on given indicators	(Rupees in Lakhs)			
			March 31, 2020	March 31, 2019	March 31, 2018
		Share Capital	3547.69	3547.69	3547.69
		Reserves & Surplus	4967.97	4262.26	3956.86
		Total Income	7875.75	5530.76	4868.33
		Profit before tax	798.97	366.97	293.48
		Profit after tax	695.10	309.40	150.44
	Foreign Investment or collaborations, if any	NIL			
II	Information about the appointees:				
		Mrs. Namita Jatia (DIN: 07660840)	Mr. Vidip Jatia (DIN: 06720329)		
	B Background Details	Mrs. Namita Jatia aged 33 years holds a Bachelor Degree in Business Management. She is having rich knowledge in Marketing, Business Development and coordinating the administration. She Joined as Director on the Board of the Company with effect from 10th March , 2017. She was, thereafter, appointed as whole time Director, designated as an Executive Director of the Company with effect from 01st June, 2018 and she has been actively involved in Supervising and General Administrative activities of the Company. However, due to her personal reason, she resigned with effect from 11th June, 2019 as an Executive Director and continued as Director of the Company	Mr. Vidip Jatia, aged 27 years, is BA (Hons) Business and Accounting Graduate from the University of Exeter. He has comprehensive knowledge in Accounting, Finance, Management, Marketing and Economics. He has worked in retail chains like NEXT in United Kingdom wherein he developed a penchant for accounts and marketing while working for the finance department. He joined as a Director on the Board with effect from 31 <sup>st</sup> October, 2013 and was appointed as managing director with effect from 13 <sup>th</sup> May, 2017. He has been leading Project Development & Marketing activities of Company's Project. He was also appointed as Chief Financial Officer of the Company with effect from 14 <sup>th</sup> February, 2020.		
	Nature of expertise in specific functional areas	Business Management and Administration.	Accounting, Finance, Management, Marketing and Economics.		
	Past Remuneration	Rs. 15,71,241/- paid as remuneration during FY2019-20	Rs. 21,50,000/- paid as remuneration during the FY. 2019-20		
	Recognition or awards	None	None		
	Job profile & suitability	As a Whole time Director of the Company Mrs. Namita Jatia will be responsible for day-to-day administration of the Company under the guidance of Board of Directors. Taking into consideration her qualifications and knowledge, she is best suited for this position.	As a Managing Director, Mr. Vidip Jatia is responsible for day-to-day management of the Company under the guidance of the Board of Directors. Taking into consideration his qualifications and knowledge, he is best suited for this position.		

	Remuneration proposed	As mentioned above	As mentioned above
	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Taking into the consideration the size of the Company, the profile of Mrs. Namita Jatia and responsibilities being shouldered by her, the remuneration is commensurate with Industry standards.	Taking into the consideration the size of the Company, the profile of Mr. Vidip Jatia and responsibilities being shouldered by him, the remuneration is commensurate with Industry standards.
	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Mrs. Namita Jatia has entered in Joint Development Agreement with Company in respect of Land held by her. She is sister in law of Mr. Vidip Jatia, Managing Director of the Company. Presently she is holding 63,35,474 equity shares i.e. 17.86% of the share capital of the Company. Further, she has no pecuniary relationship with the Company directly or indirectly beside the remuneration and other information set out above.	Mr. Vidip Jatia has entered in Joint Development Agreement with Company in respect of Land held by him. He is brother in law of Mrs. Namita Jatia, Executive Director of the Company. Presently he is holding 75,85,350 equity shares i.e. 21.38% of the share capital of the Company. Further, he has no pecuniary relationship with the Company directly or indirectly beside the remuneration and other information set out above.

III	Other information:	
	Reasons of loss or inadequate profits.	Company has profit
	Steps taken or proposed to be taken for further improvement	The Company will further develop its brand image and improve the marketing strategy to boost the sales and generate more Revenue. Various cost cutting measures are also resorted by the management for improving the profitability of the Company.
	Expected increase in productivity and profits in measurable terms	The outbreak of COVID-19 pandemic at the end of financial year 2019- 2020 has severely impacted businesses in the current year. Given the current uncertain situation, there may be delay in execution of projects and resultant impact on revenue and profitability.
IV	Disclosures	The proposed remuneration packages of Mrs. Namita Jatia and Mr. Vidip Jatia are disclosed in the explanatory statement for resolution nos. 3 & 4 of the Notice of 38th Annual General Meeting. Disclosure on all elements of remuneration package of all the Directors of the Company have been made in the Corporate Governance Report.

Except Mrs. Namita Jatia, Mr. Vidip Jatia and their relatives to the extent of their respective shareholding in the company if any, none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolutions mentioned at item no. 3 and 4 of the Notice

The Board commends the Resolution at item no. 3 and 4 of the notice for approval of the shareholders.

#### Item No. 5

The Board of directors of the Company at its Meeting held on 13<sup>th</sup> November, 2019, on recommendation of Nomination and Remuneration Committee, appointed Mr. Ragahav Agarwala as an Additional Independent Director for a five consecutive years w.e.f 13<sup>th</sup> November, 2019 subject to approval of members at their meeting. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company.

Mr. Raghav Agarwala, is a Commerce Graduate. He has more than 20 years of experience and knowledge of Management, Finance and Marketing. He has been in business of paper since 1995 and also Promoter of Crystal Tissues Pvt. Ltd. and Lloyds Mercantile Co. Engg. Pvt. Ltd.

Mr. Raghav Agarwala have given his consent for the said appointment and a declaration to the Board that he meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. The Company has also received a declaration confirming that he is not disqualified from being appointed as a director in terms of section 164 of the Companies Act 2013 and that and that no order of Securities and Exchange Board of India or any other such authority has been passed against Mr. Raghav Agarwala debarring from accessing the capital markets and restraining from holding the position of Director in any listed Company.



In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mr. Raghav Agarwala fulfils the criteria of Independence as specified in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and are independent of the management. In respect of the said appointment, a notice in writing in the prescribed manner as required by section 160 of the Act, as amended and rules made thereunder, has been received by the Company, regarding his candidature for the office of the director.

Mr. Raghav Agarwala is not related to any Promoter, or Director or Key Managerial Personnel of the Company. Mr. Raghav Agarwala does not hold any shares in the Company. The Board is of the view that the appointment of Mr. Raghav Agarwala on the Company's Board as Independent Director is desirable and would be beneficial to the Company.

A copy of the draft Letter of Appointment for Independent Director is available for inspection through electronic mode, upon the request being sent on [investors@supremeholdings.net](mailto:investors@supremeholdings.net)

Except Mr. Raghav Agarwal and his relatives to the extent of their respective shareholding in the company if any, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolution.

The Board commends the Ordinary resolution set out in item no. 5 for approval of the shareholders.

### **Item 6.**

The Board of directors of the Company through Circular Resolution passed dated 25th August, 2020, on recommendation of Nomination and Remuneration Committee, appointed Mr. Romie Halan as an Additional Independent Director for a five consecutive years w.e.f 25th August, 2020 subject to approval of members at their meeting. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company.

Mr. Romie Halan, Aged 36 years, is M.B.A. in Marketing and Finance. After completing his education he joined his family business. He has more than 10 years of experience and knowledge of finance, marketing and business administration.

Mr. Romie Halan have given his consent for the said appointment and a declaration to the Board that he meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. The Company has also received a declaration confirming that he is not disqualified from being appointed as a director in terms of section 164 of the Companies Act 2013 and that and that no order of Securities and Exchange Board of India or any other such authority has been passed against Mr. Romie Halan debarring from accessing the capital markets and restraining from holding the position of Director in any listed Company.

In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mr. Romie Halan fulfils the criteria of Independence as specified in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and are independent of the management. In respect of the said appointment, a notice in writing in the prescribed manner as required by section 160 of the Act, as amended and rules made thereunder, has been received by the Company, regarding his candidature for the office of the director.

Mr. Romie Halan is not related to any Promoter, or Director or Key Managerial Personnel of the Company. Mr. Romie Halan does not hold any shares in the Company. The Board is of the view that the appointment of Mr. Romie Halan on the Company's Board as Independent Director is desirable and would be beneficial to the Company.

A copy of the draft Letter of Appointment for Independent Director is available for inspection through electronic mode, upon the request being sent on [investors@supremeholdings.net](mailto:investors@supremeholdings.net)

Except Mr. Romie Halan and his relatives to the extent of their respective shareholding in the company if any, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolution.

The Board commends the Ordinary resolution set out in item no. 6 for approval of the shareholders.

### **Item No.7**

Mrs. Shruti Jatia (DIN: 05009237) was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, to hold office for a term of 3 years from 10<sup>th</sup> March, 2017 upto 09<sup>th</sup> March, 2020 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.).



The Nomination & Remuneration Committee at its Meeting held on 07th March, 2020 after taking into account the performance evaluation of Mrs. Shruti Jatia, during her first term of three years and considering her knowledge and experience has recommended to the Board that continued association of Mrs. Shruti Jatia as an Independent Directors would be in the interest of the Company.

Based on above recommendation, the Board at its meeting held on 07<sup>th</sup> March, 2020 has approved and recommended the re-appointment of Mrs. Shruti Jatia as an Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from 10<sup>th</sup> March, 2020 upto 09th March, 2025.

Mrs. Shruti Jatia is commerce graduate and has 13 years of experience in hospitality sector, specially of Management and Administration. She is assisting management of restaurants YANA Pune.

Mrs. Shruti Jatia have given her consent for the said appointment and a declaration to the Board that she meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. The Company has also received a declaration confirming that she is not disqualified from being appointed as a director in terms of section 164 of the Companies Act 2013 and that no order of Securities and Exchange Board of India or any other such authority has been passed against Mrs. Shruti Jatia debarring from accessing the capital markets and restraining from holding the position of Director in any listed Company.

In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mrs. Shruti Jatia fulfils the criteria of Independence as specified in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and are independent of the management. In respect of the said appointment, a notice in writing in the prescribed manner as required by section 160 of the Act, as amended and rules made thereunder, has been received by the Company, regarding his candidature for the office of the director.

A copy of the draft Letter of Appointment for Independent Director is available for inspection through electronic mode, upon the request being sent on investors@supremeholdings.net

Mrs. shruti Jatia is not related to any Promoter, or Director or Key Managerial Personnel of the Company. Mrs. Shruti Jatia does not hold any shares in the Company. The Board is of the view that the re-appointment of Mrs Shruti Jatia on the Company's Board as Independent Director is desirable and would be beneficial to the Company.

Except Mrs. Shruti Jatia and her relatives to the extent of their respective shareholding in the company if any, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolution.

The Board commends the special resolution set out in item no. 7 for approval of the shareholders.

#### **Item no 8**

During the ordinary course of its business, the Company enters into transactions / arrangements at arm's length basis with Shrilekha Trading Pvt. Ltd. and Dilshad Trading Co. Pvt. Ltd. in the nature of Purchase of goods & materials, availing Brokerage services, availing /providing Intercompany deposits and reimbursements to be made or to be received. The Company also proposes to provide loan and availing administrative and facility management services from Belmac Care Services LLP.

Shrilekha Trading Private Limited, Dilshad Trading Co. Private Limited and Belmac Care Services LLP fall under the category of related parties of the Company pursuant to Section 2(76) of Companies Act, 2013.

In terms of Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all material related party transaction, i.e. transaction which individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements, require approval of the shareholders.

The transaction(s) of the Company with related parties exceed the above 10% criteria and therefore, keeping in view the requirement of the Listing Regulations, it is proposed to seek approval of the Members by Ordinary Resolution to the related parties transactions as per below set limits.

All related parties shall abstain from voting on this resolution. The total shareholding interest of promoters and directors of the company in Shrilekha Trading Private Limited and Dilshad Trading Co Private Limited is 25.04% and 39.12% respectively.





Name of the related party	Nature, Material terms, Monetary value and particulars of the contract or arrangements	Name of the Director or Key Managerial Personnel who is related, if any:	Nature of relationship
Shrilekha Trading Private Limited.	Purchase of Iron & Steel products and other materials and availing the brokerage services for its project at Pune and Panvel. The transactions for an aggregate outstanding amount not exceeding Rs. 50/- crores. The pricing of the contract or arrangement as mutually decided between the parties.	<b>a. Mr. Vidip Jatia</b> , Managing Director <b>b. Mrs. Namita Jatia</b> , Executive Director	<b>a. Mr. Vidip Jatia</b> is Director and Member of Shrilekha Trading Private Limited and Member of Dilshad Trading Co Private Limited. <b>Mr. Vidip Jatia</b> is Designated Partner of Belmac Care Services LLP. <b>b. Mrs. Namita Jatia</b> is Director and Member of Shrilekha Trading Private Limited; Relatives of <b>Mrs. Namita Jatia</b> are Directors and/or Members of Dilshad Trading Co Private Limited. <b>Mrs. Namita Jatia</b> is Designated Partner of Belmac Care Services LLP.
a. Shrilekha Trading Private Limited b. Dilshad Trading Co Private Limited c. Belmac Care Services LLP	Availing or providing Inter Corporate Deposits/ Loan-Unsecured repayable on demand. The transactions/arrangements for an aggregate outstanding amount not exceeding Rs. 25/- crores.  The other terms of the contract or arrangement as mutually decided between the parties.		
Belmac Care Services LLP	Availing the administrative and facility management services for its project at Pune and Panvel. The transactions for an aggregate outstanding amount not exceeding Rs. 5/- crores. The terms of the contract or arrangement as mutually decided between the parties.		

The Audit Committee has approved these related party transactions and limits and has noted that these transactions would at all times be in the ordinary course of business and at arm's length.

Except Mrs. Namita Jatia, Mr. Vidip Jatia and their relatives to the extent of their respective shareholding in the company if any, none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolutions mentioned at item no 8 of the Notice

The Board commends the Resolution at item no. 8 of the notice for approval of the shareholders.

#### **Item No. 9.**

During the Ordinary course of its business the Company may provide loans to Shrilekha Trading Private Limited, Dilshad Trading Co. Private Limited and Belmac Care Services LLP for their business, growth and expansion. These Companies /LLP are falling under the Category of the person in whom Director of the Company are interested as provided in explanation to Sub-section 2 of Section 185 of the Companies Act, 2013.

The Loan proposed to be provided to these Entities shall be unsecured, repayable on demand and on such other terms and conditions as may be determined by the Board. Additionally, the Company may also provide guarantees and /or securities in connection with any loan taken/ to be taken by these Entities.

The loans/guarantees/securities to be provided by the Company shall be utilised by the aforesaid Entities for their principal business activities and the matter connected and incidental thereto and shall be for an aggregate outstanding amount not exceeding Rs. 25,00,00,000/- (Rupees Twenty Five crores only).

As per section 185 of the Companies Act, 2013, the Consent of Members by way of special resolution is required for making Loans to, and or giving guarantees and / or providing of securities in connection with any loan taken to be taken by any person in whom Director of the Company are interested and hence the consent of the members is being sought by way of a Special Resolution. The total shareholding interest of promoters and directors of the company in Shrilekha Trading Private Limited and Dilshad Trading Co. Private Ltd. is 25.04% and 39.12% respectively.

Except Mrs. Namita Jatia, Mr. Vidip Jatia and their relatives to the extent of their respective shareholding in the company if any, none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolutions mentioned at item no 9 of the Notice.

The Board commends the Resolution at item no. 9 of the notice for approval of the shareholders.

**Item No.10**

In terms Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, ("Amended Listing Regulations"), the remuneration payable to Executive Directors who are promoters or member of promoter group, shall be subject to the approval of the shareholders by Special Resolution in General Meeting, if, the aggregate annual remuneration payable to such directors exceeds 5% of the net profits of the Company where there is more than one such director. The approval given by the shareholders shall be valid only till the expiry of the term of such Director.

Mr. Vidip Jaita (DIN: 06720329) was reappointed as Managing Director for a term of Three years effective from 13th May, 2020 and Mrs. Namita Jaita was appointed as Executive Director of the Company for a term of three years effective from 14<sup>th</sup> February, 2020 subject to approval of members at this Annual General Meeting.

The Aggregate annual Remuneration to Executive Directors is in excess of 5 % of the net profit of the Company and therefore, in order to comply with the requirement of Listing Regulations approval of Members by way of Special Resolution is sought.

Except Mrs. Namita Jatia, Mr. Vidip Jatia and their relatives to the extent of their respective shareholding in the company if any, none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolutions mentioned at item no.10 of the Notice

The Board commends the Resolution at item no. 10 of the notice for approval of the shareholders.

By order of the Board of Directors

Place: Pune  
Date: 01st September, 2020

**Kailash Sharma**  
Company Secretary  
**ACS-7192**

**Registered Office: Office no. 510 to 513, 5th Floor,  
Platinum Square, Shri Satpal Malhotra Marg, Nagar Road,  
Pune-411014.**



**ANNEXURE TO AGM NOTICE**

The Statement of disclosures pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings is as under:

<b>Name of the Director</b>	<b>Mrs. Namita Jatia</b>	<b>Mr. Vidip Jatia</b>	<b>Mr. Raghav Agarwala</b>	<b>Mr. Romie Halan</b>	<b>Mrs. Shruti Jatia</b>
<b>DIN</b>	07660840	06720329	02109541	02816976	05009237
<b>Age</b>	33 Years	27 Years	51 Years	36 Years	47 Years
<b>Date of first appointment on the board</b>	10.03.2017	31.10.2013	13.11.2019	25.08.2020	30.03.2015
<b>Qualification</b>	Bachelor degree in Business Management	BA (Hons) in Business & Accounting	Commerce Graduate	M.B.A. in Marketing and Finance	Commerce Graduate
<b>Details of the remuneration last drawn</b>	Rs. 2,00,000/- per month remuneration drawn as a Executive Director of the Company	Rs. 2,00,000/- per month remuneration drawn as a Managing Director of the Company	NA	NA	NA
<b>Nature of his Expertise in Specific Functional Areas</b>	Business Management and Administration.	Accounting, Finance, Management, Marketing and Economics.	Marketing and business development	Marketing, Finance and Business Administration.	Management and General Administration
<b>Directorship held in other Listed Companies</b>	NIL	NIL	NIL	NIL	NIL
<b>No of Shares held in the Company</b>	63,35,474	75,85,350	NIL	NIL	NIL
<b>No of Board meetings attended during last Financial Year</b>	5	5	3	0	5
<b>Chairman/Member of Committee of the Board of Directors of the Company *</b>	<b>Audit Committee - NIL Stakeholder Relationship Committee - NIL</b>	<b>Audit Committee - Member Stakeholder Relationship Committee - Member</b>	<b>Audit Committee - Member Stakeholder Relationship Committee - NIL</b>	<b>Audit Committee - NIL Stakeholder Relationship Committee - NIL</b>	<b>Audit Committee - Member Stakeholder Relationship Committee - Member</b>
<b>Chairman/Member of Committee of the Board of Directors of the other listed Companies *</b>	<b>Audit Committee - NIL Stakeholder Relationship Committee - NIL</b>	<b>Audit Committee - NIL Stakeholder Relationship Committee - NIL</b>	<b>Audit Committee - NIL Stakeholder Relationship Committee - NIL</b>	<b>Audit Committee - NIL Stakeholder Relationship Committee - NIL</b>	<b>Audit Committee - NIL Stakeholder Relationship Committee - NIL</b>
<b>Disclosure of Relationship between Directors, Manager and other Key Managerial Personnel of the Company.</b>	Mr. Vidip Jatia is the brother in law of Mrs. Namita Jatia, Executive Director of the Company.	Mrs. Namita Jatia is the sister in law of Mr. Vidip Jatia, Managing Director of the Company.	Mr. Raghav Agarwala is not related to any Director Manager and other Key Managerial Personnel of the Company.	Mr. Romie Halan is not related to any Director Manager and other Key Managerial Personnel of the Company.	Mrs. Shruti Jatia is not related to any Director Manager and other Key Managerial Personnel of the Company.
<b>Terms &amp; Conditions of appointment</b>	Please refer explanatory statement for item nos 3 to 7				

\*Pursuant to Regulation 26 of the listing Regulation, only Audit Committee and Stakeholder Committee have been considered.

**DIRECTORS' REPORT****The Members of SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED**

Your Directors have pleasure in presenting Thirty Eighth Annual Report and Audited Accounts of the Company for the year ended 31st March, 2020.

**FINANCIAL RESULTS AND THE STATE OF AFFAIRS:****(Rs. in Lacs)**

Particulars	2019-20	2018-19
Total Income	<b>7875.75</b>	5530.76
Total Expenditure (excluding depreciation)	<b>7047.27</b>	5151.03
Profit before depreciation and Tax	<b>828.48</b>	379.72
Depreciation	<b>30.41</b>	12.75
Profit before Tax	<b>798.07</b>	366.97
Tax Expenses:		
Current Tax	<b>100.99</b>	59.74
Deferred Tax (net)	<b>1.98</b>	-2.17
Net Profit for the year	<b>695.10</b>	309.40
Other Comprehensive Income (Net of Tax)	<b>10.61</b>	(4.00)
Total Comprehensive Income	<b>705.71</b>	305.40

**REVIEW OF OPERATIONS:**

The Company is operating in the Construction and development of residential and commercial projects

The revenue from real estate activity is recognised in accordance with the "Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)" issued by the Institute of Chartered Accountants of India (ICAI).

During the year under review the total Income of the Company was at Rs. 7875.75 Lacs as compared to Rs. 5530.76 Lacs in the previous year. The Company has reported net profit of Rs. 695.10 Lakhs during the year under review as against profit of Rs. 309.40 Lacs in the previous year.

**PANVEL**

The land at Panvel which falls under NAINA and the CIDCO has announced the Town Planning Schemes (TPS) for NAINA in phase manner. However, the Covid Pandemic has delayed the Plot allotment and other procedures hence no progress has been made so far.

**BELMAC RIVERSIDE**

The Development of residential project in Joint Development on Land admeasuring 1.5 acres approx. situated at village Akurli, Taluka Panvel is progressing as per schedule. The project comprise of 1 & 2 Bhk units in 3 to 5 storey buildings.

During the year the Company has also entered into a Memorandum of Understanding /Joint Development Agreement for development of Land admeasuring 3 acres approx situated at village Akurli, Taluka Panvel. The Land owners have contributed land for the Project and all the

approvals/ permissions, Developments and other work of the Project is being undertaken by the Company. The project comprises of 1 BHK/ 2BHK units.

**BELMAC RESIDENCES**

The residential project of the Company, in Pune is progressing satisfactorily. The project is comprises of 6 Buildings of 15 story each of 2 BHK/3BHK/4BHK beautiful apartments with huge central garden, clubhouse, squash court, five-aside football court, Hydroponic farm, Spa, Business Centre, Gymnasium, banquet Hall, Children play area, Concierge desk, Games room, Day care Centre, and many more facilities. The Project is RERA Compliant and being Developed in phases. The first Phase consisting of two Buildings has been completed.

The Second phase of the Project has reached near completion stage. The response of the project is satisfactory.

**DIVIDEND:**

In order to conserve the resources in long run, the Board of Directors of your Company has not recommended any Dividend for the year under review.

**RESERVES:**

For the financial year ended 31st March, 2020, your Company has not transferred any amount to Reserves.

**SHARE CAPITAL:**

The authorized share capital of the Company is Rs. 40,00,00,000 divided into 4,00,00,000 equity shares of Rs. 10 each. At the beginning of the year under review, the issued, subscribed and fully paid up capital was Rs. 35,47,68,530 divided into 3,54,76,853 equity shares of Rs. 10 each. There was no change in the issued, subscribed and fully paid up share capital of the Company during the year under review. The Company is a public limited company and its equity shares are listed on the BSE Limited.

There was no buyback offer made by the Company during the period under review.

**CHANGE IN NATURE OF BUSINESS:**

There are no changes in the nature of business during the year under review.

**MANAGEMENT DISCUSSION AND ANALYSIS**

In Terms the provisions of Regulation 34 of the SEBI( Listing Obligation and Disclosure Requirements) Regulation, 2015, the Management Discussion and Analysis is set out in this Annual Report.

**FIXED DEPOSITS:**

During the year under review the company has not invited or accepted any Fixed Deposit from the public.

**LOANS AND GUARANTEE AND INVESTMENTS:**

Particulars of loans, investments, and guarantees or securities covered under Section 186 of the Companies Act, 2013 are reported in the financial statement provided in this Annual Report.



## **INVESTOR EDUCATION AND PROTECTION FUND:**

There has been no transfer to the said Investor Education and Protection Fund during the current year.

## **EXTRACT OF ANNUAL RETURN:**

In accordance with Companies Act, 2013 an extract of Annual Return in the prescribed format is appended as “Annexure –A” to this Board’s Report. The extract of Annual Return is also uploaded on the website of the Company [www.supremeholdings.net](http://www.supremeholdings.net).

## **PERSONNEL:**

The information required under Section 197 of the Companies Act, 2013 and read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, are given in “Annexure –B” to this Board’s Report .

## **RELATED PARTY TRANSACTION:**

All related party transactions that were entered into during the financial year were on an arm’s length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. Disclosure pertaining to contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 thereto is enclosed as “Annexure – C” to this report. The policy on Related Party Transactions is hosted on the website of the Company under the web link <http://www.supremeholdings.net/company-policies.htm>

## **SUBSIDIARY COMPANY:**

Your Company has one Wholly-owned Subsidiary company namely Helmet Traderz Limited as on March, 31, 2020.

