

SRL/SE/33/20-21

Date: 7<sup>th</sup> September, 2020

**The Manager, Listing Department  
National Stock Exchange of India Ltd  
Exchange Plaza,  
Plot no. C/1, G Block,  
Bandra-Kurla Complex  
Bandra (East), Mumbai- 400 051  
Scrip Code: SUNTECK**

**The Secretary