A Statement containing the salient features of the financial statement of subsidiaries in Form AOC-1 as prescribed under the first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of The Companies (Accounts) Rules, 2014 is attached and forms part of the Annual Report.

The policy on determining Material Subsidiaries is hosted on the website of the Company under the web link <http://www.supremeholdings.net/company-policies.htm>

## **NOMINATION AND REMUNERATION POLICY**

The Nomination and Remuneration policy provide guidelines to the Nomination and Remuneration Committee relating to appointment and remuneration of Directors , Key Managerial Personnel , Senior Management of the Company. This Policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of Director and also the criteria for determining the remunerations of Director, Key Managerial Personnel , Senior Management and other employees. It also provides the manner for effective evaluation of performance of Board its committees and Individual Directors.

The Nomination and Remuneration policy of the Company is also hosted on the website of the Company under the web link <http://www.supremeholdings.net/company-policies.htm>

## **ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, COMMITTEES AND DIRECTORS:**

Based on the criteria laid down by the Nomination and Remuneration Committee, the exercise of Annual evaluation of the performance of the Board, its Committee and of Individual Directors was carried out through as structured process covering various aspects of the functioning such as composition of Board and Committees, experience and expertise, performance of specific duties and obligation, governance and compliance issues, attendance, contribution at meeting etc.,

The performance evaluation of the Non Independent Directors was carried out by the Independent Directors at a separately convened meeting where the performance of the Board as a whole, performance of Chairperson of the Company was evaluated and reviewed.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has a vigil mechanism to deal with instance of fraud and mismanagement. The policy on Vigil Mechanism / Whistle Blower Policy is hosted on the website of the Company under the web link <http://www.supremeholdings.net/company-policies.htm>. During the year under review, the Company did not receive any complaints relating to unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct from any employee or Directors.

## **CORPORATE GOVERNANCE:**

A separate report on Corporate Governance is furnished as a part of the Directors Report as “Annexure -D” and a certificate from the Company’s Auditors regarding the compliance of conditions of Corporate Governance is annexed to the said Report.

## **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The Familiarization programme enable the Independent Directors to understand the Company’s business and operations in depth and to familiarize them with the process and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. The Company’s Policy of conducting the Familiarization programme has been hosted on the website of the Company under the web link <http://www.supremeholdings.net/company-policies.htm>

## **RISK MANAGEMENT:**

The Company has adequate risk assessment and mitigation policy commensurate with size and nature of business to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimised and managed. There are no elements of risk which in the opinion of the Board may threaten the existence of the Company.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year under review, Mr. Rishabh Kalati, Independent Director vacated the office of Director from the conclusion of 37<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> September, 2019, as he has completed his tenure of a term of 5 years as an Independent Director.

The Board appointed Mr. Raghav Agarwala as an Additional (Independent) Director for a term of five years with effect from 13<sup>th</sup> November, 2019.

Mrs. Namita Jatia resigned due to her personal reason as an Executive Director with effect from 11<sup>th</sup> June, 2019 and continue to serve as Non Executive Director of the Company. The Board again appointed Mrs. Namita Jatia as whole time Director Designated as an Executive Director for a period of three years with effect from 14<sup>th</sup> February, 2020.

During the year Mr. Jiten Shah resigned as Chief Financial Officer (KMP) of the Company from close of business hours on 13<sup>th</sup> February, 2020. Mr. Vidip Jatia has been appointed as Chief Financial Officer of the Company with effect from 14<sup>th</sup> February, 2020.

The first term of Mrs. Shruti Jatia as an Independent Director of the Company expired on 9<sup>th</sup> March, 2020. The Board appointed her as an Independent Director for the Second Term of Five years with effect from 10<sup>th</sup> March, 2020.

Mr. Vidip Jatia has been reappointed as a Managing Director of the Company for a period of three years with effect from 13<sup>th</sup> May, 2020.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the board of directors, the independent directors possess requisite expertise and experience and are persons of high integrity and repute.

As per the provisions of the Companies Act, 2013, Mrs. Namita Jatia will retire by rotation at the ensuing AGM and being eligible, seek re-appointment.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 134 (3) (c) of the Companies Act, 2013 with respect to Directors' responsibility statement it is hereby confirmed:

- i) That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March 2020, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- ii) That the directors have adopted such accounting policies and applied them consistently and made judgments and estimates that were 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 profit and loss of the company for the year under review;
- iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

- iv) That the directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2020 on a going concern basis.
- v) That 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.
- vi) That the Directors had devised systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**MEETINGS:**

During the year, Five Board Meetings were held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

**AUDIT COMMITTEE:**

The present Audit committee comprises of Mr. S. N. Atreya, Mr. Raghav Agarwala, Mrs. Shruti Jatia and Mr. Vidip Jatia.

Mr. S. N. Atreya, Mrs. Shruti Jatia and Mr. Raghav Agarwala are Independent Directors. Mr. S. N. Atreya is the Chairman of the Audit Committee.

**AUDITORS & AUDITORS REPORT:**

At the Thirty Seventh Annual General Meeting held on 26<sup>th</sup> September, 2019, the members appointed M/s Mittal Agarwal & Co., Chartered Accountants (Firm Registration No.131025W), as Statutory Auditors of the Company for a period of 5 years from the conclusion of the Thirty Seventh Annual General Meeting until the conclusion of the Forty Second Annual General Meeting.

The Statutory Auditors expressed an unmodified opinion in the audit reports with respect to audited financial statements for the financial year ended March 31, 2020. There are no qualifications or adverse remarks in the Statutory Auditors' Report which require any explanation from the Board of Directors.

There are no frauds reported by the Auditors under Section 143(12) of Companies Act, 2013.

**SECRETARIAL AUDITOR:**

Pursuant to provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has appointed M/s. Shivalal Maurya & Co. a Practicing Company Secretary firm to undertake Secretarial Audit of the Company.

Accordingly the Secretarial audit of the Company for the financial year 2019- 2020 was conducted by M/s. Shivalal Maurya & Co.

The Report of the Secretarial Audit of the Company is annexed herewith as "Annexure - E". There were no reservation and qualification as marked in Secretarial Audit Report which requires any explanation by the Board of Directors.





**SECRETARIAL STANDARDS:**

The Company Complies with all applicable mandatory Secretarial Standards issued by Institute of Company Secretaries of India.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR OTHERS:**

There are no significant and material orders passed by the regulators or others which impacts the going concern status and Company operations in future.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

**A. CONSERVATION OF ENERGY**

**i. The steps taken or impact on conservation of energy:**

Though our operations are not energy - intensive, efforts have been made to conserve energy by utilizing energy-efficient equipment.

**ii. The steps taken by the Company for utilizing alternate sources of energy:**

The Company is using electricity as the main source of energy and is

currently not exploring any alternate source of energy. In future your

Company will take steps to conserve energy and use alternative source of energy such as solar energy.

**iii. The Capital investment on energy conservation equipment:**

Your Company firmly believes that our planet is in dire need of energy resources and conservation is the best policy. Your Company has not made any investment on energy conservation equipment.

**B. TECHNOLOGICAL ABSORPTION:**

**i. The efforts made towards technology absorption:**

During the year the Company does not have any plant & machinery. Therefore no technology absorption and research and development activity are carried out.

**ii. The benefits derived like product improvement, cost reduction, product development or import substitution:**

No such specific benefit derived during the year due to technology absorption.

**iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year:**

No technology has been imported by the Company.

**iv: The expenditure incurred on Research and Development: NIL**

**C. Foreign Exchange Earnings and Outgo**

Earning: Nil

Outgo: Sales and Marketing Expenses and Foreign Travelling Expenses - Rs. 4.85 Lacs

**SEXUAL HARASSMENT:**

The Company has Policy for the prevention and redressal of sexual harassment at the workplace Pursuant to the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has in place an Internal Complaints Committee for prevention and redressal of complaints of sexual harassment of women at the workplace.

The Complaint Redressal Committee redress complaints received regarding sexual harassment. All employees are covered under the policy. The Company has not received any complaint during the financial year under review.

**CORPORATE SOCIAL RESPONSIBILITY:**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in compliance with Section 135 of the Companies Act, 2013.

The Company has not initiated any Corporate Social Responsibility activities as the said provisions were not applicable during the year 2019-20 to the Company.

**MAINTENANCE OF COST RECORDS:**

The Company is required to maintain cost accounts and records, pursuant to the provision of Section 148 of Companies Act, 2013 read with relevant Rules.

The Company has maintained the Cost accounts and records as per Section 148 of Companies Act, 2013 for the financial year 2019-2020.

**ACKNOWLEDGEMENTS:**

The Board of Directors wish to place on record their sincere appreciation and acknowledge with gratitude the support and co-operation extended by all the Government agencies, shareholders and employees at all levels and look forwards for their continued support.

**For and on behalf of the Board**

**Vidip Jatia**  
**Chairman & Managing Director**  
(DIN 06720329)

Place: Pune

Date 28th July, 2020

**Annexure-A to Directors Report**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended March, 31 2020**  
**Pursuant to Section 92(3) of the Companies act, 2013 read with**  
**[The Companies (Management and Administration) Rules, 2014] FORM NO. MGT-9**

**I. REGISTRATION AND OTHER DETAILS:**

CIN:-	L45100PN1982PLC173438
Registration Date:	April 15, 1982
Name of the Company:	Supreme Holdings & Hospitality (India) Limited
Category / Sub-Category of the Company	Public Company Limited by Shares/ Indian Non Government Company
Address of the Registered office and contact details:	Office No. 510 to 513, 5th Floor, Platinum Square, Shri. Satpal Malhotra Marg, Nagar Road Pune - 411014, Maharashtra Tel: 91-9607600044
Whether listed company	Listed on BSE Limited
Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli -West, Mumbai - 400083 Tel: 022-28515644 /28515606 Email: support@sharexindia.com Website: www.sharexindia.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All 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	% to total turnover of the company
a.	Construction	41001	100

**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
a	Helmet Traderz Limited	U00776MH1994PLC081224	Subsidiary	100%	Section 2 (87)(ii)

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

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% Change during the year
	Demat	Physical	Total	% of the total Shares	Demat	Physical	Total	% of the total Shares	
<b>A. PROMOTER'S</b>									
<b>(1). INDIAN</b>									
(a). Individual/HUF	19830268	0	19830268	55.896	21585431	0	21585431	60.843	4.947
(b). Central Govt.		0				0			0
(c). State Govt(s).		0				0			0
(d). Bodies Corp.	243729	0	243729	0.687	243729	0	243729	0.687	0
(e). FIINS / BANKS.		0				0			0
(f). Any Other		0				0			0
<b>Sub-total (A) (1):-</b>	<b>20073997</b>	<b>0</b>	<b>20073997</b>	<b>56.583</b>	<b>21829160</b>	<b>0</b>	<b>21829160</b>	<b>61.530</b>	<b>4.947</b>





Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% Change during the year
	Demat	Physical	Total	% of the total Shares	Demat	Physical	Total	% of the total Shares	
<b>(2). FOREIGN</b>									
(a). Individual NRI / For Ind		0				0			0
(b). Other Individual		0				0			0
(c). Bodies Corporates		0				0			0
(d). Banks / FII		0				0			0
(e). Qualified Foreign Investor		0				0			0
(f). Any Other Specify		0				0			0
<b>Sub-total (A) (2):-</b>									
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>20073997</b>	<b>0</b>	<b>20073997</b>	<b>56.583</b>	<b>21829160</b>	<b>0</b>	<b>21829160</b>	<b>61.530</b>	<b>4.947</b>
<b>(B) (1). PUBLIC SHAREHOLDING</b>									
(a). Mutual Funds		0				0			0.000
(b). Banks / FI	2927486	0	2927486	8.252		0			-8.252
(c). Central Govt.		0				0			0.000
(d). State Govt.		0				0			0.000
(e). Venture Capital Funds		0				0			0.000
(f). Insurance Companies		0				0			0.000
(g). FIs		0				0			0.000
(h). Foreign Venture Capital Funds		0				0			0.000
(i). Others (specify)		0				0			0.000
<b>Sub-total (B)(1):-</b>	<b>2927486</b>	<b>0</b>	<b>2927486</b>	<b>8.252</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-8.252</b>
<b>2. Non-Institutions</b>									
<b>(a). BODIES CORP.</b>									
(i). Indian	1385725	26700	1412425	3.981	1381907	26700	1408607	3.970	-0.011
(ii). Overseas		0				0			0.000
<b>(b). Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	577525	131050	708575	1.997	748388	128050	876438	2.470	0.473
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	1314486	31250	1345736	3.793	2265778	31250	2297028	6.475	2.682
<b>(c). Other (specify)</b>									
Non Resident Indians	556	0	556	0.002	602	0	602	0.002	0
Overseas Corporate Bodies	9005885	0	9005885	25.385	9005885	0	9005885	25.385	0
Foreign Nationals		0				0			0
Clearing Members	2193	0	2193	0.006	59133	0	59133	0.167	0.161
Trusts			0				0		
<b>Foreign Boodies - D R</b>			<b>0</b>				<b>0</b>		
<b>Sub-total (B)(2):-</b>		<b>12286370</b>	<b>189000</b>	<b>12475370</b>	<b>35.164</b>	<b>13461693</b>	<b>186000</b>	<b>13647693</b>	<b>38.469</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>		<b>15213856</b>	<b>189000</b>	<b>15402856</b>	<b>43.416</b>	<b>13461693</b>	<b>186000</b>	<b>13647693</b>	<b>38.469</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			<b>0</b>				<b>0</b>		
<b>Grand Total (A+B+C)</b>		<b>35287853</b>	<b>189000</b>	<b>35476853</b>	<b>100.00</b>	<b>35290853</b>	<b>186000</b>	<b>35476853</b>	<b>100.00</b>

## (ii) Shareholding of Promoters &amp; Promoters Group

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the Year			% of change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	VIDIP V JATIA	7585350	21.381	0	7585350	21.381	0	0
2	NAMITA PRATEEK JATIA	4580311	12.911	0	6335474	17.858	0	4.947
3	VINOD KUMAR JATIA HUF	4003600	11.285	0	4003600	11.285	0	0
4	VINOD SUBHKARAN JATIA	3212200	9.054	100	3212200	9.054	100	0
5	PRATEEK JATIA	422700	1.191	99.98	422700	1.191	99.98	0
6	YARDLEY INVESTMENT & TRADING CO. PVT. LTD.	243312	0.686	0	243312	0.686	0	0
7	ANKITA JATIA	12500	0.035	0	12500	0.035	0	0
8	SMITA RAMESHKUMAR JATIA	10564	0.03	0	10564	0.03	0	0
9	ATISHAY JATIA	2943	0.008	0	2943	0.008	0	0
10	GRANDEOUR HOTELS PVT LTD	417	0.001	0	417	0.001	0	0
11	NITA JATIA	100	0	0	100	0	0	0
	<b>TOTAL</b>	<b>20073997</b>	<b>56.582</b>	<b>18.11</b>	<b>21829160</b>	<b>61.53</b>	<b>16.65</b>	<b>4.947</b>

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

Sr. No.	Shareholder's Name	Shareholding at the Beginning of the Year		Date	Increasing/ Decreasing in shareholding	Reason	Shareholding at the end of the Year	
		No. of Shares	% of the Shares of the company				No. of shares	% of total Shares of the company
1	NAMITA PRATEEK JATIA	4580311	12.911	01-04-2019				
				27-11-2019	2056	Buy	4582367	12.916
				18-12-2019	1753107	Buy	6335474	17.858
	-Closing Balance			31-03-2020			6335474	17.858

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding at the Beginning of the Year		Date	Increasing / Decreasing in shareholding	Reason	Shareholding at the end of the Year	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	JUMBO BRIGHT GROUP LIMITED	9005885	25.385	01-04-2019				
	-Closing Balance			31-03-2020		No Change	9005885	25.385
2	PRARTHNA PRIVATE LIMITED	807231	2.275	01-04-2019				
				25-10-2019	200000	Buy	1007231	2.839
				08-11-2019	-26848	Sold	980383	2.763
				15-11-2019	-2330	Sold	978053	2.757
	-Closing Balance			31-03-2020			978053	2.757
3	GOURI SHANKAR JALAN (HUF)	0	0	01-04-2019				
				01-11-2019	100000	Buy	100000	0.282
				08-11-2019	50000	Buy	150000	0.423
				15-11-2019	5971	Buy	155971	0.44
				22-11-2019	264022	Buy	419993	1.184
				06-12-2019	-535	Sold	419458	1.182
				13-12-2019	114719	Buy	534177	1.506
				20-12-2019	42603	Buy	576780	1.626
				27-12-2019	3200	Buy	579980	1.635
				10-01-2020	2333	Buy	582313	1.641
				17-01-2020	12676	Buy	594989	1.677
				24-01-2020	32299	Buy	627288	1.768
				28-02-2020	1167	Buy	628455	1.771
				06-03-2020	4000	Buy	632455	1.783
				13-03-2020	3000	Buy	635455	1.791
	-Closing Balance			31-03-2020			635455	1.791
4	ARCHANA JATIA	288523	0.813	01-04-2019				
	-Closing Balance			31-03-2020		No Change	288523	0.813
5	SHASHI JATIA	278750	0.786	01-04-2019				
	-Closing Balance			31-03-2020		No Change	278750	0.786



6	HALAN PROPERTIES PRIVATE LIMITED.	200000	0.564	01-04-2019				
	-Closing Balance			31-03-2020		No Change	200000	0.564
7	RAJIV MEHTA	0	0	01-04-2019				
				06-12-2019	38059	Buy	38059	0.107
				27-03-2020	131100	Buy	169159	0.477
	-Closing Balance			31-03-2020			169159	0.477
8	AEON TRADING LLP	120457	0.34	01-04-2019				
				12-04-2019	-15257	Sold	105200	0.297
				19-04-2019	-68	Sold	105132	0.296
				26-04-2019	-6075	Sold	99057	0.279
				31-05-2019	-404	Sold	98653	0.278
	-Closing Balance			31-03-2020			98653	0.278
9	NEHA GUPTA	57783	0.163	01-04-2019				
				12-04-2019	300	Buy	58083	0.164
				26-04-2019	2	Buy	58085	0.164
				29-06-2019	3805	Buy	61890	0.174
				05-07-2019	9285	Buy	71175	0.201
				25-10-2019	3100	Buy	74275	0.209
				01-11-2019	5976	Buy	80251	0.226
				08-11-2019	8500	Buy	88751	0.25
				15-11-2019	19050	Buy	107801	0.304
				22-11-2019	1400	Buy	109201	0.308
				06-12-2019	2433	Buy	111634	0.315
				20-12-2019	100	Buy	111734	0.315
				27-12-2019	-19563	Sold	92171	0.26
				31-12-2019	1866	Buy	94037	0.265
				03-01-2020	-6650	Sold	87387	0.246
				10-01-2020	6965	Buy	94352	0.266
				17-01-2020	1310	Buy	95662	0.27
				31-01-2020	14290	Buy	109952	0.31
				14-02-2020	48	Buy	110000	0.31
				28-02-2020	100	Buy	110100	0.31
				06-03-2020	500	Buy	110600	0.312
	-Closing Balance			31-03-2020	-12500	Sold	98100	0.277
10	RAJKUMAR S JATIA	94000	0.265	01-04-2019				
	-Closing Balance			31-03-2020		No Change	94000	0.265

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholder's Name	Shareholding at the Beginning of the Year		Date	Increasing/ Decreasing in shareholding	Reason	Shareholding at the end of the Year	
		No. of Shares	% of the Shares of the company				No. of shares	% of total Shares of the company
1	Namita Jatia (Executive Director)	4580311	12.91	01-04-2019				
				27-11-2019	2056	Buy	4582367	12.916
				18-12-2019	1753107	Buy	6335474	17.858
	-Closing Balance			31-03-2020			6335474	17.858
2	Vidip Jatia (Managing Director)	7585350	21.38	01.04.2019				
	Closing Balance			31.03.2020		No Change	7585350	21.38
3	Kailash Sharma (Company Secretary)	2080	0.01	01.04.2019				
	Closing Balance			31.03.2020		No Change	2080	0.01

**VI. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	"Secured Loans excluding deposits"	"Unsecured Loans"	Deposits	"Total Indebtedness"
<b>Indebtedness at the beginning of the year</b>				
i) Principal Amount	16,19,11,203	3,00,00,000		19,19,11,203
ii) Interest due but not paid		51,781		51,781
iii) Interest accrued but not due		-		-
<b>Total (i+ii+iii)</b>	<b>16,19,11,203</b>	<b>3,00,51,781</b>	<b>-</b>	<b>19,19,62,984</b>
Change in Indebtedness during the financial year				
• Addition	-	-		-
• Reduction	5,35,27,291	3,00,00,000		8,35,27,291
<b>Net Change</b>	<b>5,35,27,291</b>	<b>3,00,00,000</b>	<b>-</b>	<b>8,35,27,291</b>
"Indebtedness at the end of the financial year"				
<b>i) Principal Amount</b>	<b>10,83,83,912</b>	<b>-</b>	<b>-</b>	<b>10,83,83,912</b>
<b>ii) Interest due but not paid</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>iii) Interest accrued but not due</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (i+ii+iii)</b>	<b>10,83,83,912</b>	<b>-</b>	<b>-</b>	<b>10,83,83,912</b>

**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. no.	Particulars of Remuneration	Vidip Jatia - Managing Director	Namita Jatia - Executive Director	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,50,000	1,517,241	3,667,241
	(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			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	- others, specify...			
5	Others, please specify			
	Total (A)	21,50,000	1,517,241	3,667,241
	Ceiling as per the Act	10% of net profits of the Company		



**B. Particulars of Remuneration**

Sl. no.	Particulars of Remuneration	Mr. S. N. Atreya	Mr. Rishabh Kalati	Mrs. Shruti Jatia	Mr. Raghav Agarwala	Mrs. Namita Jatia (as Non Executive Director)	Total Amount
1.	<b>Independent Directors</b>						
	1. Independent Directors						
	• Fee for attending board / committee meetings	5,000	2,000	5,000	3,000	3,000	18,000
	• Commission						
	• Others, please specify						
	Total (1)						
2.	<b>Other Non-Executive Directors</b>						
	• Fee for attending board / committee meetings						
	• Commission						
	• Others, please specify						
	Total (2)						
	Total (B)=(1+2)						
	Total Managerial Remuneration						
	Overall Ceiling as per the Act	1% of net profits of the Company					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB**

	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Kailash Sharma -Company Secretary	Jiten Shah - CFO	Total
1	Gross salary		1,972,167	1,477,070	3,449,237
	(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				
3	Sweat Equity				
4	Commission				
	Others, please specify				
	<b>Total</b>		1,972,167	1,477,070	3,449,237

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Authority [RD / NCLT/ COURT]
Penalty			N.A.		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			N.A.		
Punishment					
Compounding					

Place: Pune  
Date: July 28, 2020

**For and on Behalf of the Board**  
**Vidip Jatia**  
**Chairman & Managing Director**  
**(DIN 06720329)**

## ANNEXURE B to Directors Report

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

S r. no.	Disclosure Requirement	Disclosure details												
1	Ratio of remuneration of each director to the median remuneration of the employees for the financial year	<table> <tr> <th>Name</th><th>Designation</th><th>Ratio</th></tr> <tr> <td>Mr. Vidip Jatia</td><td>Managing Director</td><td>6.65:1</td></tr> <tr> <td>Mrs. Namita Jatia</td><td>Executive Director</td><td>6.65:1</td></tr> </table> <p>Except Mr. Vidip Jatia and Mrs. Namita Jatia none of the Directors were paid any remuneration during the year (Except sitting fees)</p>	Name	Designation	Ratio	Mr. Vidip Jatia	Managing Director	6.65:1	Mrs. Namita Jatia	Executive Director	6.65:1			
Name	Designation	Ratio												
Mr. Vidip Jatia	Managing Director	6.65:1												
Mrs. Namita Jatia	Executive Director	6.65:1												
2	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<table> <tr> <th>Directors/ KMP</th><th>Title</th><th>% increase in remuneration</th></tr> <tr> <td>Mr. Vidip Jatia</td><td>Managing Director</td><td>14.29%</td></tr> <tr> <td>Mr. Kailash Sharma</td><td>Company Secretary</td><td>6.90%</td></tr> <tr> <td>Mr. Jiten Shah</td><td>Chief Financial Officer</td><td>9.77%</td></tr> </table> <p>(resigned as CFO w.e.f. 13<sup>th</sup> February, 2020)</p> <p>Mrs. Namit Jatia, appointed as an Executive Director w.e.f 14/02/2020, as it is her fresh appointment no comparison can be made</p> <p>Except Mr. Vidip Jatia and Mrs. Namita Jatis none of the Directors were paid any remuneration during the year (Except sitting fees)</p>	Directors/ KMP	Title	% increase in remuneration	Mr. Vidip Jatia	Managing Director	14.29%	Mr. Kailash Sharma	Company Secretary	6.90%	Mr. Jiten Shah	Chief Financial Officer	9.77%
Directors/ KMP	Title	% increase in remuneration												
Mr. Vidip Jatia	Managing Director	14.29%												
Mr. Kailash Sharma	Company Secretary	6.90%												
Mr. Jiten Shah	Chief Financial Officer	9.77%												
3	Percentage increase in the median remuneration of employees in the financial year	The Median remuneration of employees has been reduced by 0.89% as compare to median remuneration of the employees in the previous financial year.												
4	Number of permanent employees on the rolls of Company as on 31 <sup>st</sup> March, 2020	19												
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>Average percentile increase in remuneration of employees other than managerial personnel in financial year 2019-20 is 8.21%</p> <p>Remuneration of Mr. Vidip Jatia, Managing Director, is increased by 14.29% in the financial year 2019-20.</p> <p>Mrs. Namit Jatia, appointed as an Executive Director w.e.f 14/02/2020, as it is her fresh appointment no comparison can be made</p> <p>As there are no exceptional increase in the remuneration of the Managing Director of the Company as compared to increase in the average remuneration of the employees other than Managerial Personnel in financial year 2019-20, Hence no justification is required to be provided by the Board of Directors on the same.</p>												
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company is in Compliance with its Remuneration policy.												


**B.Details pursuant to the provisions of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- a) During the year, the Company has not engaged any employee drawing remuneration exceeding the limit specified under Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- b) Top ten employees in terms of remuneration drawn as required under Rule 5(2) of The Companies (Appointment & Remuneration of Managerial Personnel) Rule, 2014 for the year ended March 31, 2020

Sr. No.	Name of Employee	Designation of Employee	Nature of Employment	Qualification and experience of employee	Date of commencement of employment	Age of employee	Last employment held by such employee before joining the company	Percentage of Equity shares held by the employee (%)	Nature of relationship, if any with the Directors / Managers of the Company	Remuneration (Rs.)
1	Vidip Jatia	Managing Director	Permanent	Business and Accounting Graduate from university of Exeter and 5 years	13.05.2017	27	-	21.38	Mrs. Namita Jatia, Executive Director of the Company is the Sister in Law of Mr. Vidip Jatia	21,50,000
2	Kailash Sharma	Company Secretary	Permanent	Company Secretary and 29 years	01.11.2011	55	Jatia Hotels & Resorts Pvt. Ltd.	0	NA	19,72,167
3	Shrimant Dyamagol	Project Manager	Permanent	Bachelor of Civil Engineering and 8 Years	01.10.2010	40	Karan Builders	NIL	NA	18,58,964
4	Namita Jatia	Executive Director	Permanent	Bachelor of Business Management	01.06.2018	33	-	12.91	Mrs. Namita Jatia, Executive Director of the Company is the Sister in Law of Mr. Vidip Jatia	15,17,241
5	Santosh Munde	Liaisoning Officer	Permanent	Bachelor of Science and 9 Years	01.01.2012	39	Sunil Mantri Realty Limited	Nil	NA	15,05,167
6	Jiten Shah*	Head Accounts & Taxations*	Permanent	Chartered Accountant and Company Secretary And 9 Years and 6 Months	02.07.2018	31	BSR & Co. LLP	Nil	NA	14,77,070
7	Aanchal Madnani	Marketing Manager	Permanent	Post Graduate Diploma in International Marketing and 4 Years	02.07.2018	28	Directi Internet Solutions Pvt. Ltd.	Nil	NA	10,76,756
8	Mangesh Adhav**	President business development	Probation	B.E (electronics & telecom) MBA Marketing and 10 years	04.07.2019	32	Qualitas Lifespaces LLP	Nil	NA	9,70,748
9	Bhavesb Karachiwala	Marketing Executive	Permanent	BBA and 10 years	04.04.2016	30	Nesting Dreams Pvt. Ltd.	Nil	NA	9,56,681
10	Santosh Melmani	Plumbing and Fire Fighting Engineer	Permanent	Diploma in Mechanical Engineering and 7 years	01.02.2016	31	Marvel Realtors Pvt. Ltd.	Nil	NA	9,46,656

\* CFO upto 13/2/2020 \*\* Resigned w.e.f. 28/12/2019

Place: Pune  
Date: July 28, 2020

**For and on Behalf of the Board**  
**Vidip Jatia**  
**Chairman & Managing Director**  
**(DIN 06720329)**

## ANNEXURE - C TO DIRECTORS' REPORT

Form No. AOC-2

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

## 1. Details of contracts or arrangements or transactions not at arm's length basis:

	A	B	C	D	E	F	G	H
Sr. no.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL								

## 2. Details of material contracts or arrangement or transactions at arm's length basis

	A	B	C	D	E	F
Sr. no.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the Contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
1	Shrilekha Trading Private Limited (Mr. Vidip Jatia and Mrs. Namita Jatia are Directors)	Purchase of Goods & material.	Continuing	Monetary value : upto INR 30 Crores.	12.02.2019	INR 21.04 Crores
2	Shrilekha Trading Private Limited (Mr. Vidip Jatia and Mrs. Namita Jatia are Directors)	Availing Brokerage services	Continuing	Monetary value : INR 92.76 Lakhs during the financial year 2019-20.	13.02.2020	Nil
3	Mr. Vidip Jatia (Managing Director of the Company) Mrs. Namita Jatia is (Executive Director of the Company)	The Joint Development Agreement (JDA) with the related parties for development of land approx.. 3 acre owned by related parties situated at village Akurli, Taluka Panvel, District Raigad, Maharashtra.	The Contractual relationship between the parties shall come to an end on completion of the entire development work.	The transaction is on area sharing basis. The owner of the land shall be entitled to 10% of the total carpet area of the construction.	13.02.2020	Nil

For and on Behalf of the Board

Place: Pune  
Date :28th July, 2020

Vidip Jatia  
Chairman & Managing Director  
(DIN 06720329)




**Annexure – D to Director’s Report**
**REPORT ON CORPORATE GOVERNANCE**
**1. Company’s Philosophy on code of Corporate Governance:**

In the era of good Corporate Governance, your Company believes in attainment of highest levels of transparency in all facets of its operations. The Company is committed to maximize the shareholders value by adopting the principles of good corporate governance in line with provisions stipulated in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**2. Board of Directors:**

The Company has an optimal combination of Executive and Non- Executive Directors including Independent Directors to maintain independence of the Board.

The details of Directors including the details of their Board Directorship and Committee membership/chairmanship as on March, 31 2020 are given below:-

Sr No.	Name of the Director	Category of directorship	Number of Directorships held in other Companies	Number of Board Committee positions held in other Companies <sup>1</sup>	
				Chairman	Member
1	Mr. Vidip Jatia, Chairman & Managing Director	Executive Director -Promoter	4	—	—
2	Mrs. Shruti Jatia	Non Executive - Independent Director	0	—	—
3	Mrs. Namita Jatia <sup>2</sup>	Executive Director -Promoter	7	—	—
4	Mr. Srichandra Narayanswamy Atreya	Non Executive - Independent Director	3	—	—
5	Mr. Raghav Agarwala <sup>3</sup>	Non Executive - Independent Director	2	—	—

Notes:

- Only two committees viz. the Audit Committee and the Stakeholder Relationship Committee are considered.
- Mrs. Namita Jatia is the sister in law of Mr. Vidip Jatia, Managing Director of the Company.
- Mr. Raghav Agarwala was Appointed an Additional Independent Director w.e.f. November 13, 2020.
- None of the Director is holding any Directorship in other listed Company.

**Meetings and Attendance:**

During the year ended March, 31 2020, Five Board Meetings were held on the following dates: (i) May 30, 2019(ii)August 12, 2019 (iii) November 13, 2019(iv) February13, 2020 (v) March 07, 2020

Attendance of Directors at Board Meeting and at the Annual General Meeting (AGM held on September, 26 2019)

Name of Director	No of Board Meetings attended	Whether attended AGM
Mr. Vidip Jatia	5	Yes
Mr. S.N.Atreya	5	Yes
Mr. Rishabh Kalati <sup>1</sup>	2	No
Mrs. Namita Prateek Jatia	5	No
Mrs. Shruti Sunil Jatia	5	No
Mr. Raghav Agarwala	3	No

1.Ceased to be Independent Director w.e.f. 26th September, 2019 due to the completion of his tenure.

**Details of shares of the company held by Non Executive Directors of the Company as on March, 31 2020.**

Name of Non Executive Director	No. of Shares held as on 31.03.2020
Mr. Raghav Agarwala	Nil
Mrs. Shruti Jatia	Nil
Mr. S.N.Atreya	Nil

**Separate meeting of the Independent Directors:**

A meeting of the Independent Directors was held, without the attendance of Non-Independent Directors and members of the Management. All the Independent Directors were present at such meeting.

**At the Meeting they- reviewed following:**

- The performance of Non-independent Directors and the Board as a whole.
- The performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**Independence of Independent Director:**

The Board of Directors confirm that in its opinion, the Independent Directors fulfill the terms and conditions specified in SEBI (LODR), 2015 and Companies Act, 2013 in respect of their independence of the Management.

**Familiarization Programme:**

The Company conducts an introductory familiarization programme whenever a new Independent Director(s) comes on the Board. The Familiarization programme enable the Independent Directors to understand the Company’s business and operations in depth and to familiarize them with the process and functionaries of the Company and to assist them in performing their role as Independent Director of the Company. The Company’s Policy of conducting the Familiarization programme has been hosted on the website of the Company under the web link <http://www.supremeholdings.net/company-policies.htm>

**List of Core skills, Experience and Competencies identified by the Board require for its business:**

The Board of Directors have identified the following Core Skills/ Expertise/ Competencies as required in the context of its business(es) and sector(s) for it to function effectively and which are actually available with the Board of Directors:

1. Real Estate Knowledge;
2. Business Prudence;
3. Financial Planning and Internal Control;
4. Marketing;
5. Business Management and Administration;
6. Strategic Planning;
7. Analysis of Financial Statements;

Name of the Director possessing the skills / expertise / competence:

Sr No.	Name of the Director	Category of directorship	Core skills, expertise and competencies
1	Mr. Vidip Jatia, Chairman & Managing Director	Executive Director -Promoter	1. Real Estate Knowledge; 2. Business Prudence; 3. Financial Planning and Internal Control; 4. Marketing; 5. Business Management and Administration; 6. StrategicPlanning; 7. Analysis of Financial Statements;
2	Mrs. Shruti Jatia	Non Executive - Independent Director	1. Business Prudence 2. Business Management and Administration
3	Mrs. Namita Jatia	Executive Director -Promoter	1. Business Management 2. Administration
4	Mr. Srichandra Narayanswamy Atreya	Non Executive - Independent Director	1. Business Prudence 2. Strategic Planning 3. Business Management and Administration; 4. Analysis of Financial Statements
5	Mr. Raghav Agarwala	Non Executive - Independent Director	1. Business Prudence 2. Marketing 3. Strategic Planning 4. Analysis of Financial Statements

**3. Committees of the Board:**
**A. Audit Committee**
**i) Terms of reference:**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;



15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Review the utilization of loans and / or advances from / investment by the holding Company in the Subsidiary exceeding Rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. Review Management discussion and analysis of financial condition and results of operations;
22. Review Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
23. Review Management letters / letters of internal control weaknesses issued by the statutory auditors;
24. Review Internal audit reports relating to internal control weaknesses; and
25. Review the appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
26. Review Statement of deviations:
  - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing obligation and Disclosure requirement), 2015.
  - b) Annual statement of funds utilized for purpose other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing obligation and Disclosure requirement), 2015.

**ii) Composition and meetings of Audit Committee:**

The Audit Committee was reconstituted on August 12, 2019 & on November 13, 2019. The Committee comprises of the following Directors:

1. Mr. S.N.Atreja – Independent Director –Chairman
2. Mr. Shruti Jatia – Independent Director– Member
3. Mr. Rishabh Kalati – Independent Director –Member upto August 12, 2019
4. Mr. Vidip Jatia – Non-Independent Director– Member
5. Mr. Raghav Agarwala- Independent Director – Member- from November 13, 2019

The Audit Committee met four times during the year on the following dates:

(i) May 30, 2019(ii) August 12, 2019(iii) November 13, 2019 iv) February 13, 2020

The attendances of the members of the meeting were as follows:

Name of the member	Status	No of meetings attended
Mr. S.N. Atreja	Independent	4
Mr. Shruti Jatia	Independent	4
Mr. Rishabh Kalati	Independent	2
Mr. VidipJatia	Non Independent Director	4
Mr. Raghav Agarwala	Independent	1

**B. Nomination & Remuneration Committee**

**i) Brief description of terms of reference**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent director.
6. Recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management.

**ii) Composition of Nomination & Remuneration Committee**

The Nomination & Remuneration Committee was reconstituted on August 12, 2019 & November 13, 2019. The Committee comprises of the following Directors:

1. Mr. S.N.Atreja – Independent Director–Chairman (Appointed as Chairman from August 12, 2019)
2. Mr. Shruti Jatia –Independent Director- Member

3. Mr. Rishabh Kalati – Independent Director (Ceased to chairman and Member from August 12, 2019)
4. Mr. Raghav Agarwala- Independent Director- Member (from November 13, 2019)
5. Mrs. Namita Jatia – Non Executive Director – Member (from August 12, 2019 to 13/11/2019)

### iii) Details of meeting and attendance:

Four meetings were held on May 30, 2019, November 13, 2019, February 13, 2020 and March 07, 2020.

The details of attendances are as follows:

Name of the member	Status	No of meetings attended
Mr. S.N.Atreja	Independent	4
Mr. ShrutiJatia	Independent	4
Mr. Rishabh Kalati	Independent	1
Mrs. Namita Jatia	Non Independent	1
Mr. Raghav Agarwala	Independent	2

### iv) Performance evaluation criteria for independent directors:

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors. The Nomination and Remuneration policy of the Company is also hosted on the website of the Company under the web link <http://www.supremeholdings.net/company-policies.htm>

### v) Remuneration of Directors:

The Company pays remuneration by way of monthly salary, to its Managing Director and Executive Director. Annual increments of the Managing Director are decided by the Nomination and Remuneration Committee within the salary scale approved by the members of the Company.

The details of remuneration paid to the Managing Director during the year 2019-20 are as follows:

Name	Salary	Perquisites	Total
Mr. Vidip Jatia	Rs. 21,50,000	-	Rs. 21,50,000
Mrs. Namita Jatia	Rs. 15,17,241	-	Rs. 15,17,241

During the year company has paid sitting fees to Non-Executive Directors as under:

Mr. Rishabh Kalati	Rs. 2,000/-
Mrs. Shruti Jatia	Rs. 5,000/-
Mr. S.N. Atreja	Rs. 5,000/-
Mr. Raghav Agarwala	Rs. 3,000/-
Mrs. Namita Jatia	Rs. 3,000/-

There were no pecuniary relationships or transaction of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Directors. None of the Director has any fixed component and performance linked incentives based on performance criteria, also there are no provisions for notice period and payment of severance fees.

Criteria for making payment to non-executive Directors has been provided in Nomination and Remuneration Policy of the Company, available on the website of the Company at <http://www.supremeholdings.net/company-policies.htm>

### C. Stakeholders' Relationship Committee

The Stakeholder Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of investors complaints.

#### (a) Terms of Reference:

The Brief description of terms of reference:

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

#### (b) Composition

The Stakeholder Relationship Committee reconstituted on August 12, 2019 and comprises of the following Directors:

1. Mr. S.N. Atreja- Independent Director- (appointed as Chairman on August 12, 2019)
2. Mrs. Shruti Jatia – Independent Director – Member (Chairperson up to August 12, 2019)
3. Mr. Vidip Jatia – Non-Independent Director- Member
4. Mr. Rishabh Kalati – Independent Director – Member upto August 12, 2019

#### (c) Investor's Complaints received and resolved during the year

Received 0 complaint resolved 0 complaints. Number of pending complaint is NIL

#### (d) Compliance Officer

Mr. Kailash Sharma, Company Secretary is the Compliance officer for complying with requirements of Securities Laws and Regulations with Stock Exchanges.

### 4. General Body Meetings

a. The Annual General meetings of the Company during three preceding years were held at below mentioned venues on the following dates and times, wherein following special resolutions were passed.



AGM & Year	Venue	Date, Day & Time	Brief Description of Special Resolution.
37 <sup>th</sup> 2018-2019	Registered Office- Office No. 510 To 513, 5th Floor, Platinum Square, Shri Satpal Malhotra Marg, Nagar Road, Pune - 411014	September 26, 2019, Thursday, 1.30 p.m	1) Approval for payment of remuneration to Executive Directors who are Promoters in excess of threshold limits as per Regulation 17(6)(e) of SEBI Amended Listing Regulations.
36 <sup>th</sup> 2017-2018	Registered Office – Sr. No 38A/2, Opp. PMC Garden, Wadgaon Sheri, Pune-411014	September 28, 2018, Friday, 1.00 p.m	1) Loans & advances to person in whom directors are interested. 2) Donations to bonafide and charitable trust.
35 <sup>th</sup> 2016-2017	Kilachand Conference Room, IMC Building, 2nd floor, IMC Marg, Churchgate, Mumbai-400 020	September 27, 2017, Wednesday, 3.30 p.m.	1) Conversion of loan into equity shares.

**b. Special Resolutions passed through Postal Ballot**

The Company had passed no Special Resolutions through Postal Ballot during the financial year 2019-20.

- c. None of the business proposed to be transacted at the ensuing AGM require passing a Special Resolution through Postal Ballot.

**5. Means of Communication:**

- a. In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company regularly intimates unaudited as well as audited financial results to the Stock Exchange immediately after they are taken on record by the Board. These financial results are normally published in the Business Standard/ Financial Express (English newspaper) and Aapla Mahanagar/Loksatta (Marathi newspaper). The results are not sent individually to the shareholders.

The quarterly/annual results as well as any official news release of the Company are promptly displayed on the website of the Company [www.supremeholdings.net](http://www.supremeholdings.net)

The Company has designated the following E-mail ID exclusively for investor servicing. - [investors@supremeholdings.net](mailto:investors@supremeholdings.net)

**6. Other Disclosures:**
**i. Whistle Blower policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the

employees are free to report violations of applicable laws and regulations and the Code of Conduct. No personnel has been denied access to the Audit Committee. The reportable matters may be disclosed to the Audit Committee of the Board of Directors of the company. The Whistle Blower policy is hosted on the website of the Company under the web link <http://www.supremeholdings.net/company-policies.htm>

**ii. Related Party Transaction**

During the year the Company has entered into following related party transactions

- Purchase of steel and other materials for the projects of the Company and availing brokerage services from M/S Shri Lekha Trading Private Limited.
- Joint Development Agreement (JDA) was entered with Mr. Vidip Jatia, Managing Director, Mrs. Namita Jatia, Whole Time Director of the Company, for Joint Development of land owned by Mr. Vidip Jatia & Mrs. Namita Jatia situated at Akurli, Panvel.

The Transactions are in ordinary course of business and at arm's length and does not have any potential conflict with the interest of the Company at large. The policy on related party transaction is hosted on the website of the Company under the web link <http://www.supremeholdings.net/company-policies.htm>

**iii. Subsidiary of the Company:**

Company has one wholly owned Subsidiary – “Helmet Traderz Ltd”. The policy determining material subsidiary is hosted on the website of the Company under the web link <http://www.supremeholdings.net/company-policies.htm>

**iv. Compliance**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years.

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities.

**v. Adoption of Mandatory and Non mandatory requirements**

The Company has complied with all mandatory requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Company has adopted following non-mandatory requirements as per Part-E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

- The internal Auditor directly reports to the Audit Committee.

**vi. Weblink for the policies of the Companies:**

The policy on dealing with Related party Transactions and policy on determining Material Subsidiaries are hosted on the website of the Company <http://www.supremeholdings.net/company-policies.htm>



**vii. Consolidated fees paid to auditor of the Company and its Subsidiary Company:**

The Company has paid Rs. 4.80 Lacs to the Auditors of the Company M/s. Mittal Agarwal & Co during the Financial year 2019-20.

The Fees payable to the Statutory Auditor of the Subsidiary Company M/s. Mittal Agarwal & Company for the financial year 2019-20 is Rs. 25,000/-.

**viii. Disclosure in relation to sexual harassment of women at workplace:**

There are no incidents of sexual harassment of women at workplace taken place during the financial year 2019-20.

**ix. Certification from Company Secretary in Practice:**

A Certificate issued under the provision of SEBI (LODR), 2015 by M/s. Shival Maurya & Co. Company Secretary in practice stating that none of the Directors on the Board of the Company have been debarred or disqualified as Directors of Companies by the SEBI or Ministry of Corporate Affairs or any such other Authority is Annexed to this report.

**x. Non-acceptance of recommendation of Committees:**

There are no instances of non-acceptance of recommendation of any Committees, by the Board of Directors during financial year 2019-20.

**xi. Details of utilization of funds**

During the year under review, there were no Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32(7A) of the Listing Regulations.

**7. Code of Conduct**

The Board of Director has laid down a code of conduct for all Board Members and senior management of the company. The Board Members and senior management personnel have affirmed their compliance with the code of conduct for the year under review. Declaration to this effect signed by the Managing Director is annexed to this report.

**8. CEO Certification**

In terms of the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the certification by the CEO (Managing Director) on the financial Statements and internal controls relating to financial reporting for the financial year 2019-20 has been obtained.

**9. Compliances with Corporate Governance**

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-sections of 46 of SEBI ((Listing Obligation and Disclosure requirement) Regulations, 2015.

**10. General Shareholder Information**

**(a) Annual General Meeting**

Date & Time : } Please refer to the notice of  
: } Annual General Meeting  
Venue : } being sent along with Annual  
: } Report.

**(b) Book Closures : }** Please refer to the notice of Annual General Meeting being sent along with Annual Report.

**(c) Financial Calendar for 2020-2021 (Tentative)**

Quarter ending June 30, 2020: Within 45 days from the close of the quarter.

Quarter/Half year ending September 30, 2020: Within 45 days from the close of the quarter / half year

Quarter ending December 31, 2020: Within 45 days from the close of the quarter

Quarter/Year ending March 31, 2021: Within 60 days from the close of the quarter / year

**(d) Listing of Equity Shares**

The Company's shares are listed on the BSE Limited situated at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001. The listing fees for the year 2020-2021 have been paid to the aforesaid Stock Exchange.

**(e) Management Discussion and Analysis Report forms part of the Report of the Directors.**

**(f) Dividend Payment Date:**

No Dividend was declared for the financial year 2019-20.

**(g) Stock Code :**

BSE Limited - 530677

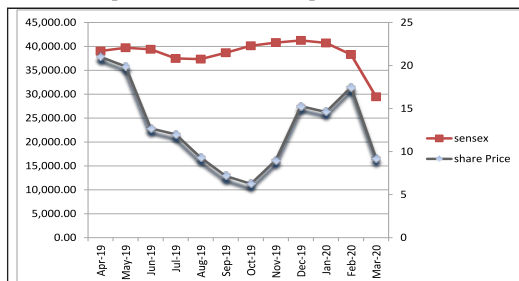
Under depository system, the International Securities Identification Number (ISIN) allotted to the Company's share is INE 822E01011

**Stock Market Price for the Year**

Month	BSE			BSE SENSEX
	HIGH (RS.)	LOW (RS.)	Close (RS.)	Closing
April-2019	27.35	18.30	21.00	39,031.55
May-2019	22.70	18.55	19.90	39,714.20
June-2019	20.30	12.50	12.70	39,394.64
July-2019	14.68	11.50	12.00	37,481.12
August-2019	12.60	8.45	9.29	37,332.79
September-2019	8.83	7.13	7.16	38,667.33
October-2019	7.22	5.27	6.25	40,129.05
November-2019	9.65	5.40	9.00	40,793.81
December-2019	15.27	8.29	15.27	41,253.74
January-2020	17.35	10.50	14.60	40,723.49
February-2020	20.51	15.33	17.47	38,297.29
March-2020	18.15	9.20	9.20	29,468.49



**Market Price performance in comparison to BSE SENSEX**



Supreme Share Price v/s BSE SENSEX

**(h) Registrar and Transfer Agents**

The Company has appointed M/s. Sharex Dynamic (India) Pvt. Ltd., as its Registrar and Transfer Agents.

**(i) Share Transfer System**

Presently the share transfers which are received in physical form are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Demat requests are processed and completed within an average period of 15 days from the date of receipt, provided they are otherwise in order.

**(j) Dematerialization of Shares**

The Company's Shares are traded in the Stock Exchange in Demat mode. As on 31.03.2020: 3,52,90,853 Equity Shares of the Company forming 99.48% of the total shares of the company, stand dematerialized. It is advised to those Shareholders, who still hold the shares in physical form, to get their shares converted to DEMAT, to avail various advantages such as quick delivery on transfers, minimizing the risk of loss in transit, bad deliveries etc.

**(k) Information on Deviation from Accounting Standard, if any**

During the year there has been no deviation from the Accounting Standards in preparation of annual accounts for the financial year 2019-20.

**(l) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments Conversion date and likely impact on the Equity:-**

Not Applicable

**(m) Commodity price risk or foreign exchange risk and hedging activities:**

Not Applicable

**(n) Distribution of Shareholding as on March 31, 2020.**

No. of Equity Shares Held	No. of Shareholders	Percentage of Shareholders (%)	No. of Shares Held	Percentage of Shareholding (%)
Up to 500	1319	79.029	243034	0.685
501 to 1000	127	7.609	105793	0.298
1001 to 5000	124	7.430	257904	0.727
5001 to 10000	47	2.816	326447	0.920
10001 to 100000	39	2.337	1185214	3.341
100001 & Above	13	0.779	33358461	94.029
	1669	100%	35476853	100%

**(o) Shareholding Pattern as on March 31, 2020**

	Category	No. of Shares Held	Percentage of Shareholding (%)
1.	Promoters	2,18,29,160	61.53
2.	Private Corporate Bodies	14,08,607	3.97
3.	Financial Institutions/Banks	-	-
4.	Indian Public	31,73,466	8.94
5.	NRIs/OCBs	90,06,487	25.39
6.	Clearing Members	59133	0.17
	<b>GRAND TOTAL</b>	<b>3,54,76,853</b>	<b>100%</b>

**Address for Correspondence**

Registered Office: Office No 510 to 513, 5th floor,  
Platinum Square,  
Shri Satpal Malhotra Marg,  
Nagar Road, Pune-411014.  
CIN - L45100PN1982PLC173438  
Tel: +91 9607600044  
Website: www.supremeholdings.net  
Email:investors@supremeholdings.net

Registrar & Share Transfer Agent : Sharex Dynamic (India) Pvt. Ltd.  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli West, Mumbai - 400083  
Phone : 022-28515644 / 5606  
Email :support@sharexindia.com

Place: Pune  
Date: July 28, 2020

**For and on behalf of the Board**  
**VidipJatia**  
**Chairman & Managing Director**  
**DIN: 06720329**

**Independent Auditor's Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

**The Members of**

**Supreme Holdings & Hospitality (India) Limited**

1. This report contains details of compliance of conditions of corporate governance by **Supreme Holdings & Hospitality (India) Limited** ('the Company') for the year ended 31 March 2020 as stipulated in regulations 17 to 27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

**Management's Responsibility for compliance with the conditions of Listing Regulations**

2. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

**Auditor's Responsibility**

3. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31st March, 2020.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special

Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

7. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

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

For **Mittal Agarwal & Company**  
Chartered Accountants  
(Firm Registration No. 131025W)

**Piyush Agarwal**  
Partner

Place: Mumbai  
Dated: 28/07/2020

Membership No. 135505

UDIN: 20135505AAAAU2348





**CEO/CFO CERTIFICATE**

**[Regulation 17(8) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015]**

To,

The Board of Directors

Supreme Holdings & Hospitality (India) Ltd

1. We have reviewed financial statements and the cash flow statement of Supreme Holdings & Hospitality (India) Limited for the year ended March, 31 2020 and to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

Place: Pune  
Date: July 28, 2020

**Vidip Jatia**  
**Chairman & Managing Director**  
**DIN: 0672032**

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**CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

In terms of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per 'affirmation of compliance' letter received from the Directors and the members of senior managerial personnel of the Company, I hereby declare that members of board of directors and senior management personnel have affirmed compliance with the code of conduct for board of directors and senior management during the financial year 2019-20.

Place: Pune  
Date: July 28, 2020

**Vidip Jatia**  
**Chairman & Managing Director**  
**DIN: 0672032**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Member of Supreme Holdings & Hospitality (India) Limited  
Office no. 510 to 513, 5th Floor,  
Platinum Square, Shri Satpal Malhotra Marg,  
Nagar Road, Pune - 411014

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Supreme Holdings & Hospitality (India) Limited having CIN: L45100PN1982PLC173438 and having registered office at Office no. 510 to 513, 5th Floor, Platinum Square, Shri Satpal Malhotra Marg, Nagar Road, Pune - 411014 for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

Sr. No	Name	Designation	Date of Appointment
1	Mr. Srichandra Narayanaswamy Atreya	Director	10/03/2017
2	Mrs. Shruti Sunil Jatia	Director	30/03/2015
3	Mr. Vidip Vinod Jatia	Managing Director	31/10/2013
4	Mrs. Namita Prateek Jatia	Executive Director	10/03/2017
5	Mr. Raghav Agarwala	Additional Independent Director	13/11/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai  
Date: July 28, 2020

**CS Shival Maurya**  
**ACS No. 37655**  
**C P No: 14053**  
**UDIN: A037655B000519202**

**Annexure E**  
**FORM NO. MR.3**  
**SECRETARIAL AUDIT REPORT**  
**For the Financial Year Ended 31st March 2020**  
**[Pursuant to section 204(1) of the Companies Act, 2013**  
**and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel)**  
**Rules, 2014]**

To,  
The Members  
Supreme Holdings & Hospitality (India) Limited  
Office No. 510 to 513, 5th Floor,  
Platinum Square, Shri. Satpal Malhotra Marg,  
Nagar Road, Pune 411014

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Supreme Holdings & Hospitality (India) Limited (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable: —
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Take overs) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015.



I have also examined compliances with the applicable clauses of the following, to the extent applicable:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (iii) Maharashtra Ownership of Flats Act, 1963
- (iv) Real Estate (Regulation and Development) Act, 2016

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

I further report that

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

All decisions at Board Meetings and Committee Meetings are 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.

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

**CS Shivlal Maurya**  
**ACS No. 37655**

Place: Mumbai  
Date: July 28, 2020

**C P No: 14053**  
**UDIN: A037655B000519213**

**This report is to be read with my letter of even date which is annexed as Annexure-A and forms an integral part of this report.**

**'Annexure A'**

**To,**  
**The Members**  
**Supreme Holdings & Hospitality (India) Limited**  
**Office No. 510 to 513, 5th Floor,**  
**Platinum Square, Shri. Satpal Malhotra Marg,**  
**Nagar Road, Pune 400014**

**My report of even date is to be read along with this letter**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**CS Shivlal Maurya**  
**ACS No. 37655**  
**C P No: 14053**  
**UDIN: A037655B000519213**

Place: Mumbai  
Date: July 28, 2020

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:****(a) Industry Structure:**

The outbreak of COVID-19 pandemic has severely impacted the global economy. The growth pace of global economy is expected to be slowest since the global financial crisis of 2008. The Indian Economy has also been severely impacted due to the nationwide lockdown imposed to curb the spreading of COVID-19 pandemic. The GDP growth of Indian economy for FY20 is estimated at an 11-year low of 4.2% lower than the government projection of 5.0%. The real estate sector has been grappling with subdued demand for the past few years and the recent developments (ongoing impact of NBFC crisis and COVID19) have made things even more difficult for the sector. The Real Estate is a key sector of Indian Economy. It is the Second largest sector in India in terms of providing employment. Current coronavirus outbreak is expected to derail the sector's growth momentum in the short term due to its impact on the overall slowing economy. The Government has however, rolled out a range of measures to preserve financial stability and counter the economic impact of COVID19.

**(b) Company's Performance:**

The revenue from real estate activity is recognised in accordance with the "Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)" issued by the Institute of Chartered Accountants of India (ICAI), and accordingly the income from operations during the year 2019-20 has been reported at Rs. 7832.95 Lacs. The other Income during the year 2019-20 was at Rs. 42.80 Lacs. The total Income for the year 2019-20 was at Rs. 7875.75 Lacs as compared to Rs. 5530.76 Lacs in the previous year.

During the year under review, the cost of sales and other operational expenses were at Rs.6330.25 Lacs as against Rs. 4669.65 Lacs in the previous year. The employees cost during the years 2019-20 was at Rs. 165.14 Lacs as compared to Rs.137.90 Lacs in the previous year. The Finance cost for the year 2019-20 was at Rs. 2.18 lacs as against 1.70 lacs in the previous year. The Depreciation and amortization expenses and other expenses were at Rs.580.11 lacs as compared to Rs. 354.54 lacs in the previous year.

The Profit for the year 2019-20 before taxation was at Rs. 798.07 Lacs as against Rs. 366.97 Lacs in the previous year. After providing for taxation, including deferred tax, the Company has reported Profit of Rs. 695.10 Lacs during the year 2019-20 as against Rs. 309.40 Lacs in the previous year.

**(c) Segment –wise Performance:**

As Company had only one reportable segment during the year, disclosure under Ind-AS 108 on segment reporting is not applicable to the Company.

**(d) Outlook for the Company:**

The outbreak of COVID-19 pandemic at the end of financial year 2019- 2020 has severely impacted businesses in the current year. There has been disruption to regular

business operations due to the measures taken to curb the impact of the pandemic. The Company's operations and office were shut post announcement of nationwide lockdown. With easing of some restrictions, the operations and office have resumed partially as per the guidelines specified by the Government. Given the current situation, there may be delay in execution of projects and resultant impact on revenue and profitability. The Company estimates adverse impact on operations of the Company in the short term, but the long-term impact remains unknown as the longevity of the crisis is uncertain. While there is gloom in the near term with the unprecedented situation led by the outbreak, the demand and situation is expected to improve once the pandemic passes and full economic activity resumes.

**(e) Opportunities, Threats, Risk and Concerns:**

The Real Estate is a key sector of Indian Economy and plays vital role in its growth. It is the Second largest sector in India in terms of providing employment. The Government has also recognised the importance of real estate sector and has continuously adopted various reforms for boosting and creating opportunities in this sector. Affordable housing continues to remain a significant opportunity for players and key focus area of government. The major housing shortfall is in the economically weak and low income segment. The government's constant push for affordable housing has shifted the focus from high-end and luxury segments to the affordable segment and the launches in this segment has increased. Also, in order to encourage developers to focus on affordable housing projects, the Government has extended the date of approval for these projects for availing tax holiday on profit earned by developers by one year till March 2021. The tax holiday which was being provided under section 80-IBA for approved projects during the period from June 1, 2016 to March 31, 2020 has been extended by a year. The Government in its attempt to boost affordable housing demand, proposed to extend additional tax benefit of INR 1.5 lakh on interest paid on affordable housing loans. The additional deduction is over and above INR 2 lakh interest which was introduced earlier.

While certain measures such as the consecutive rate cuts by the RBI, the reduction of GST rates to 1% for affordable housing and 5% for others have helped home-buyer sentiments. Earlier for real estate transactions, if the consideration value was less than circle rate by more than 5%, the difference was considered as income accruing to both the buyer and seller and hence taxable to both. In order to facilitate real estate transactions and provide relief to the sector, the government increased the limit from 5% to 10%. The Real Estate (Regulation and Development) Act, 2016, has also improved confidence of consumer and brought the required transparency and order to the real estate Sector. The steady reforms, rapid urbanisation, rising household income will accelerate the pace of growth and opportunities of this Sector.



At the end of this financial year came the biggest challenge of COVID-19 pandemic. The worldwide epidemic is still spreading, and its real impact will be felt in the next financial year. Like all other sectors of the economy, real estate too will be adversely impacted due to the pandemic. In an already slowing economy, the pandemic COVID-19 has brought unprecedented challenges.

The Real estate market is very much affected by the changes in government scheme, changes in supply and demand for projects, availability of finance and liquidity. The unanticipated delays in project approvals, increase cost of manpower, rising cost of constructions, availability of trained labour force, availability of finance, multifaceted tax levies on various transactions are the major challenges in the construction Industry. There are substantial procedural delays with regards to construction approvals. Retrospective policy changes and regulatory bottlenecks may impact profitability and affect attractiveness of the sector. After the IL&FS default, NBFCs have been mandated by RBI to reduce their exposure to real estate sector, which has created funding issues for developers and is curtailing the overall growth of Industry. Absence of long term funding from Banks is forcing developers to look at alternative sources of funds most of which do not offer affordable interest rates. The Sector in general are sensitive to fluctuations in the economy, government policies and is very sensitive to the global security environment. In the course of its business the Company is exposed to stiff competition from other developers in the market.

tuations in the economy, government policies and is very sensitive to the global security environment. In the course of its business the Company is exposed to stiff competition from other developers in the market.

**(f) Internal Control Systems and their Adequacy:**

The Company has proper and adequate systems of internal control. The internal control systems of the company are designed to ensure the financial and other records are reliable for preparing the financial statements and other data and for accountability of assets.

The company has an Audit Committee of the Board of Directors, which meets regularly to review the adequacy of internal controls.

**(g) Human Resources:**

The Company enjoys cordial and harmonious relationship with its employees. To counter the Covid 19 Impact, the Company has taken various measures for the safety of its employees. Work from home has been allowed to many employees of the Company. The Company is maintaining proper hygiene at the offices and working sites by adopting measures like sanitization, social distancing, and mandatory mask wearing, thermal checks. The Company has 19 number of employees as on 31st March, 2020.

**(h) Comparative analysis of Financial ratios and significant Changes therein as on 31st March, 2020:**

Particulars of ratios	2019-20	2018-19	Whether ratios change more than 25% as compared to previous financial year (2018-19)	Detailed explanation for changes therein
Current Ratio	3.08	2.90	No	NA
Debtor Turnover	4.34%	8.37%	Yes	Due to decrease in debtors of the Company
Inventory Turnover	118.40%	200.42%	yes	Due to increase in turnover
Interest coverage Ratio	3.62%	1.80%	yes	Due to repayment of loan the ratio increased
Debt-Equity Ratio	12.73%	24.57%	Yes	Due to the repayment of loan
Operating Profit Margin (%)	19.20%	14.5%	yes	Due to increase in sales of affordable housing units which has higher margin
Net Profit Margin (%)	10.19%	6.72%	yes	Due to increase in sales of affordable housing units which has higher margin

**(i) Disclosure of changes in Return on Net Worth and explanation thereof:**

Due to increase in net profit, the Return on Net worth of the Company has increased to 8.16% for financial year 2019-20 as compared to 3.96% for financial year 2018-19.

## INDEPENDENT AUDITORS' REPORT

## Independent Auditor's Report to the Members of Supreme Holdings &amp; Hospitality (India) Limited

## Report on the Audit of Standalone Financial Statements

## Opinion

We have audited the accompanying standalone financial statements of **Supreme Holdings & Hospitality (India) Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## Basis for Opinion

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	How our audit addressed the key audit matter
<b>Revenue recognition for real estate development contracts</b>		
1	<p>Effective 1st April, 2018, the Company has adopted Ind AS 115 - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 1st April, 2018.</p> <p>Revenue from real-estate contracts is recognised over a period of time (using percentage of completion method), if the necessary conditions as mentioned in the standard are satisfied, otherwise, recognised at the point in time.</p> <p>Significant level of judgement is required to identifying contract obligations and whether these obligations are satisfied over a period of time or at the point in time. Further, for determining revenue using percentage of completion method, budgeted project cost is a critical estimate. This estimate has inherent uncertainty as it requires ascertainment of progress of the project, cost incurred till date and balance cost to be incurred to complete the project.</p> <p>Refer note no. 2 (i) and 23 to the standalone financial statements.</p>	<p>Our audit procedures on revenue recognised from real estate development contracts included:</p> <ul style="list-style-type: none"> <li>• Testing the controls over the completeness and accuracy of cost and revenue reports generated from the system.</li> <li>• Obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue.</li> <li>• Selected samples of old and new contracts and tested that the revenue has been recognised in accordance with the accounting standard by evaluating the identification of performance obligation.</li> <li>• Reviewed the management's budgeting system and process of calculating the cost to be incurred for completing the remaining performance obligations, which has been reviewed periodically and approved by appropriate levels of management.</li> <li>• Compared the aggregate project cost (including costs incurred) with costs of similar projects.</li> <li>• Performing a retrospective review of costs incurred with budgeted costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the project.</li> <li>• Assessing the adequacy of disclosures included in standalone financial statements, as specified in Ind AS 115.</li> </ul>





<b>Carrying values of Inventories</b>	
2	<p>Inventory is valued at cost and net realisable value (NRV), whichever is less. The cost includes direct and indirect expenditure relating or incidental to construction activity.</p> <p>Various estimates such as prevailing market conditions, stage of completion of the projects, future selling price, selling costs and cost to complete projects are necessary to derive NRV.</p> <p>Refer notes 2 (d) and 9 to the standalone financial statements.</p>

We assessed the Company's process for the valuation of inventories by:

- Evaluating the design and operative effectiveness of internal controls relating to valuation of inventories.
- Testing the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred construction budgets and net realisable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls.
- Comparing the aggregate project cost (including costs incurred) with costs of similar projects.
- Comparing NRV with recent sales or estimated selling price and also checked the general selling costs.

### **Information other than the Standalone 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 Annual report, but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone 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 for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue

as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

Attention is draw to the fact that the standalone financial statement for the year ended 31 March 2019 were audited by another auditor whose report dated 30 May 2019 expressed an unqualified opinion on those statements.

#### 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 section 143(11) of the Act, we give in Annexure A, a statement on the matters specified in the

paragraph 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 and the statement of cash flows dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rule issued thereunder;
  - (e) on the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.
  - (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - 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 **Mittal Agarwal & Company**  
Chartered Accountants  
(Firm Registration No. 131025W)

**Piyush Agarwal**  
Partner

Membership No. 135505

Place: Mumbai  
Dated: 28<sup>th</sup> July 2020



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

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- 1 a The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1 b As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, 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 physical verification.
- 1 c The title deeds of immovable properties other than self-constructed immovable property (buildings), as disclosed in fixed assets to the Standalone Financial Statements, are held in the name of the Company.
- 2 As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- 3 In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
- 4 In our opinion and according to the information and explanations given to us, According to the information and explanations provided to us, the Company has not given any loan or guarantee or security to/ for any person or entity covered under provisions of section 185 of the Companies Act, 2013 after the enactment thereof.
- In our opinion and according to the information and explanations given to us, loans given, security provided and investments done by the Company are in compliance with the provisions of section 186 of the Companies Act, 2013, wherever applicable.
- 5 The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31 March 2020 and therefore, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- 6 The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7 a According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Profession Tax, Income tax, Customs Duty, Goods and Service tax and other statutory dues have been generally regularly deposited with the appropriate authorities.
- There were no undisputed amounts payable in respect of

provident fund, employee state insurance, duty of customs, Goods and Service tax and other material statutory dues in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

- 7 b In our opinion and according to the information and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute.
- 8 In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions. The Company did not have any outstanding loans or borrowings from banks or government and there are no dues to debenture holders during the year.
- 9 In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer or Term loan during the year, hence clause (ix) of the Order are not applicable to the Company.
- 10 To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11 In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- 12 The Company is not a Nidhi Company and therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13 In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- 14 During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and therefore, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- 15 In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
- 16 The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

**For Mittal Agarwal & Company**  
Chartered Accountants  
(Firm Registration No. 131025W)

**Piyush Agarwal**  
Partner

Place: Mumbai  
Dated: 28<sup>th</sup> July 2020

Membership No. 135505

**Annexure B to the Independent Auditors' Report**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Supreme Holdings & Hospitality (India) Limited** ('the Company') as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as 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 (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were commensurate with the nature of the business of the Company and operating effectively as at 31 March 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For Mittal Agarwal & Company**  
Chartered Accountants  
(Firm Registration No. 131025W)

**Piyush Agarwal**

Partner

Place: Mumbai

Dated: 28<sup>th</sup> July 2020

Membership No. 135505

**Standalone Balance Sheet as at 31st March, 2020****(Rs. in lakhs)**

	Note	As at 31 March 2020	As at 31 March 2019
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	896.01	798.71
(b) Financial assets			
(i) Investments	5.1	14.92	14.92
(ii) Loans	6	27.85	27.56
(c) Deferred tax assets (net)	7	65.17	87.57
(d) Other non-current assets	8	113.40	149.00
<b>Total non-current assets</b>		<b>1,117.35</b>	<b>1,077.76</b>
<b>Current assets</b>			
(a) Inventories	9	9,274.35	10,942.64
(b) Financial assets			
(i) Investments	5.2	-	500.44
(ii) Trade receivables	10	340.22	457.03
(iii) Cash and cash equivalents	11	678.94	772.86
(iv) Bank balances other than cash and cash equivalents	12	18.04	7.50
(c) Current tax asset (net)	13	12.77	21.42
(d) Other current assets	8	2,285.80	115.81
<b>Total current assets</b>		<b>12,610.12</b>	<b>12,817.70</b>
<b>Total assets</b>		<b>13,727.47</b>	<b>13,895.46</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	14	3,547.69	3,547.69
(b) Other equity	15	4,967.97	4,262.26
<b>Total equity</b>		<b>8,515.66</b>	<b>7,809.95</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	1,083.84	1,619.11
(b) Provisions	17	37.81	39.63
<b>Total non-current liabilities</b>		<b>1,121.65</b>	<b>1,658.74</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	-	300.00
(ii) Trade payables	19	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		370.04	620.89
(iii) Other financial liabilities	20	790.63	384.64
(b) Other current liabilities	21	2,889.14	3,093.33
(c) Provisions	17	3.84	3.17
(d) Current tax liabilities (net)	22	36.51	24.74
<b>Total current liabilities</b>		<b>4,090.16</b>	<b>4,426.77</b>
<b>Total equity and liabilities</b>		<b>13,727.47</b>	<b>13,895.46</b>
Notes forming part of the Standalone financial statements	1 - 43		

As per our report of even date

**For Mittal Agarwal & Company**  
Chartered Accountants  
Registration No. 131025W

**Piyush Agarwal**  
Partner  
Membership No. 135505

Date: 28 July, 2020

For and on behalf of the Board

**Vidip Jatia**  
Managing Director & CFO  
DIN: 06720329

**Kailash Sharma**  
Company Secretary

**Namita Jatia**  
Executive Director  
DIN: 07660840

**Standalone Statement of profit and loss for the year ended 31 March 2020****(Rs. in lakhs)**

	Note	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>Income</b>			
Revenue from operations	23	7,832.95	5,459.86
Other income	24	42.80	70.90
<b>Total income</b>		<b>7,875.75</b>	<b>5,530.76</b>
<b>Expenses</b>			
Cost of Construction and other operational expenses	25	6,330.25	4,669.65
Employee benefit expenses	26	165.14	137.90
Finance cost	27	2.18	1.70
Depreciation and amortisation expenses	28	30.41	12.75
Other expenses	29	549.70	341.79
<b>Total expenses</b>		<b>7,077.68</b>	<b>5,163.79</b>
<b>Profit before tax</b>		<b>798.07</b>	<b>366.97</b>
<b>Less : Tax expense</b>	35		
Current tax		100.99	59.74
Deferred tax		1.98	(2.17)
<b>Profit for the year</b>		<b>695.10</b>	<b>309.40</b>
<b>Other comprehensive income</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
- Re-measurement gain/(losses) on defined benefit plan		14.33	(5.41)
- Income Tax effect on above		(3.72)	1.41
<b>Other comprehensive income for the year, net of tax</b>		<b>10.61</b>	<b>(4.00)</b>
<b>Total comprehensive income for the year</b>		<b>705.71</b>	<b>305.40</b>
<b>Earning per share on equity shares of Rs.10 each fully paid up</b>	33		
Basic and diluted		1.96	0.87
Notes forming part of the Standalone financial statements	1 - 43		

As per our report of even date

For Mittal Agarwal & Company  
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Registration No. 131025W

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DIN: 06720329

Namita Jatia  
Executive Director  
DIN: 07660840

Date: 28 July, 2020

Kailash Sharma  
Company Secretary



## Standalone Statement of Cash Flow For the Year Ended 31 March, 2020

(Rs in lakhs)

Particular	Year ended 31 March 2020	Year ended 31 March, 2019
<b>A. Cash flow from operating activities</b>		
Profit before tax	798.07	366.97
<b>Adjustments for:</b>		
Depreciation	30.41	12.75
Depreciation on assets pertaining to inventory WIP	1.03	1.91
Employment benefits	11.94	11.30
Dividend Income	(0.01)	(0.04)
Interest Income	(12.07)	(39.25)
Amortisation of processing fees	64.73	76.16
<b>Operating profit before working capital changes</b>	<b>894.10</b>	<b>429.80</b>
<b>Adjustment for :</b>		
Loans	(0.29)	(16.25)
Other non-current assets	35.60	(121.47)
Other current assets	14.69	(17.46)
Trade receivables	116.81	114.83
Advance to contractors / suppliers	(2,184.66)	1,366.11
Inventories	1,668.29	(546.95)
Provisions	1.24	(0.69)
Trade payables	(250.85)	365.10
Other financial liabilities	405.99	240.57
Other current liabilities	(204.21)	276.28
<b>Cash Generated from Operations</b>	<b>496.70</b>	<b>2,089.87</b>
Direct Taxes Paid	(63.86)	(56.97)
<b>Net cash generated from operating activities (A)</b>	<b>432.84</b>	<b>2,032.90</b>
<b>B. Cash flow from investing activities</b>		
Purchase / addition of fixed assets	(128.74)	(85.72)
Interest income	12.07	39.25
Dividend income	0.01	0.04
Increase in fixed deposit	(10.54)	(0.53)
Investments in mutual fund	500.44	(500.44)
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>373.24</b>	<b>(547.40)</b>
<b>C. Cash flow from financing activities</b>		
Loans to subsidiary	-	-
Short term borrowings	(300.00)	(575.00)
Long term borrowings	(600.00)	(400.00)
<b>Net cash used in financing activities ( C )</b>	<b>(900.00)</b>	<b>(975.00)</b>
<b>Net changes in cash and cash equivalents (A+B+C)</b>	<b>(93.92)</b>	<b>510.50</b>
Cash and cash equivalents at the beginning of the year	772.86	262.36
<b>Cash and cash equivalents at the end of the year [Refer note 3 below]</b>	<b>678.94</b>	<b>772.86</b>
<b>Notes:</b>		
1 The above statement of cash flows has been prepared under indirect method as set out in Ind AS 7 'Statement of cash flows'.		
2 Previous year figures have been regrouped / reclassified, wherever necessary, to correspond with current year classification.		
<b>3 Cash and cash equivalents comprise of:</b>	<b>As at</b>	<b>As at</b>
	<b>31 March, 2020</b>	<b>31 March, 2019</b>
Cash on hand	0.79	7.45
Balances with banks in current accounts	122.60	765.41
Fixed deposits having original maturity less than 90 days	555.55	-
<b>Cash and cash equivalents [Refer note 11]</b>	<b>678.94</b>	<b>772.86</b>
<b>Cash and cash equivalents for the purpose of above statement of cash flows</b>	<b>678.94</b>	<b>772.86</b>

As per our report of even date  
For Mittal Agarwal & Company  
Chartered Accountants  
Registration No. 131025W

Piyush Agarwal  
Partner  
Membership No. 135505

Date: 28 July, 2020

For and on behalf of the Board

Vidip Jatia  
Managing Director & CFO  
DIN: 06720329

Kailash Sharma  
Company Secretary

Namita Jatia  
Executive Director  
DIN: 07660840

**Standalone statement of changes in equity for the year ended 31 March 2020 (Rs in lakhs)****A. Equity share capital**

Particulars	No of Shares	(Rs. in lakhs)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at 31 March 2018	3,54,76,853	3,547.69
Changes in share capital	-	-
As at 31 March 2019	3,54,76,853	3,547.69
Changes in share capital	-	-
As at 31 March 2020	3,54,76,853	3,547.69

**B. Other equity**

For the year ended 31 March 2020

	Reserves and surplus				Other comprehensive income	Total equity attributable to equity holders
	Capital reserve	Securities premium reserve	General reserve	Retained earnings		
<b>As at 31 March 2018</b>	2.77	3,318.36	90.06	545.67	-	3,956.86
Profit for the year	-	-	-	309.40	-	309.40
<b>Other comprehensive income</b>	-	-	-	-	-	-
Re-measurement gains/(losses) on defined benefit plans	-	-	-	-	(4.00)	(4.00)
<b>As at 31 March 2019</b>	<b>2.77</b>	<b>3,318.36</b>	<b>90.06</b>	<b>855.07</b>	<b>(4.00)</b>	<b>4,262.26</b>
Profit for the year	-	-	-	695.10	-	695.10
<b>Other comprehensive income</b>	-	-	-	-	10.61	10.61
Re-measurement gains/(losses) on defined benefit plans	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>2.77</b>	<b>3,318.36</b>	<b>90.06</b>	<b>1,550.18</b>	<b>6.60</b>	<b>4,967.97</b>

Notes forming part of the financial statements

1 - 43

As per our report of even date  
**For Mittal Agarwal & Company**  
Chartered Accountants  
Registration No. 131025W

For and on behalf of the Board

**Piyush Agarwal**  
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**Namita Jatia**  
Executive Director  
DIN: 07660840

Date: 28 July, 2020

**Kailash Sharma**  
Company Secretary



## Notes forming part of the standalone financial statements

### 1 Company information

Supreme Holdings & Hospitality (India) Limited (the company) is a public limited company domiciled in India and incorporated under the provisions of Companies Act 1956. The company is engaged in development of commercial and residential projects.

The separate financial statements (hereinafter referred to as "Financial Statements") of the Company for the year ended 31 March 2020 were approved and authorised for issue by the Board of Directors at their meeting held on 28 July 2020.

### 2 Significant accounting policies

#### (a) Basis of preparation

The financial Statements have been prepared to comply in all material respects with the Indian Accounting Standards notified under Section 133 of Companies Act, 2013 (the Act) read with Companies Indian Accounting Standards (Ind AS) Rules, 2015 and other relevant provisions of the Act and rules framed thereunder.

The financial statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities measured at fair value as explained in accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability as if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Rupees (Rs.) lakhs, except when otherwise indicated.

#### (b) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in Schedule III to the Act.

#### (c) Property, plant and equipment

- i) All property, plant and equipment are stated at original cost of acquisition/installation (net of input credits availed) less accumulated depreciation and impairment loss, if any, except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight and other incidental expenses that are directly attributable to bringing the asset to its working condition for the intended use and estimated cost for decommissioning of an asset.
- ii) Subsequent expenditure is capitalised only if it is probable that future economic benefit associated with the expenditure will flow to the Company.
- iii) Property, plant and equipment is derecognised from financial statements, either on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property (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 in the period in which the property, plant and equipment is derecognised.
- iv) Depreciation on property, plant and equipment is provided on "Straight Line Method" based on the useful life specified in Schedule II of the Companies Act, 2013.

#### (d) Inventories

Inventories are valued at lower of cost and net realisable value. The cost of raw materials (construction materials) is determined on the basis of weighted average method. Cost of work-in-progress and finished stock includes cost of land / development rights, construction costs, allocated borrowing costs and expenses incidental to the projects undertaken by the Company.

#### (e) Fair value measurement

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments. The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

All financial assets and financial 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;



## Notes forming part of the standalone financial statements

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### (f) Equity investments in subsidiary

Investments in subsidiary are accounted at cost in accordance with Ind AS 27 “Separate financial statements”.

### (g) Financial instruments

#### I Financial assets

##### i) Classification

The Company classifies its financial assets either at Fair Value through Profit or Loss (FVTPL), Fair Value through Other Comprehensive Income (FVTOCI) or at amortised Cost, based on the Company’s business model for managing the financial assets and their contractual cash flows.

##### ii) Initial recognition and measurement

The Company at initial recognition measures a financial asset at its fair value plus transaction costs that are directly attributable to its acquisition. However, transaction costs relating to financial assets designated at fair value through profit or loss (FVTPL) are expensed in the statement of profit and loss for the year.

##### iii) Subsequent measurement

For the purpose of subsequent measurement, the financial asset are classified in four categories:

- a) Debt instrument at amortised cost
- b) Debt instrument at fair value through other comprehensive Income
- c) Debt instrument at fair value through profit or loss
- d) Equity investments

##### Debt instruments

##### • Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on such instruments is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is calculated using the effective interest rate method and is included under the head “Finance income”.

##### • Fair value through other comprehensive income (FVTOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is calculated using the effective interest rate method and is included under the head “Finance income”.

##### • Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVTOCI) are measured at fair value through profit or loss. Gain and losses on fair value of such instruments are recognised in statement of profit and loss. Interest income from these financial assets is included in other income.

##### • Equity investments other than investments in subsidiaries, joint ventures and associates

The Company subsequently measures all equity investments other than investments in subsidiaries, joint ventures and associates at fair value. Where the Company’s management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss in the event of de-recognition. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company’s right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.





## Notes forming part of the standalone financial statements

### iv) **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### v) **De-recognition of financial assets**

A financial asset is derecognised only when:

- The rights to receive cash flows from the financial asset have expired
- The Company has transferred substantially all the risks and rewards of the financial asset or
- The Company has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset.

## II **Financial liabilities**

### i) **Classification**

The Company classifies all financial liabilities at amortised cost or fair value through profit or loss.

### ii) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, deposits or as payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### iii) **Subsequent measurement**

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

#### a **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.

#### b **Loans, borrowings and deposits**

After initial recognition, loans, borrowings and deposits are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. The EIR amortisation is included in project cost in the statement of profit and loss.

#### c **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. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

### iv) **De-recognition of financial liabilities**

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

## (h) **Cash and cash equivalents**

- (i) Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.
- (ii) For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft as they are considered as an integral part of Company's cash management.

## (i) **Revenue recognition**

### i) **Revenue from real estate activity**

Revenue from real estate activity is recognised in accordance with the Ind AS 115 "Revenue from Contracts with Customers". Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised product (Residential units) or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company satisfies the performance obligation and recognises revenue over time if one of the following criteria is met:

## Notes forming part of the standalone financial statements

- i) the Customer simultaneously receives and consumes the benefit provided by the Company's performance as the Company performs; or ii) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
  - iii) the Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.
- For performance obligations where any one of the above conditions are not met, revenue is recognised at a point in time at which the performance obligation is satisfied."

In case, revenue is recognised over the time, it is being recognised from the financial year in which the agreement to sell or any other binding documents containing salient terms of agreement to sell is executed. In respect of 'over the period of time', the revenue is recognised based on the percentage-of-completion method ('POC method') of accounting with cost of construction incurred (input method) for the respective projects determining the degree of completion of the performance obligation.

The revenue recognition requires forecasts to be made of the total budgeted costs with the outcomes of underlying construction contracts, which further require assessments and judgements to be made on changes in work scopes and other payments to the extent they are probable and they are capable of being reliably measured. In case, where the contract cost is estimated to exceed total revenues from the contract, the loss is recognised immediately in the statement of profit and loss.

### ii) Dividend income

Dividend income is recognized when the Company's right to receive the dividend is established.

### iii) Interest income

Interest income for all debt instruments, measured at amortised cost or fair value through other comprehensive income, is recognised using the effective interest rate method.

## (j) Foreign currency transactions

- i) Foreign currency transactions are recorded in the reporting currency (Indian rupee) by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.
- ii) All monetary items denominated in foreign currency are converted into Indian rupees at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognised in the statement of profit and loss. Non-monetary items in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing on the date of the transaction.

## (k) Income taxes

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

### Current tax:

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

### Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profit improves.

Unrecognised deferred tax assets are measured at each reporting date and recognised to the extent it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects at the reporting date to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.



## Notes forming part of the standalone financial statements

**(l) Employee benefits**

**(i) Short-term benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

**(ii) Defined contribution plans**

Payments to defined contribution retirement benefit schemes are charged to the statement of profit and loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

**(iii) Defined benefit plans**

Defined benefits plans are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprises of actuarial gains and losses, are recognised in other comprehensive income in the period in which they occur.

**(m) Impairment of non-financial assets**

The carrying amounts of non financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of an asset's or cash generating unit's, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

**(n) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except when the results would be anti-dilutive.

**(o) Provisions, contingent liabilities and contingent assets**

i) Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Provisions (excluding retirement benefits) are discounted using pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

ii) 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. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

iii) Contingent assets are not recognized, but disclosed in the financial statements where an inflow of economic benefit is probable.

**(p) Leases**

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated. The Company's lease asset classes primarily consist of leases for Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from

## Notes forming part of the standalone financial statements

use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

### 3 A Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

#### a) Classification of property

The Company determines whether a property is classified as investment property or inventory:

Investment property comprises land and buildings (principally commercial premises and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, the Company develops and intends to sell before or on completion of construction.

#### b) 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 appropriate valuation techniques. 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.

#### c) Evaluation of performance obligation over time

Determination of revenues over time necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as projects costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such are determined.

#### d) Taxes

The Company periodically assesses its liabilities and contingencies related to income taxes for all years open to scrutiny based on latest information available. For matters where it is probable that an adjustment will be made, the Company records its best estimates of the tax liability in the current tax provision. The Management believes that they have adequately provided for the probable outcome of these matters.

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.

#### e) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities.



**Notes forming part of the standalone financial statements**

(Rs. in lakhs)

**Note - 4 Property, plant and equipment**

	Land	Furniture	Office and other equipments	Computers	Vehicles	Total
<b>As at 31 March 2018</b>	<b>675.90</b>	<b>0.34</b>	<b>7.17</b>	<b>3.12</b>	<b>52.28</b>	<b>738.81</b>
Additions	-	10.10	2.42	9.36	64.11	85.99
Disposals/adjustments	-	-	-	-	(0.27)	(0.27)
<b>As at 31 March 2019</b>	<b>675.90</b>	<b>10.44</b>	<b>9.59</b>	<b>12.48</b>	<b>116.12</b>	<b>824.53</b>
Additions	-	0.52	21.33	6.99	99.90	128.74
Disposals/adjustments	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>675.90</b>	<b>10.96</b>	<b>30.92</b>	<b>19.46</b>	<b>216.02</b>	<b>953.27</b>
<b>Depreciation</b>						
<b>Up to 31 March 2018</b>	<b>-</b>	<b>0.16</b>	<b>4.22</b>	<b>2.18</b>	<b>4.60</b>	<b>11.16</b>
Charge for the year	-	0.40	1.42	1.44	11.39	14.66
Disposals	-	-	-	-	-	-
<b>Up to 31 March 2019</b>	<b>-</b>	<b>0.56</b>	<b>5.64</b>	<b>3.62</b>	<b>15.99</b>	<b>25.82</b>
Charge for the year	-	1.01	1.79	3.98	24.66	31.44
Disposals	-	-	-	-	-	-
<b>Up to 31 March 2020</b>	<b>-</b>	<b>1.57</b>	<b>7.43</b>	<b>7.60</b>	<b>40.65</b>	<b>57.26</b>
<b>Net carrying value</b>						
<b>At 31 March 2020</b>	<b>675.90</b>	<b>9.40</b>	<b>23.49</b>	<b>11.86</b>	<b>175.37</b>	<b>896.01</b>
<b>At 31 March 2019</b>	<b>675.90</b>	<b>9.88</b>	<b>3.95</b>	<b>8.86</b>	<b>100.13</b>	<b>798.71</b>

**Note - 5.1 Non-current investments**

	As at 31 March 2020	As at 31 March 2019
<b>Investments valued at deemed cost, fully paid up</b>		
<b>I) Investment in fully paid up equity shares of subsidiary company - unquoted</b>		
1,49,200 (March 31, 2019 - 1,49,200) of Rs.10 each in Helmet Traderz Ltd (Refer note 28)	14.92	14.92
<b>II) Investment in fully paid up equity shares- quoted</b>		
100 (31 March, 2019 - 100) of Rs.10 each in Apple Credit Corporation Ltd	0.04	0.04
50 (31 March, 2019 - 50) of Rs.10 each in Chokani International Ltd	0.01	0.01
200 (31 March, 2019 - 200) of Rs.10 each in Chokani Global Express Ltd	0.02	0.02
8,700 (31 March, 2019 - 8,700) of Rs.10 each fully paid up in CVIL Infra Ltd	0.53	0.53
200 (31 March, 2019 - 200) of Rs.10 each in Margo Finance Ltd	0.02	0.02
200 (31 March, 2019 - 200) of Rs.10 each in Mewar Marbles Ltd	0.02	0.02
6,500 (31 March, 2019 - 6,500) of Rs.10 each in Shikhar Consultants Ltd	-	-
400 (31 March, 2019 - 400) of Rs.5 each in Bhageria Industries Ltd	-	-
40 (31 March, 2019 - 40) of Rs.10 each in Saurashtra Chemicals Ltd	0.02	0.02
14,730 (31 March, 2019 - 14,730) of Rs.10 each in shares of Washington Software Ltd	4.38	4.38
	5.03	5.03
Less: Provision for diminution in value of Investment*	5.03	5.03
	<b>14.92</b>	<b>14.92</b>
<b>Aggregate book value of quoted investments</b>	-	-
<b>Aggregate market value of quoted investments</b>	0.88	1.67
<b>Aggregate book value of unquoted investments</b>	14.92	14.92

\*Diminution in value of quoted investments are fully provided since the change in market value of shares are temporary in nature.

## Notes forming part of the standalone financial statements

(Rs. in lakhs)

## Note - 5.2

## Current investments

Measured at Fair value through Profit and loss

## Investment in mutual fund

Aditya Birla Sun Life Overnight Fund

	As at 31 March 2020	As at 31 March 2019
	-	500.44
	-	<b>500.44</b>
Aggregate book value of quoted investments	-	500.44
Aggregate market value of quoted investments	-	500.44

## Note - 6 Loans

Security Deposits

	Non-current	Current
	As at 31 March 2020	As at 31 March 2019
	27.85	27.56
	<b>27.85</b>	<b>27.56</b>

## Note - 7 Deferred tax assets (net)

Deferred tax assets (net)

Provision for employee benefits

Fiscal allowance on property, plant &amp; equipment

Add: MAT credit entitlement

Net deferred tax assets

	As at 31 March 2020	As at 31 March 2019
	10.83	11.15
	6.29	11.67
	<b>17.12</b>	<b>22.82</b>
	<b>48.05</b>	<b>64.75</b>
	<b>65.17</b>	<b>87.57</b>

## Note - 8 Other assets

Prepaid expenses

Advance to Contractors/Suppliers (Refer note 31)

Other advances

Balance with government authorities

- Indirect tax

	Non-current	Current
	As at 31 March 2020	As at 31 March 2019
	3.91	6.74
	-	-
	-	-
	-	-
	109.49	142.26
	<b>113.40</b>	<b>149.00</b>
	<b>2,285.80</b>	<b>115.81</b>

## Note - 9 Inventories

Raw Materials

Project work in progress

	As at 31 March 2020	As at 31 March 2019
	69.12	-
	9,205.23	10,942.64
	<b>9,274.35</b>	<b>10,942.64</b>

## Note - 10 Trade receivables

(Unsecured, considered good)

Due from

- Others (refer note 34)

	As at 31 March 2020	As at 31 March 2019
	340.22	457.03
	<b>340.22</b>	<b>457.03</b>

## Note - 11 Cash and cash equivalents

Cash on hand

Balances with banks in current accounts

Fixed deposits having original Maturity less than 90 days

	As at 31 March 2020	As at 31 March 2019
	0.79	7.45
	122.60	765.41
	555.55	-
	<b>678.94</b>	<b>772.86</b>



**Notes forming part of the standalone financial statements**

(Rs. in lakhs)

**Note - 12 Bank balances other than cash and cash equivalents**

Margin money deposits with bank having original maturity period of more than twelve months  
Fixed deposits with bank having original maturity period of more than twelve months

As at 31 March 2020	As at 31 March 2019
10.08	7.50
7.96	-
<b>18.04</b>	<b>7.50</b>

**Note - 13 Current tax assets (net)**

Balance with government authority  
Direct tax (net of provisions)

As at 31 March 2020	As at 31 March 2019
12.77	21.42
12.77	21.42

**Note - 14 Equity share capital**

Authorised  
4,00,00,000 (31 March, 2019 - 4,00,00,000)  
Equity shares of Rs. 10 each

As at 31 March 2020	As at 31 March 2019
4,000.00	4,000.00
<b>4,000.00</b>	<b>4,000.00</b>

Issued, subscribed and paid up

3,54,76,853 (31 March, 2019 - 3,54,76,853) Equity shares of Rs.10 each fully paid up

As at 31 March 2020	As at 31 March 2019
3,547.69	3,547.69
<b>3,547.69</b>	<b>3,547.69</b>

**(i) The reconciliation of the number of equity shares outstanding is set out below:**

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
Shares outstanding at the beginning of the year	3,54,76,853	3,547.69	3,54,76,853	3,547.69
Changes during the year	-	-	-	-
Shares outstanding at the end of the year	<b>3,54,76,853</b>	<b>3,547.69</b>	<b>3,54,76,853</b>	<b>3,547.69</b>

**(ii) Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The final dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii) Details of each equity shareholder holding more than 5% shares are set out below :**

Name of shareholder	As at 31 March 2020		As at 31 March 2019	
	Number of shares	Percentage (%) of Holding	Number of shares	Percentage (%) of Holding
Jumbo Bright Group Limited	90,05,885	25.39%	90,05,885	25.39%
Vidip V Jatia	75,85,350	21.38%	75,85,350	21.38%
Namita Prateek Jatia	63,35,474	17.86%	45,80,311	12.91%
Vinod Kumar Jatia (HUF)	40,03,600	11.29%	40,03,600	11.29%
Vinod Subhakaran Jatia	32,12,200	9.05%	32,12,200	9.05%
Oriental Bank of Commerce	-	-	29,27,000	8.25%

**Notes forming part of the standalone financial statements****(Rs. in lakhs)****(iv) No bonus shares have been issued and no shares bought back during five years preceding 31 March 2020****Note - 15 Other equity****Capital reserve**

Opening balance

Changes during the year

Closing balance

**Securities premium**

Opening balance

Changes during the year

Closing balance

**General reserve**

Opening balance

Changes during the year

Closing balance

**Retained earnings**

Opening balance

Add : Profit for the year

Items of other comprehensive income recognised directly in retained earning

Re-measurement gain/(losses) on defined benefit plans (net of tax)

	As at 31 March 2020	As at 31 March 2019
Capital reserve		
Opening balance	2.77	2.77
Changes during the year	-	-
Closing balance	2.77	2.77
Securities premium		
Opening balance	3,318.36	3,318.36
Changes during the year	-	-
Closing balance	3,318.36	3,318.36
General reserve		
Opening balance	90.06	90.06
Changes during the year	-	-
Closing balance	90.06	90.06
Retained earnings		
Opening balance	851.07	545.67
Add : Profit for the year	695.10	309.40
Items of other comprehensive income recognised directly in retained earning		
Re-measurement gain/(losses) on defined benefit plans (net of tax)	10.61	(4.00)
	1,556.78	851.07
	4,967.97	4,262.26

**Description of the Nature and Purpose of Other Equity**

**Capital Reserve :** The company had recognised surplus on re-issue of forfeited shares under capital reserve in earlier years.

**Securities Premium :** Securities Premium is created on issue of shares at a premium

**General Reserve :** General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

**Retained Earnings :** Retained earnings represents cumulative profits of the Company and effects of remeasurement of defined benefit obligations. Retained earnings can be utilised in accordance with the provisions of Companies Act, 2013.

**Note - 16****Long - term borrowings****Secured**

Loans from other party [Refer note (a) below]

**Current maturities**

	As at 31 March 2020	As at 31 March 2018
Long - term borrowings		
Secured		
Loans from other party [Refer note (a) below]	1,083.84	1,619.11
	1,083.84	1,619.11
Current maturities	-	-
	1,083.84	1,619.11

**Nature of securities and term of repayments for long - term borrowings****a) Loan from other party**

Loan from other party is secured by way of first ranking exclusive mortgage by the Mortgagor in favour of the Security Trustee over the Mortgage Properties, first ranking exclusive pledge over the pledged properties in favour of the security trustee and personal guarantees issued by the personal guarantors in favour of the security trustee. The loan carries fixed interest @ 16.5% p.a. and is repayable in quarterly instalments starting from quarter ended 30 June 2021 and ending in quarter ended 30 September 2022.

The Company has amortised borrowings using EIR of 22.08%.





## Notes forming part of the standalone financial statements

(Rs. in lakhs)

## Note - 17 Provisions

## Employee benefits

- Gratuity (Refer note 37)
- Leave encashment

Non-current		Current	
As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
37.81	39.63	0.99	1.56
-	-	2.85	1.61
<b>37.81</b>	<b>39.63</b>	<b>3.84</b>	<b>3.17</b>

## Note - 18 Short-term borrowings

## Unsecured

- Loans from
- Other parties

As at 31 March 2020	As at 31 March 2019
-	300.00
<b>-</b>	<b>300.00</b>

## Note - 19 Trade payables

- Total outstanding dues of micro enterprises and small enterprises (Refer note 38)
- Total outstanding dues of creditors other than micro enterprises and small enterprises

As at 31 March 2020	As at 31 March 2019
-	-
370.04	620.89
<b>370.04</b>	<b>620.89</b>

## Note - 20 Other Financial Liabilities

- Interest accrued but not due on borrowings
- Retention money
- Other Payables\*

As at 31 March 2020	As at 31 March 2019
-	0.52
218.44	209.75
572.19	174.37
<b>790.63</b>	<b>384.64</b>

\* Other payables mainly includes Society maintenance deposits.

## Note - 21 Other current liabilities

- Advance received from customers
- Statutory dues

As at 31 March 2020	As at 31 March 2019
2,869.42	3,064.55
19.72	28.78
<b>2,889.14</b>	<b>3,093.33</b>

## Note - 22 Current tax liabilities (net)

- Current tax liabilities (net)

As at 31 March 2020	As at 31 March 2019
36.51	24.74
<b>36.51</b>	<b>24.74</b>

## Note - 23 Revenue from operations

- Sale of residential units

As at 31 March 2020	As at 31 March 2019
7,832.95	5,459.86
<b>7,832.95</b>	<b>5,459.86</b>

## Note - 24 Other income

## Interest income

- from customers
- from banks
- from others
- from security deposit carried at amortised cost
- from Income Tax Refund
- Fair value measurement of current investments
- Dividend Income
- Gain on sale of current investments
- Others

As at 31 March 2020	As at 31 March 2019
10.77	38.11
1.30	0.59
-	0.55
0.75	0.40
5.09	-
-	0.44
0.01	0.04
11.10	-
13.78	30.77
<b>42.80</b>	<b>70.90</b>

**Notes forming part of the standalone financial statements****(Rs. in lakhs)****Note - 25 Cost of construction and other operational expenses**

Opening stock  
 Add : Expenses incurred during the year  
     Project execution expenses  
 Closing stock [Refer note 9]

	As at 31 March 2020	As at 31 March 2019
	10,942.64	10,395.69
	4,592.84	5,216.59
Total (A)	<b>15,535.48</b>	<b>15,612.29</b>
	9,205.23	10,942.64
Total (B)	<b>9,205.23</b>	<b>10,942.64</b>
Total (A - B)	<b>6,330.25</b>	<b>4,669.65</b>

**Note - 26 Employee benefits expense**

Salaries, allowances and bonus  
 Directors' remuneration (Refer note 31)  
 Leave Encashment  
 Gratuity (Refer note 37)

	As at 31 March 2020	As at 31 March 2019
	113.57	89.43
	36.67	35.50
	2.96	1.67
	11.94	11.30
	<b>165.14</b>	<b>137.90</b>

**Note - 27 Finance Costs**

Interest on Loan  
 Other Interest  
 Amortisation of prepaid Interest

	As at 31 March 2020	As at 31 March 2019
	302.65	457.44
	1.41	1.26
	0.77	0.45
	<b>304.83</b>	<b>459.15</b>
	302.65	457.44
	<b>2.18</b>	<b>1.70</b>

Less: finance costs related to project work in progress

**Note - 28 Depreciation and amortisation expense**

- Property, plant and equipment  
 Less: depreciation related to project work in progress

	As at 31 March 2020	As at 31 March 2019
	31.44	14.66
	1.03	1.91
	<b>30.41</b>	<b>12.75</b>

**Note - 29 Other expenses**

Travelling & Conveyance  
 Legal & Professional Charges  
 Hospitality Expenses  
 Communication Expenses  
 Rent Expenses  
 Depository Charges  
 Printing & Stationery  
 Payment to Auditors (Refer Note 30)  
 Rates and Taxes  
 Donation  
 Miscellaneous Expenses  
 Directors Sitting Fees  
 Bank Charges

	As at 31 March 2020	As at 31 March 2019
	9.18	21.70
	48.69	19.39
	3.22	2.00
	0.76	0.68
	23.16	13.51
	5.36	4.44
	0.46	2.80
	4.80	1.75
	0.83	0.92
	1.59	0.12
	11.94	1.00
	0.18	0.16
	0.10	0.21

**Sales & Marketing Expenses**

Business Promotion  
 Advertisement Expenses  
 Brokerage  
 Marketing Expenses

	-	4.37
	34.54	29.48
	212.49	72.78
	192.40	166.48
	<b>549.70</b>	<b>341.79</b>



**Notes forming part of the standalone financial statements**

**(Rs. in lakhs)**

**Note - 30 Payment to Auditors**

Statutory Audit Fees
Tax Audit Fees
Other matters

As at 31 March 2020	As at 31 March 2019
2.25	1.50
0.25	0.25
2.30	-
<b>4.80</b>	<b>1.75</b>

**Note - 31 Related party disclosures**

**List of parties where control exists**

**(a) Wholly Owned Subsidiary Company**

Helmet Traderz Limited

Extent of Holding	
2020	2019
100%	100%

**(b) Key management personnel**

Vidip Vinod Jatia (Managing Director) and Namita Jatia (Executive Director)

**(c) Other related party**

Dilshad Trading Company Private Limited

Makalu Trading Limited

Shrilekha Trading Private Limited

Square One Housing Corporation (Proprietor concern of Vidip Jatia)

**Transactions with related parties:**

**Revenue share under Joint Development Agreement**

Other related party

**Directors' remuneration**

Key management personnel

**Purchase of Materials**

Other related party

**Brokerage Expenses**

Other related party

**Director Sitting Fees**

Key Management Personnel

**Outstanding balances:**

**Advance to Suppliers**

Other related party

**Payables**

Other related party

**Receivables**

Other related party

**Investment**

Wholly Owned Subsidiary Company

Year Ended 31 March 2020	Year Ended 31 March 2019
17.26	55.97
36.67	35.50
543.35	-
92.76	-
0.03	-
As at 31 March 2020	As at 31 March 2019
2,103.19	-
20.19	93.34
-	15.98
14.92	14.92

**Notes**

- Reimbursement of expenses incurred on behalf of the Company or by the Company and reimbursable to/from related parties have not been considered as related party transactions.
- Note: As the liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.
- Disclosure as per clause 34 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 in respect of Loans and Advances in the nature of Loans given to Subsidiaries and Associates:

**Notes forming part of the standalone financial statements****(Rs. in lakhs)**

Particulars	As at 31 March 2020	Maximum Balance during the year
a) Loans & Advances in the nature of loans to Subsidiary Co-Helmet Traderz Ltd	Nil	Nil
b) Loans & Advances in the nature of Loans to Associates	Nil	Nil
c) Loans & Advances in the nature of Loans to Firm/Co in which Directors are interested	Nil	Nil
d) Investment by loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan	Nil	Nil

**Note - 32 Contingent liabilities and commitments (To the extent not provided for)**

Particulars	As at 31 March 2020	As at 31 March 2019
i) Commitments		
Estimated amount of contracts remaining to be executed not provided for	1,089.28	2,323.98
ii) The Company has given Bank Guarantee for Rs. 10.00 lakhs ( Rs. 5.00 lakhs)		

**Note - 33 Earnings per share (EPS)**

	As at 31 March 2020	As at 31 March 2019
a) Profit after tax (Rs. in lakhs)	695.10	309.40
b) Profit available for distribution to equity shareholders (Rs. in lakhs)	695.10	309.40
c) Weighted average number of equity shares outstanding (No.)	3,54,76,853	3,54,76,853
d) Face value of equity shares (Rs.)	10.00	10.00
e) Basic and diluted earning per share (Rs.)	1.96	0.87

**Note - 34 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 loans given, trade and other receivables, cash and cash equivalents, other bank balances and refundable deposits 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 ensures 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.

**Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
- (ii) Credit risk and
- (iii) Liquidity risk

**i. Market risk**

Market risk arises from the Company's use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors. Financial instruments affected by market risk include borrowings, loan givens, fixed deposits and refundable deposits.

**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 is not exposed to the risk of changes in market interest rates as the funds borrowed by the Company is at fixed interest rate.

**b Foreign currency risk**

Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.



## Notes forming part of the standalone financial statements

(Rs. in lakhs)

## ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including security deposits, advance to employees and other financial instruments.

## a) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has entered into contracts for sale of residential units. The payment terms are specified in the contracts. The Company is exposed to credit risk in respect of the amount due. However, in case of sale, the legal ownership is transferred to the buyer only after the entire amount is recovered. In addition, the amount due is monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

Ageing of trade receivables are as follows

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Less than 6 Months	325.41	362.44
More than 6 Months	14.82	94.59
<b>Total</b>	<b>340.22</b>	<b>457.03</b>

## b) Financial Instrument and cash deposits

With respect to credit risk arising from the other financial assets of the Company, which comprise bank balances, cash, loans to related parties and other parties, other receivables and deposits, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

Credit risk from balances with banks is managed by Company's treasury in accordance with the Company's policy. The Company limits its exposure to credit risk by only placing balances with local banks. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

## iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. trade receivables, other financial assets) and projected cash flows from operations.

The cash flows, funding requirements and liquidity of Company is monitored under the control of Treasury team. The objective is to optimize the efficiency and effectiveness of the management of the Company's capital resources. The Company's objective is to maintain a balance between continuity of funding and borrowings. The Company manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company currently has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

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

	Contractual cash flows				Total
	Less than 1 year	1 to 3 years	3 to 5 years	> 5 years	
Year ended 31 March 2020					
Borrowings	-	1,083.84	-	-	1,083.85
Trade payables	370.04	-	-	-	370.04
Other financial liabilities	790.63	-	-	-	790.63
	<b>1,160.67</b>	<b>1,083.84</b>	<b>-</b>	<b>-</b>	<b>2,244.52</b>
Year ended 31 March 2019					
Borrowings	300.00	1,173.86	445.25	-	1,919.11
Trade payables	620.89	-	-	-	620.89
Other financial liabilities	384.64	-	-	-	384.64
	<b>1,305.53</b>	<b>1,173.86</b>	<b>445.25</b>	<b>-</b>	<b>2,924.64</b>

## 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 shareholders' value.

## Notes forming part of the standalone financial statements

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

	As at 31 March 2020	As at 31 March 2019
Borrowings (long-term and short-term)	1,083.84	1,919.11
Less: Cash and cash equivalents	(678.94)	(772.86)
<b>Net debt</b>	<b>404.90</b>	<b>1,146.25</b>
Equity share capital	3,547.69	3,547.69
Other equity	4,967.97	4,262.26
<b>Total Equity</b>	<b>8,515.66</b>	<b>7,809.94</b>
Total Capital and net debt	8,920.55	8,956.19
<b>Gearing ratio</b>	<b>4.54%</b>	<b>12.80%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

### Note - 35 Taxation

a) The major components of income tax for the year ended 31 March 2020 are as under:

i) Income tax related to items recognised directly in the Statement of profit and loss during the year

	(Rs.in Lakhs)	
	Year ended 31 March 2020	Year ended 31 March 2019
<b>Current tax</b>		
Current tax on profits for the year	149.91	59.74
Adjustments for current tax of prior periods	(48.93)	-
<b>Total current tax expense</b>	<b>100.99</b>	<b>59.74</b>
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	1.98	(2.18)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>102.96</b>	<b>57.56</b>

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

	Year ended 31 March 2020	Year ended 31 March 2019
<b>Accounting profit before tax</b>	<b>798.07</b>	<b>366.97</b>
Income tax @ 27.82%	222.02	102.09
Adjustments in respect of current income tax in respect of previous years	(48.93)	-
<b>Income/(loss) Exempt/Disallowed U/S 80IBA</b>	<b>(72.97)</b>	<b>(41.39)</b>
<b>Others</b>	<b>2.83</b>	<b>(3.14)</b>
<b>Income tax expense/(benefit) charged to the statement of profit and loss</b>	<b>102.96</b>	<b>57.56</b>

c) Deferred tax relates to the following:

	Balance-Sheet		Recognized in the statement of profit and loss		Recognized in the Other comprehensive Income	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>Deferred tax assets</b>						
<b>Deductible temporary differences</b>						
Depreciation on property, plant, equipment and intangible assets	6.29	11.67	5.38	0.67	-	-
Unused tax losses	-	-	-	-	-	-
Employee benefits / expenses allowable on payment basis	10.83	11.15	(3.41)	(2.85)	3.72	(1.41)
<b>Total (a)</b>	<b>17.12</b>	<b>22.82</b>	<b>1.98</b>	<b>(2.17)</b>	<b>3.72</b>	<b>(1.41)</b>
Add: MAT credit entitlement	48.05	64.75	-	-	-	-
<b>Net deferred tax assets (b)</b>	<b>65.17</b>	<b>87.57</b>				
<b>Deferred tax charge/(credit) (a+b)</b>			<b>1.98</b>	<b>(2.17)</b>	<b>3.72</b>	<b>(1.41)</b>



## Notes forming part of the standalone financial statements

(Rs. in lakhs)

### Note - 36 Fair value measurement

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

- Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

#### a) Financial instruments by category

	Refer note	As at 31 March 2020		As at 31 March 2019	
Financial assets (other than Investment in subsidiary)		FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Non-current</b>					
Loans	6	-	27.85	-	27.56
<b>Current</b>					
Investment in mutual funds	5.2	-	-	500.44	-
Trade receivables	10	-	340.22	-	457.03
Cash and cash equivalents	11	-	678.94	-	772.86
Other bank balances	12	-	18.04	-	7.50
<b>Total financial assets</b>		-	<b>1,065.06</b>	<b>500.44</b>	<b>1,264.95</b>
<b>Financial liabilities</b>					
<b>Non-current</b>					
Borrowings	16	-	1,083.84	-	1,619.11
<b>Current</b>					
<b>Borrowings</b>	18	-	-	-	300.00
Trade payables	19	-	370.04	-	620.89
Other financial liabilities	20	-	790.63	-	384.64
<b>Total financial liabilities</b>		-	<b>2,244.51</b>	-	<b>2,924.64</b>

#### b) Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

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

As at 31 March 2020	Carrying value	Fair value		
Financial assets measured at FVTPL		Level 1	Level 2	Level 3
Investment in mutual funds	-	-	-	-
<b>Total</b>	-	-	-	-



## Notes forming part of the standalone financial statements

(Rs. in lakhs)

As at 31 March 2019	Carrying value	Fair value		
		Level 1	Level 2	Level 3
<b>Financial assets measured at FVTPL</b>				
Investment in mutual funds	500.44	500.44	-	-
<b>Total</b>	<b>500.44</b>	<b>500.44</b>	-	-

**Note - 37 Employee benefits****Defined Benefit Plans:****Gratuity**

The Company is exposed to various risks in providing the gratuity benefit which are as follows:

**Interest Rate risk:**

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

**Liquidity Risk:**

This is the risk that the Company will not be able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk:**

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:**

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	As at 31 March 2020	As at 31 March 2019
Discount rate	6.45%	7.55%
Expected rate of salary increase	10.00%	10.00%
Attrition Rate : Upto 30 years	20.00%	20.00%
31 to 44 years	10.00%	10.00%
Mortality rate (% of IALM 12-14)/(%) of IALM 06-08)	10.00%	10.00%

Retirement age of the employees is assumed to be 60 years.

**Defined benefit plans – as per actuarial valuation on 31st March, 2020**

Particulars	Unfunded Plan Gratuity	Unfunded Plan Gratuity
	For the year ended 31 March 2020	For the year ended 31 March 2019
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
<b>Service Cost</b>		
Current Service Cost	8.82	9.45
Net interest expense	3.12	1.85
Components of defined benefit costs recognised in statement of profit or loss	11.94	11.30
<b>Remeasurement on the net defined benefit liability</b>		
Return on plan assets (excluding amount included in net interest expense)	-	-
Actuarial (gains)/loss arising from demographic assumptions	0.00	-
Actuarial (gains)/loss arising from changes in financial assumptions	5.18	-
Actuarial (gains)/loss arising from experience adjustments	(19.51)	5.41
Components of defined benefit costs recognised in other comprehensive income	(14.33)	5.41
<b>Total</b>	<b>(2.39)</b>	<b>16.71</b>



Notes forming part of the standalone financial statements

(Rs. in lakhs)

<b>I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March 2020</b>		
1. Present value of defined benefit obligation as at 31st March, 2020	38.80	41.19
2. Fair value of plan assets as at 31st March, 2020	-	-
3. Surplus/(Deficit)	(38.80)	(41.19)
4. Current portion of the above	(0.99)	(1.56)
5. Non current portion of the above	(37.81)	(39.63)
<b>II. Movements in the present value of the defined benefit obligation are as follows</b>		
1. Present value of defined benefit obligation at the beginning of the year	41.19	24.48
2. Expenses Recognised in Statement of Profit and Loss		
- Current Service Cost	8.82	9.45
- Interest Cost	3.12	1.85
3. Recognised in Other Comprehensive Income		
Remeasurement or Actuarial gains / (losses) arising from:		
i. Demographic Assumptions	0.00	-
ii. Financial Assumptions	5.18	-
iii. Experience Adjustments	(19.51)	5.41
4. Benefit payments	-	-
<b>5. Present value of defined benefit obligation at the end of the year</b>	<b>38.80</b>	<b>41.19</b>
<b>III. Movements in the fair value of the plan assets are as follows.</b>		
1. Fair value of plan assets at the beginning of the year	-	-
2. Interest Income - Actual Return on Plan Assets	-	-
3. Fair value of plan assets at the end of the year	-	-

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Changes in assumption (%)	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
<b>31 March 2020</b>			
Discount rate	1.00%	34.04	44.73
Salary growth rate	1.00%	44.49	34.11
<b>31 March 2019</b>			
Discount rate	1.00%	36.68	46.69
Salary growth rate	1.00%	46.53	36.71

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

**Maturity profile of defined benefit obligation:**

	31 March 2020	31 March 2019
Within 1 year	0.99	1.56
2 - 5 years	17.82	9.09
6 - 10 years	8.42	25.51
More than 10 years	93.48	103.80

**Note - 38**

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2020 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company

## Notes forming part of the standalone financial statements

(Rs. in lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
- Principal	-	-
- Interest	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

**Note - 39 Segment information**

Disclosure under Ind AS 108 - 'Operating Segments' is not given as, in the opinion of the management, the entire business activity falls under one segment, viz., Real estate development. The Company conducts its business in only one Geographical Segment, viz., India.

**Note - 40 Expenditure in Foreign Currency**

Particulars	As at 31 March 2020	As at 31 March 2019
Sales & Marketing Expenses	1.37	0.77
Foreign Travelling Expenses	3.48	12.13

**Note - 41**

In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated as realizable in the ordinary course of business and the provision for all known liabilities are adequate.

**Note - 42**

The outbreak of COVID-19 pandemic has severely impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Company's operations and office were shut post announcement of nationwide lockdown. With easing of some restrictions, the operations and office have resumed partially as per the guidelines specified by the Government. In preparation of these financial statements, the Company has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity and going concern, recoverable values of its financial and non-financial assets, impact on revenues and estimates of residual costs to complete ongoing projects. Based on current indicators of future economic conditions, the Company has sufficient liquidity and expects to fully recover the carrying amount of its assets. Considering the evolving nature of the pandemic, its actual impact in future could be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

**Note - 43**

Previous year figures have been regrouped / reclassified, wherever necessary, to correspond with current year classification.

As per our report of even date

**For Mittal Agarwal & Company**  
Chartered Accountants  
Registration No. 131025W

For and on behalf of the Board

**Piyush Agarwal**  
Partner  
Membership No. 135505

**Vidip Jatia**  
Managing Director & CFO  
DIN: 06720329

**Namita Jatia**  
Executive Director  
DIN: 07660840

Date: 28 July, 2020

**Kailash Sharma**  
Company Secretary


**INDEPENDENT AUDITORS' REPORT**
**Independent Auditor's Report to the Members of Supreme Holdings & Hospitality (India) Limited**
**Report on the Audit of Consolidated Financial Statements**
**Opinion**

We have audited the accompanying consolidated financial statements of **Supreme Holdings & Hospitality (India) Limited** (hereinafter referred to as "the Holding Company"), and its subsidiary **Helmet Traderz Limited** ("the Subsidiary") (collectively referred to as "the Group"), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and 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 Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31 March 2020, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	How our audit addressed the key audit matter
<b>Revenue recognition for real estate development contracts</b>		
1	<p>Effective 1st April, 2018, the Group has adopted Ind AS 115 - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 1st April, 2018.</p> <p>Revenue from real-estate contracts is recognised over a period of time (using percentage of completion method), if the necessary conditions as mentioned in the standard are satisfied, otherwise, recognised at the point in time.</p> <p>Significant level of judgement is required to identifying contract obligations and whether these obligations are satisfied over a period of time or at the point in time. Further, for determining revenue using percentage of completion method, budgeted project cost is a critical estimate. This estimate has inherent uncertainty as it requires ascertainment of progress of the project, cost incurred till date and balance cost to be incurred to complete the project.</p> <p>Refer note no. 2 (i) and 23 to the Consolidated Financial Statements.</p>	<p>Our audit procedures on revenue recognised from real estate development contracts included:</p> <ul style="list-style-type: none"> <li>• Testing the controls over the completeness and accuracy of cost and revenue reports generated from the system.</li> <li>• Obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue.</li> <li>• Selected samples of old and new contracts and tested that the revenue has been recognised in accordance with the accounting standard by evaluating the identification of performance obligation.</li> <li>• Reviewed the management's budgeting system and process of calculating the cost to be incurred for completing the remaining performance obligations, which has been reviewed periodically and approved by appropriate levels of management.</li> <li>• Compared the aggregate project cost (including costs incurred) with costs of similar projects.</li> <li>• Performing a retrospective review of costs incurred with budgeted costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the project.</li> <li>• Assessing the adequacy of disclosures included in Consolidated Financial Statements, as specified in Ind AS 115.</li> </ul>

Carrying values of Inventories		
2	<p>Inventory is valued at cost and net realisable value (NRV), whichever is less. The cost includes direct and indirect expenditure relating or incidental to construction activity.</p> <p>Various estimates such as prevailing market conditions, stage of completion of the projects, future selling price, selling costs and cost to complete projects are necessary to derive NRV. Refer notes 2 (d) and 9 to the Consolidated Financial Statements.</p>	<p>We assessed the Group's process for the valuation of inventories by:</p> <ul style="list-style-type: none"> <li>• Evaluating the design and operative effectiveness of internal controls relating to valuation of inventories.</li> <li>• Testing the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred construction budgets and net realisable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls.</li> <li>• Comparing the aggregate project cost (including costs incurred) with costs of similar projects.</li> <li>• Comparing NRV with recent sales or estimated selling price and also checked the general selling costs.</li> </ul>

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Financial Statements and our auditors' report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated 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 for the Consolidated Financial Statements

The Holding 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 Consolidated Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Consolidated 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 Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

Attention is drawn to the fact that the consolidated financial statements for the year ended 31 March 2019 were audited by another auditor whose report dated 30 May 2019 expressed an unqualified opinion on those statements.

#### **Report on Other Legal and Regulatory Requirements**

1. 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 Group so far as it appears from our examination of those books;
  - (c) the consolidated balance sheet, the consolidated statement of profit and loss and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act read with relevant rule issued thereunder;
  - (e) on the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Group to its Directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group does not have any pending litigations which would impact its financial position.
  - ii. The Group 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 Group.

**For Mittal Agarwal & Company**  
Chartered Accountants  
(Firm Registration No. 131025W)

**Piyush Agarwal**

Partner

Place : Mumbai  
Dated : 28<sup>th</sup> July 2020

Membership No. 135505



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

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Supreme Holdings & Hospitality (India) Limited ("the Holding Company")** and its subsidiary company as of 31 March 2020 in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended and as on that date.

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

The respective Board of Directors of the Holding Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 (the 'Guidance Note'). 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 Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

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

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

**Opinion**

In our opinion, the Holding Company and its Subsidiary Company, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were commensurate with the nature of the business of the Group and operating effectively as at 31 March 2020, based on "the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **Mittal Agarwal & Company**  
Chartered Accountants  
(Firm Registration No. 131025W)

**Piyush Agarwal**  
Partner

Place: Mumbai  
Dated: 28<sup>th</sup> July 2020

Membership No. 135505





**Consolidated Balance Sheet as at 31 March 2020**

**(Rs. in lakhs)**

	Note	As at 31 March 2020	As at 31 March 2019
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	896.01	798.71
(b) Financial assets			
(i) Investments	5.1	1,289.27	1,700.26
(ii) Loans	6	27.85	27.56
(c) Deferred tax assets (net)	7	65.17	87.57
(d) Other non-current assets	8	113.40	149.11
<b>Total non-current assets</b>		<b>2,391.70</b>	<b>2,763.21</b>
<b>Current assets</b>			
(a) Inventories	9	9,274.35	10,942.64
(b) Financial assets			
(i) Investments	5.2	-	500.44
(ii) Trade receivables	10	340.22	457.03
(iii) Cash and cash equivalents	11	680.01	776.09
(iv) Bank balances other than cash and cash equivalents	12	18.04	7.50
(c) Current tax asset (net)	13	12.77	21.42
(d) Other current assets		2,285.80	115.81
<b>Total current assets</b>		<b>12,611.19</b>	<b>12,820.93</b>
<b>Total assets</b>		<b>15,002.89</b>	<b>15,584.14</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	14	3,547.69	3,547.69
(b) Other equity	15	5,490.24	5,088.63
<b>Total equity</b>		<b>9,037.93</b>	<b>8,636.32</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	1,083.84	1,619.11
(b) Provisions	17	37.81	39.63
(c) Deferred tax liabilities (net)	18	142.64	249.51
<b>Total non-current liabilities</b>		<b>1,264.29</b>	<b>1,908.25</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	610.00	912.00
(ii) Trade payables	20		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		370.04	620.89
(iii) Other financial liabilities	21	791.14	385.44
(b) Other current liabilities	22	2,889.14	3,093.33
(c) Provisions	17	3.84	3.17
(d) Current Tax liabilities (net)	23	36.51	24.74
<b>Total current liabilities</b>		<b>4,700.67</b>	<b>5,039.57</b>
<b>Total equity and liabilities</b>		<b>15,002.89</b>	<b>15,584.14</b>
Notes forming part of the financial statements	1 - 44		

As per our report of even date

**For Mittal Agarwal & Company**  
Chartered Accountants  
Registration No. 131025W

**For and on behalf of the Board**

**Piyush Agarwal**  
Partner  
Membership No. 135505

**Vidip Jatia**  
Managing Director & CFO  
DIN: 06720329

**Namita Jatia**  
Executive Director  
DIN: 07660840

Date: 28 July, 2020

**Kailash Sharma**  
Company Secretary

**Consolidated statement of profit and loss for the year ended 31 March 2020 (Rs. in lakhs)**

	Note	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>Income</b>			
Revenue from operations	24	7,832.95	5,459.86
Other income	25	43.81	71.37
<b>Total income</b>		<b>7,876.76</b>	<b>5,531.23</b>
<b>Expenses</b>			
Cost of Construction and other operational expenses	26	6,330.25	4,669.65
Employee benefit expenses	27	165.14	137.90
Finance costs	28	2.18	1.70
Depreciation and amortisation expense	29	30.41	12.75
Other expenses	30	573.59	349.74
<b>Total expenses</b>		<b>7,101.57</b>	<b>5,171.74</b>
<b>Profit before tax</b>		<b>775.19</b>	<b>359.49</b>
<b>Less : Tax expense</b>	36		
Current tax		100.99	59.74
Deferred tax		(3.98)	(3.92)
<b>Profit for the year</b>		<b>678.18</b>	<b>303.67</b>
<b>Other comprehensive income</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
- Net gain/ (loss) on fair value of equity instruments		(388.07)	(302.10)
- Re-measurement gain/(losses) on defined benefit plan		14.33	(5.41)
- Income Tax effect on above		97.17	76.85
<b>Other comprehensive income for the year, net of tax</b>		<b>(276.57)</b>	<b>(230.66)</b>
<b>Total comprehensive income for the year</b>		<b>401.61</b>	<b>73.01</b>
<b>Total comprehensive income for the year attributable to:</b>			
Non controlling interest		-	-
Owners of parent		401.61	73.01
<b>Earning per share on equity shares of Rs.10 each fully paid up</b>	34		
Basic and diluted		1.91	0.86
Notes forming part of the financial statements	1 - 44		
As per our report of even date			

**For Mittal Agarwal & Company**  
Chartered Accountants  
Registration No. 131025W

**For and on behalf of the Board**

**Piyush Agarwal**  
Partner  
Membership No. 135505

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DIN: 06720329

**Namita Jatia**  
Executive Director  
DIN: 07660840

Date: 28 July, 2020

**Kailash Sharma**  
Company Secretary

**Consolidated Statement of Cash Flow For the Year Ended 31 March, 2020****(Rs. in lakhs)**

Particular	Year ended 31 March 2020	Year ended 31 March 2019
<b>A. Cash flow from operating activities</b>		
Profit before tax	775.19	359.49
<b>Adjustments for:</b>		
Depreciation	30.41	12.75
Depreciation on assets pertaining to inventory WIP	1.03	1.91
Employment benefits	11.94	11.30
Dividend	(0.48)	(0.47)
Interest Income	(12.07)	(39.25)
Fair value measurement of current and non current investments	22.92	7.00
Amortisation of processing fees	64.73	-
<b>Operating profit before working capital changes</b>	<b>893.67</b>	<b>352.72</b>
<b>Adjustment for :</b>		
Loans	(0.29)	87.88
Other non-current assets	35.70	(121.48)
Other current assets	14.69	(17.57)
Trade receivables	116.81	114.83
Advance to contractors / suppliers	(2,184.66)	1,366.11
Inventories	1,668.29	(546.95)
Provisions	1.24	(0.69)
Trade payables	(250.85)	365.10
Other financial liabilities	405.71	240.77
Other current liabilities	(204.24)	276.31
<b>Cash generated from operations</b>	<b>496.07</b>	<b>2,117.03</b>
Direct taxes paid	(63.86)	(56.86)
<b>Net cash generated from operating activities (A)</b>	<b>432.21</b>	<b>2,060.17</b>
<b>B. Cash flow from investing activities</b>		
Purchase / addition of fixed assets	(128.74)	(85.72)
Interest income	12.07	39.25
Dividend received	0.48	0.47
Increase in fixed deposit	(10.54)	(0.53)
Investments in mutual funds	500.44	(500.44)
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>373.71</b>	<b>(546.97)</b>
<b>C. Cash flow from financing activities</b>		
Short term borrowings	(302.00)	(678.00)
Long term borrowings	(600.00)	(323.84)
<b>Net cash used in financing activities ( C )</b>	<b>(902.00)</b>	<b>(1,001.84)</b>
Net changes in cash and cash equivalents (A+B+C)	(96.08)	511.37
Cash and cash equivalents at the beginning of the year	776.09	264.72
<b>Cash and cash equivalents at the end of the year [Refer note 3 below]</b>	<b>680.01</b>	<b>776.09</b>
<b>Notes:</b>		
1 The above statement of cash flows has been prepared under indirect method as set out in Ind AS 7 'Statement of cash flows'.		
2 Previous year figures have been regrouped / reclassified, wherever necessary, to correspond with current year classification.		
3 Cash and cash equivalents comprise of:		
	<b>As at 31 March, 2020</b>	<b>As at 31 March, 2019</b>
Cash on hand	1.73	8.50
Balances with banks in current accounts	122.73	767.59
Fixed deposits having original maturity less than 90 days	555.55	-
<b>Cash and cash equivalents (Refer note 11)</b>	<b>680.01</b>	<b>776.09</b>
<b>Cash and cash equivalents for the purpose of above statement of cash flows</b>	<b>680.01</b>	<b>776.09</b>

For Mittal Agarwal & Company  
Chartered Accountants  
Registration No. 131025W

For and on behalf of the Board

Piyush Agarwal  
Partner  
Membership No. 135505

Vidip Jatia  
Managing Director & CFO  
DIN: 06720329

Namita Jatia  
Executive Director  
DIN: 07660840

Date: 28 July, 2020

Kailash Sharma  
Company Secretary

**Consolidated statement of changes in equity for the year ended 31 March 2020** (Rs. in lakhs)**A. Equity share capital**

Particulars	No of Shares	(Rs. in lakhs)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at 31 March 2018	3,54,76,853	3,547.69
Changes in share capital	-	-
As at 31 March 2019	3,54,76,853	3,547.69
Changes in share capital	-	-
As at 31 March 2020	3,54,76,853	3,547.69

**B. Other equity****For the year ended 31 March 2020**

	Reserves and surplus				Other comprehensive income	Total equity attributable to equity holders
	Capital reserve	Securities premium	General reserve	Retained earnings		
<b>As at 1 April 2018</b>	2.77	3,318.36	90.29	683.25	920.95	5,015.62
Profit for the year	-	-	-	303.67	-	303.67
<b>Other comprehensive income</b>						
Re-measurement gains/(losses) on defined benefit plans					(226.66)	(226.66)
Net gain/ (loss) on fair value of equity instruments	-	-	-	-	(4.00)	(4.00)
As at 31 March 2019	2.77	3,318.36	90.29	986.93	690.29	5,088.64
Profit for the year	-	-	-	678.18	-	678.18
<b>Other comprehensive income</b>						
Re-measurement gains/(losses) on defined benefit plans					10.60	10.60
Net gain/ (loss) on fair value of equity instruments	-	-	-	-	(287.17)	(287.17)
<b>As at 31 March 2020</b>	<b>2.77</b>	<b>3,318.36</b>	<b>90.29</b>	<b>1,665.11</b>	<b>413.72</b>	<b>5,490.25</b>

Notes forming part of the financial statements

1 - 44

For Mittal Agarwal & Company  
Chartered Accountants  
Registration No. 131025W

For and on behalf of the Board

Piyush Agarwal  
Partner  
Membership No. 135505

Vidip Jatia  
Managing Director & CFO  
DIN: 06720329

Namita Jatia  
Executive Director  
DIN: 07660840

Date: 28 July, 2020

Kailash Sharma  
Company Secretary



## Notes forming part of the consolidated financial statements

### 1 Corporate information

Supreme Holdings & Hospitality (India) Limited (the Company) is a public limited domiciled in India and incorporated under the provisions of Companies Act 1956. The Company along with its wholly owned subsidiary Company 'Helmet Traderz Limited' (together referred to as "the Group") is engaged in the development of commercial and residential projects.

The consolidated financial statements (hereinafter referred to as "Financial Statements") of the Group for the year ended 31 March 2020 were approved and authorised for issue by the Board of Directors at their meeting held on 28 July 2020.

### 2 Significant accounting policies

#### (a) Basis of preparation

The financial Statements have been prepared to comply in all material respects with the Indian Accounting Standards notified under Section 133 of Companies Act, 2013 (the Act) read with Companies Indian Accounting Standards (Ind AS) Rules, 2015 and other relevant provisions of the Act and rules framed thereunder.

The financial statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities measured at fair value as explained in accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability as if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Rupees (Rs.) lakhs, except when otherwise indicated.

#### (b) Principles of Consolidation

The financial statements have been prepared on the following basis:

##### Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases. The acquisition method of accounting is used to account for business combination by the Group. The Group combines the separate financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, Contingent liability, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

#### (c) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in Schedule III to the Act.

#### (d) Property, plant and equipment

- i) All property, plant and equipment are stated at original cost of acquisition/installation (net of input credits availed) less accumulated depreciation and impairment loss, if any, except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight and other incidental expenses that are directly attributable to bringing the asset to its working condition for the intended use and estimated cost for decommissioning of an asset.
- ii) Subsequent expenditure is capitalised only if it is probable that future economic benefit associated with the expenditure will flow to the Group.
- iii) Property, plant and equipment is derecognised from financial statements, either on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property (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 in the period in which the property, plant and equipment is derecognised.
- v) Depreciation on property, plant and equipment is provided on "Straight Line Method" based on the useful life specified in Schedule II of the Companies Act, 2013.

## Notes forming part of the consolidated financial statements

### (e) Inventories

Inventories are valued at lower of cost and net realisable value. The cost of raw materials (construction materials) is determined on the basis of weighted average method. Cost of work-in-progress and finished stock includes cost of land / development rights, construction costs, allocated borrowing costs and expenses incidental to the projects undertaken by the Group.

### (f) Fair value measurement

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

All financial assets and financial 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, or
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### (g) Financial instruments

#### I Financial assets

##### i) Classification

The Group classifies its financial assets either at Fair Value through Profit or Loss (FVTPL), Fair Value through Other Comprehensive Income (FVTOCI) or at amortised Cost, based on the Group's business model for managing the financial assets and their contractual cash flows.

##### ii) Initial recognition and measurement

The Group at initial recognition measures a financial asset at its fair value plus transaction costs that are directly attributable to its acquisition. However, transaction costs relating to financial assets designated at fair value through profit or loss (FVTPL) are expensed in the statement of profit and loss for the year.

##### iii) Subsequent measurement

For the purpose of subsequent measurement, the financial asset are classified in four categories:

- a) Debt instrument at amortised cost
- b) Debt instrument at fair value through other comprehensive Income
- c) Debt instrument at fair value through profit or loss
- d) Equity investments

Debt instruments

#### • Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on such instruments is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is calculated using the effective interest rate method and is included under the head "Finance income".

#### • Fair value through other comprehensive income (FVTOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is



## Notes forming part of the consolidated financial statements

derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is calculated using the effective interest rate method and is included under the head "Finance income".

- **Fair value through profit or loss:**

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVTOCI) are measured at fair value through profit or loss. Gain and losses on fair value of such instruments are recognised in statement of profit and loss. Interest income from these financial assets is included in other income.

- **Equity investments other than investments in subsidiaries, joint ventures and associates**

The Group subsequently measures all equity investments other than investments in subsidiaries, joint ventures and associates at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss in the event of de-recognition. Dividends from such investments are recognised in the statement of profit and loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

- iv) **Impairment of financial assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

- v) **De-recognition of financial assets**

A financial asset is derecognised only when:

- The rights to receive cash flows from the financial asset have expired
- The Group has transferred substantially all the risks and rewards of the financial asset or
- The Group has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset.

## II Financial liabilities

- i) **Classification**

The Group classifies all financial liabilities at amortised cost or fair value through profit or loss.

- ii) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, deposits or as payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- iii) **Subsequent measurement**

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

- a **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

- b **Loans, borrowings and deposits**

After initial recognition, loans, borrowings and deposits are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. The EIR amortisation is included in project costs in the statement of profit and loss.



## Notes forming part of the consolidated financial statements

### c Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

### iv) De-recognition of financial liabilities

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

## (h) Cash and cash equivalents

- (i) Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.
- (ii) For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft as they are considered as an integral part of Group's cash management.

## (i) Revenue recognition

### i) Revenue from real estate activity

- a) Revenue from real estate activity is recognised in accordance with the Ind AS 115 "Revenue from Contracts with Customers". Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised product (Residential units) or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

"The Group satisfies the performance obligation and recognises revenue over time if one of the following criteria is met:

- i) the Customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs; or ii) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or iii) the Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date. For performance obligations where any one of the above conditions are not met, revenue is recognised at a point in time at which the performance obligation is satisfied."

In case, revenue is recognised over the time, it is being recognised from the financial year in which the agreement to sell or any other binding documents containing salient terms of agreement to sell is executed. In respect of 'over the period of time', the revenue is recognised based on the percentage-of-completion method ('POC method') of accounting with cost of construction incurred (input method) for the respective projects determining the degree of completion of the performance obligation.

The revenue recognition requires forecasts to be made of the total budgeted costs with the outcomes of underlying construction contracts, which further require assessments and judgements to be made on changes in work scopes and other payments to the extent they are probable and they are capable of being reliably measured. In case, where the contract cost is estimated to exceed total revenues from the contract, the loss is recognised immediately in the statement of profit and loss.

### ii) Revenue from sale of goods

"Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably. Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government."

### iii) Dividend income

Dividend income is recognized when the Group's right to receive the dividend is established.

### iv) Interest income

Interest income for all debt instruments, measured at amortised cost or fair value through other comprehensive income, is recognised using the effective interest rate method.



## Notes forming part of the consolidated financial statements

### (j) Foreign currency transactions

- i) Foreign currency transactions are recorded in the reporting currency (Indian rupee) by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.
- ii) All monetary items denominated in foreign currency are converted into Indian rupees at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognised in the statement of profit and loss. Non-monetary items in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing on the date of the transaction.

### (k) Income taxes

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

#### Current tax:

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

#### Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improve.

Unrecognised deferred tax assets are measured at each reporting date and recognised to the extent it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects at the reporting date to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

### (l) Employee benefits

#### (i) Short-term benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

#### (ii) Defined contribution plans

Payments to defined contribution retirement benefit schemes are charged to the statement of profit and loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

#### (iii) Defined benefit plans

Defined benefits plans are recognized as an expense in the consolidated statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprises of actuarial gains and losses, are recognised in other comprehensive income in the period in which they occur.

### (m) Impairment of non-financial assets

The carrying amounts of non financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value.

## Notes forming part of the consolidated financial statements

The recoverable amount is the greater of an asset's or cash generating unit's, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

### (n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except when the results would be anti-dilutive.

### (o) Provisions, contingent liabilities and contingent assets

i) Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Provisions (excluding retirement benefits) are discounted using pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

ii) 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 Group. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

iii) Contingent assets are not recognized, but disclosed in the financial statements where an inflow of economic benefit is probable.

### (p) Leases

The Group has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated. The Group's lease asset classes primarily consist of leases for Buildings. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

### A Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accounting disclosures, and the disclosure of contingent liabilities. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

#### a) Classification of property

The Group determines whether a property is classified as investment property or inventory:

"Investment property comprises land and buildings (principally commercial premises and retail property) that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These



## Notes forming part of the consolidated financial statements

buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, the Group develops and intends to sell before or on completion of construction.”

**b) 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 appropriate valuation techniques. 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.

**c) Evaluation of performance obligation over time**

Determination of revenues over time necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as projects costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such are determined.

**d) Taxes**

The Group periodically assesses its liabilities and contingencies related to income taxes for all years open to scrutiny based on latest information available. For matters where it is probable that an adjustment will be made, the Group records its best estimates of the tax liability in the current tax provision. The Management believes that they have adequately provided for the probable outcome of these matters.

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.

**e) Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities.

## Notes forming part of the consolidated financial statements

## Note - 4 Property, plant and equipment

	Land	Furniture	Office and other equipments	Computers	Vehicles	Total
<b>As at 31 March 2018</b>	<b>675.90</b>	<b>0.34</b>	<b>7.17</b>	<b>3.12</b>	<b>52.28</b>	<b>738.81</b>
Additions	-	10.10	2.42	9.36	64.11	85.99
Disposals/adjustments	-	-	-	-	(0.27)	(0.27)
<b>As at 31 March 2019</b>	<b>675.90</b>	<b>10.44</b>	<b>9.59</b>	<b>12.48</b>	<b>116.12</b>	<b>824.53</b>
Additions	-	0.52	21.33	6.99	99.90	128.74
Disposals/adjustments	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>675.90</b>	<b>10.96</b>	<b>30.92</b>	<b>19.46</b>	<b>216.02</b>	<b>953.27</b>
<b>Depreciation</b>						
<b>Up to 31 March 2018</b>	<b>-</b>	<b>0.16</b>	<b>4.22</b>	<b>2.18</b>	<b>4.60</b>	<b>11.16</b>
Charge for the year	-	0.40	1.42	1.44	11.39	14.66
Disposals	-	-	-	-	-	-
<b>Up to 31 March 2019</b>	<b>-</b>	<b>0.56</b>	<b>5.64</b>	<b>3.62</b>	<b>15.99</b>	<b>25.82</b>
Charge for the year	-	1.01	1.79	3.98	24.66	31.44
Disposals	-	-	-	-	-	-
<b>Up to 31 March 2020</b>	<b>-</b>	<b>1.57</b>	<b>7.43</b>	<b>7.60</b>	<b>40.65</b>	<b>57.26</b>
<b>Net carrying value</b>						
<b>At 31 March 2020</b>	<b>675.90</b>	<b>9.39</b>	<b>23.48</b>	<b>11.86</b>	<b>175.37</b>	<b>896.01</b>
<b>At 31 March 2019</b>	<b>675.90</b>	<b>0.18</b>	<b>2.95</b>	<b>0.94</b>	<b>47.68</b>	<b>798.71</b>

## Note - 5.1 Non-current investments

## I) Investment in fully paid up equity shares - quoted

	As at 31 March 2020	As at 31 March 2019
100 (31 March, 2019 - 100) of Rs.10 each in Apple Credit Corporation Ltd	0.04	0.04
50 (31 March, 2019 - 50) of Rs.10 each in Chokani International Ltd	0.01	0.01
200 (31 March, 2019 - 200) of Rs.10 each in Chokani Global Express Ltd	0.02	0.02
8,700 (31 March, 2019 - 8,700) of Rs.10 each in CVIL Infra Ltd	0.53	0.53
200 (31 March, 2019 - 200) of Rs.10 each in Margo Finance Ltd	0.02	0.02
200 (31 March, 2019 - 200) of Rs.10 each in Mewar Marbles Ltd	0.02	0.02
6,500 (31 March, 2019 - 6,500) of Rs.10 each in Shikhar Consultants Ltd	-	-
400 (31 March, 2019 - 400) of Rs.5 each in Bhageria Industries Ltd	-	-
40 (31 March, 2019 - 40) of Rs.10 each in Saurashtra Chemicals Ltd	0.02	0.02
14,730 (31 March, 2019 - 14,730) of Rs.10 each in shares of Washington Software Ltd	4.38	4.38
18,680 (31 March, 2019 - 18,680) of Rs.10 each in shares of Asian Hotels (East) Limited	24.47	45.85
2,123 (31 March, 2019 - 2,123) of Rs.10 each in shares of Asian Hotels (North) Limited	1.42	2.96
	30.92	53.85
Less: Provision for diminution in value of Investment	5.03	5.03
	25.89	48.81

## II) Investment in fully paid up equity shares - unquoted\*

1,15,000 (31 March, 2019 - 1,15,000) of Rs.10 each in shares of Makalu Trading Ltd	147.20	339.25
22,70,000 (31 March, 2019 - 22,70,000) of Rs.10 each in shares of Shrilekha Trading Pvt.Ltd	1,089.60	1,135.00
1,77,200 (31 March, 2019 - 1,77,200) of Rs.10 each in shares of Superways Enterprises Pvt.Ltd	26.58	177.20
	<b>1,263.38</b>	<b>1,651.45</b>
	<b>1,289.27</b>	<b>1,700.26</b>
Aggregate book value of quoted investments	25.89	48.81
Aggregate market value of quoted investments	26.77	50.48
Aggregate book value of unquoted investments	1,263.38	1,651.45

\*F.M.V. of unquoted shares as on 31 March 2020 and 31 March 2019 has been considered based on valuation report of equity shares of each company.

**Notes forming part of the consolidated financial statements****Note - 5.2****Current investments****Measured at Fair value through Profit and loss****Investment in mutual fund**

Aditya Birla Sun Life Overnight Fund

	As at 31 March 2020	As at 31 March 2019
	-	500.44
	-	<b>500.44</b>
Aggregate book value of quoted investments	-	500.44
Aggregate market value of quoted investments	-	500.44

**Note - 6 Loans**

	Non-current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Security Deposits	27.85	27.56	-	-
	<b>27.85</b>	<b>27.56</b>	-	-

**Note - 7 Deferred tax assets (net)****Deferred tax Assets**

Employee benefits

Fiscal allowance on property, plant &amp; equipment

	As at 31 March 2020	As at 31 March 2019
	10.83	11.15
	6.29	11.67
	<b>17.12</b>	<b>22.82</b>
<b>Add: MAT credit entitlement</b>	<b>48.05</b>	<b>64.75</b>
<b>Net deferred tax assets</b>	<b>65.17</b>	<b>87.57</b>

**Note - 8 Other assets**

Prepaid expenses

Advance to Contractors/Suppliers (Refer note 32)

Other advances

Balance with government authority

- Indirect tax

	Non-current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
	3.91	6.74	4.12	3.24
	-	-	2,281.14	96.47
	-	-	0.54	16.10
	109.49	142.37	-	-
	<b>113.40</b>	<b>149.11</b>	<b>2,285.80</b>	<b>115.81</b>

**Note - 9 Inventories**

Raw Materials

Project work-in-progress

	As at 31 March 2020	As at 31 March 2019
	69.12	-
	9,205.23	10,942.64
	<b>9,274.35</b>	<b>10,942.64</b>

**Note - 10 Trade receivables**

(Unsecured, considered good)

Due from

- Others

	As at 31 March 2020	As at 31 March 2019
	340.22	457.03
	<b>340.22</b>	<b>457.03</b>

## Notes forming part of the consolidated financial statements

### Note - 11 Cash and cash equivalents

	As at 31 March 2020	As at 31 March 2019
Cash on hand	1.73	8.50
Balances with banks in current accounts	122.73	767.59
Fixed deposits having original Maturity less than 90 days	555.55	-
	<b>680.01</b>	<b>776.09</b>

### Note - 12 Other bank balances

	As at 31 March 2020	As at 31 March 2019
Margin money deposits with bank having original maturity period of more than twelve months	10.08	7.50
Fixed deposits with bank having original maturity period of more than twelve months	7.96	-
	<b>18.04</b>	<b>7.50</b>

### Note - 13 Current tax assets (net)

	As at 31 March 2020	As at 31 March 2019
Balance with government authority		
Direct tax (net of provisions)	12.77	21.42
	<b>12.77</b>	<b>21.42</b>

### Note - 14 Equity share capital

	As at 31 March 2020	As at 31 March 2019
<b>Authorised</b>		
4,00,00,000 (March 31, 2019 - 4,00,00,000) Equity shares of Rs. 10 each	4,000.00	4,000.00
	<b>4,000.00</b>	<b>4,000.00</b>

### Issued, subscribed and paid up

	As at 31 March 2020	As at 31 March 2019
3,54,76,853 (March 31, 2019 - 3,54,76,853) Equity shares of Rs.10 each fully paid up	3,547.69	3,547.69
	<b>3,547.69</b>	<b>3,547.69</b>

#### (i) The reconciliation of the number of equity shares outstanding is set out below:

	As at 31 March 2020		As at 31 March 2019	
	Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
Shares outstanding at the beginning of the year	3,54,76,853	3,547.69	3,54,76,853	3,547.69
Changes during the year	-	-	-	-
Shares outstanding at the end of the year	3,54,76,853	3,547.69	3,54,76,853	3,547.69

#### (ii) Terms/rights attached to equity shares

The Group has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian rupees. The final dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.





## Notes forming part of the consolidated financial statements

(iii) Details of each equity shareholder holding more than 5% shares are set out below :

Name of shareholder	As at 31 March 2020		As at 31 March 2019	
	Number of shares	Percentage (%) of Holding	Number of shares	Percentage (%) of Holding
Jumbo Bright Group Limited	90,05,885	25.39%	90,05,885	25.39%
Vidip V Jatia	75,85,350	21.38%	75,85,350	21.38%
Namita Prateek Jatia	63,35,474	17.86%	45,80,311	12.91%
Vinod Kumar Jatia (HUF)	40,03,600	11.29%	40,03,600	11.29%
Vinod Subhkaran Jatia	32,12,200	9.05%	32,12,200	9.05%
Oriental Bank of Commerce	-	-	29,26,486	8.25%

(iv) No bonus shares have been issued and no shares bought back during five years preceding 31 March 2020.

### Note - 15 Other equity

#### Capital reserve

Opening balance

Changes during the year

Closing balance

#### Securities premium

Opening balance

Changes during the year

Closing balance

#### General reserve

Opening balance

Changes during the year

Closing balance

#### Retained earnings

Opening balance

Add : Profit for the year

Items of other comprehensive income recognised directly in retained earning

Opening balance

Re-measurement gain/(losses) on defined benefit plans (net of tax)

Net gain/ (loss) on fair value of equity instruments (net of tax)

Closing balance

	As at 31 March 2020	As at 31 March 2019
Capital reserve		
Opening balance	2.77	2.77
Changes during the year	-	-
Closing balance	2.77	2.77
Securities premium		
Opening balance	3,318.36	3,318.36
Changes during the year	-	-
Closing balance	3,318.36	3,318.36
General reserve		
Opening balance	90.29	90.29
Changes during the year	-	-
Closing balance	90.29	90.29
Retained earnings		
Opening balance	986.92	683.25
Add : Profit for the year	678.18	303.67
	1,665.10	986.92
Items of other comprehensive income recognised directly in retained earning		
Opening balance	690.29	920.95
Re-measurement gain/(losses) on defined benefit plans (net of tax)	10.60	(4.00)
Net gain/ (loss) on fair value of equity instruments (net of tax)	(287.17)	(226.66)
Closing balance	413.72	690.29
	5,490.24	5,088.63

#### Description of the Nature and Purpose of Other Equity

**Capital Reserve :** The Group had recognised surplus on re-issue of forfeited shares under capital reserve in earlier years.

**Securities Premium :** Securities Premium is created on issue of shares at a premium

**General Reserve :** General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

**Retained Earnings :** Retained earnings represents cumulative profits of the Group and effects of remeasurement of defined benefit obligations. Retained earnings can be utilised in accordance with the provisions of the Companies Act, 2013.

### Note - 16

#### Long - term borrowings

##### Secured

Loans from other party [Refer note (a) below]

Current maturities

	As at 31 March 2020	As at 31 March 2019
Loans from other party [Refer note (a) below]	1,083.84	1,619.11
	1,083.84	1,619.11
Current maturities	-	-
	1,083.84	1,619.11

## Notes forming part of the consolidated financial statements

### Nature of securities and term of repayments for long - term borrowings

#### a) Loan from other party

Loan from other party is secured by way of first ranking exclusive mortgage by the Mortgagor in favour of the Security Trustee over the Mortgage Properties, first ranking exclusive pledge over the pledged properties in favour of the security trustee and personal guarantees issued by the personal guarantors in favour of the security trustee. The loan carries fixed interest @ 16.5% p.a. and is repayable in quarterly instalments starting from quarter ended 30 June 2021 and ending in quarter ended 30 September 2022.

The Company has amortised borrowings using EIR of 22.08%.

#### Note - 17 Provisions

Employee benefits  
- Gratuity (Refer note 38)  
- Leave encashment

Non-current		Current	
As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
37.81	39.63	0.99	1.56
-	-	2.85	1.61
<b>37.81</b>	<b>39.63</b>	<b>3.84</b>	<b>3.17</b>

#### Note - 18 Deferred tax liabilities (net)

##### Deferred tax liabilities

Net gain/ (loss) on fair value of equity instruments

##### Net deferred tax liabilities

As at 31 March 2020	As at 31 March 2019
142.64	249.51
<b>142.64</b>	<b>249.51</b>

#### Note - 19 Short-term borrowings

##### Unsecured

Loans from  
- Related parties (Refer note 32)  
- Other parties

As at 31 March 2020	As at 31 March 2019
610.00	612.00
-	300.00
<b>610.00</b>	<b>912.00</b>

#### Note - 20 Trade payables

- Total outstanding dues of micro enterprises and small enterprises (Refer note 39)  
- Total outstanding dues of creditors other than micro enterprises and small enterprises

As at 31 March 2020	As at 31 March 2019
-	-
370.04	620.89
<b>370.04</b>	<b>620.89</b>

#### Note - 21 Other financial liabilities

Interest accrued but not due on borrowings  
Retention Deposit  
Other Payables\*

As at 31 March 2020	As at 31 March 2019
-	0.52
218.44	209.75
572.70	175.17
<b>791.14</b>	<b>385.44</b>

\* Other payables mainly includes Society maintenance deposits

#### Note - 22 Other current liabilities

Advance received from customers  
Statutory dues

As at 31 March 2020	As at 31 March 2019
2,869.42	3,064.55
19.72	28.78
<b>2,889.14</b>	<b>3,093.33</b>

#### Note - 23 Current tax liabilities (net)

Current tax liabilities (net)

As at 31 March 2020	As at 31 March 2019
36.51	24.74
<b>36.51</b>	<b>24.74</b>



**Notes forming part of the consolidated financial statements**

**(Rs. in lakhs)**

**Note - 24 Revenue from operations**

Sale of residential units

As at 31 March 2020	As at 31 March 2018
7,832.95	5,459.86
<b>7,832.95</b>	<b>5,459.86</b>

**Note - 25 Other income**

Interest income  
- from customers  
- from banks  
- from others  
- from security deposit carried at amortised cost  
- from Income tax refund  
Dividend income  
Fair value measurement of current investments  
Gain on sale of investments  
Others income

As at 31 March 2020	As at 31 March 2019
10.77	38.11
1.30	0.59
-	0.55
0.75	0.40
5.09	-
0.48	0.47
-	0.44
11.10	-
14.32	30.80
<b>43.81</b>	<b>71.37</b>

**Note - 26 Cost of sales and other operational expenses**

Opening stock of work in progress

**Add : Expenses incurred during the year**

Project execution expenses

Closing stock [Refer note 9]

	As at 31 March 2020	As at 31 March 2019
	10,942.64	10,395.69
	4,592.84	5,216.59
<b>Total (A)</b>	<b>15,535.48</b>	<b>15,612.29</b>
	9,205.23	10,942.64
<b>Total (B)</b>	<b>9,205.23</b>	<b>10,942.64</b>
<b>Total (A) - (B)</b>	<b>6,330.25</b>	<b>4,669.65</b>

**Note - 27 Employee benefit expenses**

Salaries, allowances and bonus  
Directors' remuneration (Refer note 32)  
Leave Encashment  
Gratuity (Refer note 38)

As at 31 March 2020	As at 31 March 2019
113.57	89.43
36.67	35.50
2.96	1.67
11.94	11.30
<b>165.14</b>	<b>137.90</b>

**Note - 28 Finance Costs**

Interest on Loan  
Other Interest  
Amortisation of prepaid Interest  
  
Less: finance costs related to project work in progress

As at 31 March 2020	As at 31 March 2019
302.65	457.44
1.41	1.26
0.77	0.45
<b>304.83</b>	<b>459.15</b>
302.65	457.44
<b>2.18</b>	<b>1.70</b>

**Note - 29 Depreciation and amortisation expense**

- Property, plant and equipment  
Less: depreciation related to work in progress

As at 31 March 2020	As at 31 March 2019
31.44	14.66
1.03	1.91
<b>30.41</b>	<b>12.75</b>

**Note - 30 Other expenses**

Travelling & Conveyance  
Legal & Professional Charges  
Hospitality Expenses  
Communication Expenses  
Rent Expenses

As at 31 March 2020	As at 31 March 2019
9.18	21.70
48.69	19.60
3.22	2.00
0.76	0.68
23.16	13.51

**Notes forming part of the consolidated financial statements****(Rs. in lakhs)**

Depository Charges	5.36	4.44
Printing & Stationery	0.46	2.80
Payment to Auditors (Refer note 31)	5.05	2.00
Rates and Taxes	0.99	0.92
Donation	1.59	0.12
Miscellaneous Expenses	12.49	1.47
Directors Sitting Fees	0.18	0.16
Fair value measurement of quoted equity instruments	22.92	7.00
Bank Charges	0.11	0.23
<b>Sales &amp; Marketing Expenses</b>		
Business Promotion	-	4.37
Advertisement Expenses	34.54	29.48
Brokerage	212.49	72.78
Marketing Expenses	192.40	166.48
	<b>573.59</b>	<b>349.74</b>

**Note - 31 Payment to Auditors**

	<b>Year Ended 31 March 2020</b>	<b>Year Ended 31 March 2019</b>
Statutory Audit Fees	2.50	1.75
Tax Audit Fees	0.25	0.25
Other Matters	2.30	-
	<b>5.05</b>	<b>2.00</b>

**Note - 32 Related party disclosures****List of parties where control exists****(a) Key management personnel**

Vidip Vinod Jatia (Managing Director) and Namita Jatia (Executive Director)

**(b) Other related parties**

Dilshad Trading Co Private Limited

Makalu Trading Limited

Shrilekha Trading Private Limited

Superways Enterprises Private Limited

Square One Housing Corporation (Proprietor Concern of Vidip Jatia)

Superways Investments &amp; Finance Private Limited

**Transactions with related parties:****Revenue share under Joint Development Agreement**

Other related party	17.26	55.97
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**Directors' remuneration**

Key management personnel	36.67	35.50
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**Director Sitting Fees**

Key management personnel	0.03	-
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**Brokerage Expenses**

Other related parties	92.76	-
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**Purchase of Materials**

Other related party	543.35	-
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**Loans repaid during the year**

Other related parties	612.00	104.13
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**Loans taken during the year**

Other related parties	610.00	612.00
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**Outstanding balances:****Advance to Suppliers**

Other related party	2,103.19	-
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**Payables**

Other related parties	20.19	93.34
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**Receivables**

Other related party	-	15.98
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**Investment in Shares**

Other related parties	1,263.38	1,651.45
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**Long term borrowings**

Other related party	610.00	612.00
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## Notes forming part of the consolidated financial statements

(Rs. in lakhs)

**Notes**

- (i) Reimbursement of expenses incurred on behalf of the Group or by the Group and reimbursable to/from related parties have not been considered as related party transactions.
- (ii) Note: As the liability for gratuity is provided on an actuarial basis for the Group as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.

**Note - 33 Contingent liabilities and commitments (To the extent not provided for)**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
i) Commitments		
Estimated amount of contracts remaining to be executed not provided for	1,089.28	2,323.98
ii) The Group has given Bank Guarantee for Rs. 10.00 lakhs ( Rs. 5.00 lakhs)		

**Note - 34 Earnings per share (EPS)**

	As at 31 March 2020	As at 31 March 2019
a) Profit after tax (Rs. in lakhs)	678.18	303.67
b) Profit available for distribution to equity shareholders (Rs. in lakhs)	678.18	303.67
c) Weighted average number of equity shares outstanding (No.)	3,54,76,853	3,54,76,853
d) Face value of equity shares (Rs.)	10.00	10.00
e) Basic and diluted earning per share (Rs.)	1.91	0.86

**Note - 35 Financial risk management objectives and policies**

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

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks.

**Financial risk management**

The Group has exposure to the following risks arising from financial instruments:

- (i) Market risk (ii) Credit risk and (iii) Liquidity risk

**i. Market risk**

Market risk arises from the Group's use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors. Financial instruments affected by market risk include borrowings, loans given fixed deposits and refundable deposits.

**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 Group is not exposed to the risk of changes in market interest rates as the funds borrowed by the Group is at fixed interest rate.

**b Foreign currency risk**

Currency risk is not material, as the Group's primary business activities are within India and does not have significant exposure in foreign currency.

**c Other price risk**

Other price risk is the risk that fair value of a financial instrument will fluctuate due to change in market trade price. Other price risk arise from financial assets such as investment in quoted shares at fair value as at 31st March, 2020, the carrying value of such quoted share is Rs.25.89 Lakhs.

A sensitivity analysis demonstrating impact of change in market price of these instruments from the prices existing as at the reporting date is given below :

Particulars	%	2019-20
Investment in quoted shares	+1%	0.26
	-1%	(0.26)

**Notes forming part of the consolidated financial statements****(Rs. in lakhs)****ii. Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including security deposits, loans to employees and other financial instruments.

**a) Trade receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has entered into contracts for sale of residential units. The payment terms are specified in the contracts. The Group is exposed to credit risk in respect of the amount due. However, in case of sale, the legal ownership is transferred to the buyer only after the entire amount is recovered. In addition, the amount due is monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

**Ageing of trade receivables are as follows**

Particulars	As at 31 March 2020	As at 31 March 2019
Less than 6 Months	325.41	362.44
More than 6 Months	14.82	94.59
<b>Total</b>	<b>340.22</b>	<b>457.03</b>

**b) Financial Instrument and cash deposits**

With respect to credit risk arising from the other financial assets of the Group, which comprise bank balances, cash and cash equivalents, loans to related parties and other parties, other receivables and deposits, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets. Credit risk from balances with banks is managed by Group's treasury in accordance with the Group's policy. The Group limits its exposure to credit risk by only placing balances with local banks. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

**iii. Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. trade receivables, other financial assets) and projected cash flows from operations. The cash flows, funding requirements and liquidity of Group is monitored under the control of Treasury team. The objective is to optimize the efficiency and effectiveness of the management of the Group's capital resources. The Group's objective is to maintain a balance between continuity of funding and borrowings. The Group manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group currently has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

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

	<b>(Rs. in lakhs)</b>				
	<b>Contractual cash flows</b>				
	<b>Less than 1 year</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Year ended 31 March 2020					
Borrowings	610.00	1,083.84	-	-	1,693.84
Trade payables	370.04	-	-	-	370.04
Other financial liabilities	791.14	-	-	-	791.14
	<b>1,771.18</b>	<b>1,083.84</b>	<b>-</b>	<b>-</b>	<b>2,855.02</b>
Year ended 31 March 2019					
Borrowings	912.00	1,173.86	445.25	-	2,531.11
Trade payables	620.89	-	-	-	620.89
Other financial liabilities	385.44	-	-	-	385.44
	<b>1,918.33</b>	<b>1,173.86</b>	<b>445.25</b>	<b>-</b>	<b>3,537.44</b>

**Capital management**

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.



Notes forming part of the consolidated financial statements

(Rs. in lakhs)

	As at 31 March 2020	As at 31 March 2019
Borrowings (long-term and short-term)	1,693.84	2,531.11
Less: Cash and cash equivalents	(680.01)	(776.09)
<b>Net debt</b>	<b>1,013.83</b>	<b>1,755.02</b>
Equity share capital	3,547.69	3,547.69
Other equity	5,490.24	5,088.63
<b>Total Equity</b>	<b>9,037.93</b>	<b>8,636.32</b>
Total Capital and net debt	10,051.75	10,391.34
<b>Gearing ratio</b>	<b>10.09%</b>	<b>16.89%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

**Note - 36 Taxation**

a) The major components of income tax for the year ended 31 March 2020 are as under:

Income tax related to items recognised directly in the consolidated statement of profit and loss during the year

	Year ended 31 March 2020	Year ended 31 March 2019
<b>Current tax</b>		
Current tax on profits for the year	149.91	59.74
Adjustments for current tax of prior periods	(48.93)	-
<b>Total current tax expense</b>	<b>100.99</b>	<b>59.74</b>
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	(3.98)	(3.92)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>97.00</b>	<b>55.81</b>

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

	Year ended 31 March 2020	Year ended 31 March 2019
<b>Accounting profit before tax</b>	<b>775.19</b>	<b>359.49</b>
<b>Income tax @ 27.82%</b>	<b>215.66</b>	<b>100.01</b>
Adjustments in respect of current income tax in respect of previous years	(48.93)	-
Income/ (loss) Exempt/Disallowed U/S 80IBA	(72.97)	(41.39)
Others	3.24	(2.81)
<b>Income tax expense/(benefit) charged to the statement of profit and loss</b>	<b>97.00</b>	<b>55.81</b>

c) Deferred tax relates to the following:

	Balance-Sheet		Recognized in the consolidated statement of profit and loss		Recognized in the Other comprehensive income	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>Deferred tax assets</b>						
<b>Deductible temporary differences</b>						
Depreciation on property, plant, equipment and intangible assets	6.29	11.67	5.38	0.67	-	-
Unused tax losses	-	-	-	-	-	-
Employee benefits / expenses allowable on payment basis	10.83	11.15	(3.41)	(2.85)	3.72	(1.41)
<b>Total (a)</b>	<b>17.12</b>	<b>22.82</b>	<b>1.98</b>	<b>(2.17)</b>	<b>3.72</b>	<b>(1.41)</b>
<b>Deferred tax liabilities</b>						
<b>Deductible temporary differences</b>						
Net gain/ (loss) on fair value of equity instruments	142.64	249.51	5.96	1.75	100.91	75.45
<b>Total (b)</b>	<b>142.64</b>	<b>249.51</b>	<b>5.96</b>	<b>1.75</b>	<b>100.91</b>	<b>75.45</b>
Add: MAT credit entitlement	48.05	64.75	-	-	-	-
<b>Net deferred tax assets / (liabilities) (a-b)</b>	<b>(77.47)</b>	<b>(161.93)</b>				
<b>Deferred tax charge/(credit) (a+b)</b>			<b>(3.98)</b>	<b>(3.92)</b>	<b>(97.18)</b>	<b>(76.85)</b>



## Notes forming part of the consolidated financial statements

(Rs. in lakhs)

**Note - 37 Fair value measurement**

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

(a) Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments (b) Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

**a) Financial instruments by category**

Financial assets	Refer note	As at 31 March 2020			As at 31 March 2019		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Non-current</b>							
Investment in quoted equity shares	5.1	25.89	-	-	48.81	-	-
Investment in unquoted equity shares	5.1	-	1,263.38	-	-	1,651.45	-
Loans	6	-	-	27.85	-	-	27.56
<b>Current</b>							
Investment in mutual funds	5.2	-	-	-	500.44	-	-
Trade receivables	10	-	-	340.22	-	-	457.03
Cash and cash equivalents	11	-	-	680.01	-	-	776.09
Other bank balances	12	-	-	18.04	-	-	7.50
<b>Total financial assets</b>		<b>25.89</b>	<b>1,263.38</b>	<b>1,066.13</b>	<b>549.25</b>	<b>1,651.45</b>	<b>1,268.18</b>
<b>Financial liabilities</b>							
<b>Non-current</b>							
Borrowings	16	-	-	1,083.84	-	-	1,619.11
<b>Current</b>							
Borrowings	19	-	-	610.00	-	-	912.00
Trade payables	20	-	-	370.04	-	-	620.89
Other financial liabilities	21	-	-	791.14	-	-	385.44
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>2,855.02</b>	<b>-</b>	<b>-</b>	<b>3,537.44</b>

**b) Fair value hierarchy**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following tables provides the fair value measurement hierarchy of the Group's assets and liabilities:

As at 31 March 2020	Carrying value	Fair value		
		Level 1	Level 2	Level 3
<b>Financial assets measured at FVTPL/FVTOCI</b>				
Investment in quoted equity shares	25.89	25.89	-	-
Investment in unquoted equity shares	1,263.38	-	1,263.38	-
Investment in mutual funds	-	-	-	-
<b>Total</b>	<b>1,289.27</b>	<b>25.89</b>	<b>1,263.38</b>	<b>-</b>

As at 31 March 2019	Carrying value	Fair value		
		Level 1	Level 2	Level 3
<b>Financial assets measured at FVTPL/FVTOCI</b>				
Investment in quoted equity shares	48.81	48.81	-	-
Investment in unquoted equity shares	1,651.45	-	1,651.45	-
Investment in mutual funds	500.44	500.44	-	-
<b>Total</b>	<b>2,200.70</b>	<b>549.25</b>	<b>1,651.45</b>	<b>-</b>



## Notes forming part of the consolidated financial statements

(Rs. in lakhs)

## Note - 38 Employee benefits

## Defined Benefit Plans:

## Gratuity

The Group is exposed to various risks in providing the gratuity benefit which are as follows:

## Interest Rate risk:

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

## Liquidity Risk:

This is the risk that the Group will not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

## Salary Escalation Risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

## Demographic Risk:

The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	As at 31 March 2020	As at 31 March 2019
Discount rate	6.45%	7.55%
Expected rate of salary increase	10.00%	10.00%
Attrition Rate : Upto 30 years	20.00%	20.00%
31 to 44 years	10.00%	10.00%
Mortality rate (% of IALM 12-14)/(% of IALM 06-08)	10.00%	10.00%

Retirement age of the employees is assumed to be 60 years.

## Defined benefit plans – as per actuarial valuation on 31st March, 2020

Particulars	Unfunded Plan Gratuity	Unfunded Plan Gratuity
	For the year ended 31 March 2020	For the year ended 31 March 2019
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
<b>Service Cost</b>		
Current Service Cost	8.82	9.45
Net interest expense	3.12	1.85
Components of defined benefit costs recognised in the consolidated statement of profit or loss	11.94	11.30
<b>Remeasurement on the net defined benefit liability</b>		
Return on plan assets (excluding amount included in net interest expense)	-	-
Actuarial (gains)/loss arising from demographic assumptions	0.00	-
Actuarial (gains)/loss arising from changes in financial assumptions	5.18	-
Actuarial (gains)/loss arising from experience adjustments	(19.51)	5.41
Components of defined benefit costs recognised in other comprehensive income	(14.33)	5.41
<b>Total</b>	(2.39)	16.71

## Notes forming part of the consolidated financial statements

(Rs. in lakhs)

<b>I. Net Asset/(Liability) recognised in the Consolidated Balance Sheet</b>		
1. Present value of defined benefit obligation	38.80	41.19
2. Fair value of plan assets	-	-
3. Surplus/(Deficit)	(38.80)	(41.19)
4. Current portion of the above	(0.99)	(1.56)
5. Non current portion of the above	(37.81)	(39.63)
<b>II. Movements in the present value of the defined benefit obligation are as follows</b>		
1. Present value of defined benefit obligation at the beginning of the year	41.19	24.48
2. Expenses Recognised in the Consolidated Statement of Profit and Loss		
- Current Service Cost	8.82	9.45
- Interest Cost	3.12	1.85
3. Recognised in Other Comprehensive Income		
Remeasurement or Actuarial gains / (losses) arising from:		
i. Demographic Assumptions	0.00	-
ii. Financial Assumptions	5.18	-
iii. Experience Adjustments	(19.51)	5.41
4. Benefit payments	-	-
<b>5. Present value of defined benefit obligation at the end of the year</b>	<b>38.80</b>	<b>41.19</b>
<b>III. Movements in the fair value of the plan assets are as follows.</b>		
1. Fair value of plan assets at the beginning of the year	-	-
2. Interest Income - Actual Return on Plan Assets	-	-
<b>3. Fair value of plan assets at the end of the year</b>	<b>-</b>	<b>-</b>

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Changes in assumption (%)	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
<b>31 March 2020</b>			
Discount rate	1.00%	34.04	44.73
Salary growth rate	1.00%	44.49	34.11
<b>31 March 2019</b>			
Discount rate	1.00%	36.68	46.69
Salary growth rate	1.00%	46.53	36.71

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the consolidated balance sheet.

**Maturity profile of defined benefit obligation:**

	31 March 2020	31 March 2019
Within 1 year	0.99	1.56
2 - 5 years	17.82	9.09
6 - 10 years	8.42	25.51
More than 10 years	93.48	103.80

**Note - 39**

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2020 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Group.



## Notes forming part of the consolidated financial statements

(Rs. in lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act: - Principal - Interest	- - -	- - -
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

**Note - 40 Segment information**

Disclosure under Ind AS 108 - 'Operating Segments' is not given as, in the opinion of the management, the entire business activity falls under one segment, viz., Real estate development. The Group conducts its business in only one Geographical Segment, viz., India.

**Note - 41 Expenditure in Foreign Currency**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Marketing Expenses	1.37	0.77
Foreign Travelling Expenses	3.48	12.13

**Note - 42**

In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated as realizable in the ordinary course of business and the provision for all known liabilities are adequate.

**Note - 43**

The outbreak of COVID-19 pandemic has severely impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Group's operations and office were shut post announcement of nationwide lockdown. With easing of some restrictions, the operations and office have resumed partially as per the guidelines specified by the Government.

In preparation of these financial statements, the Group has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity and going concern, recoverable values of its financial and non-financial assets, impact on revenues and estimates of residual costs to complete ongoing projects. Based on current indicators of future economic conditions, the Group has sufficient liquidity and expects to fully recover the carrying amount of its assets. Considering the evolving nature of the pandemic, its actual impact in future could be different from that estimated as at the date of approval of these financial statements. The Group will continue to monitor any material changes to future economic conditions.

**Note - 44**

Previous year figures have been regrouped / reclassified, wherever necessary, to correspond with current year classification.

As per our report of even date

**For Mittal Agarwal & Company**  
Chartered Accountants  
Registration No.131025W

**For and on behalf of the Board**

**Piyush Agarwal**  
Partner  
Membership No. 135505

**Vidip Jatia**  
Managing Director & CFO  
DIN: 06720329

**Namita Jatia**  
Executive Director  
DIN: 07660840

Date: 28 July, 2020

**Kailash Sharma**  
Company Secretary

## Form No. AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "A": Subsidiaries

Name of the Subsidiary		
HELMET TRADERZ LIMITED		
Sr. no.	Particulars	Amount (in lakhs)
1	Date since when subsidiary was acquired	28 <sup>th</sup> September, 1994
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A
4	Share Capital	14.92
5	Reserves & surplus	522.28
6	Total assets	1290.34
7	Total Liabilities	753.14
8	Investments	1289.27
9	Turnover	NIL
10	Profit before taxation	-22.86
11	Provision for taxation	-5.96
12	Profit after taxation	-16.92
13	Proposed Dividend	NIL
14	% of Shareholding	100%

## Notes:

- Reporting period and reporting currency of the above subsidiary is the same as that of the Company
- Part B of the Annexure is not applicable as there are no associate companies / joint ventures of the Company as on March 31, 2020.

As per our report of even date

For Mittal Agarwal & Company  
Chartered Accountants  
Registration No.131025W

For and on behalf of the Board

Piyush Agarwal  
Partner  
Membership No. 135505

Vidip Jatia  
Managing Director & CFO  
DIN: 06720329

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Executive Director  
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Date: 28 July, 2020

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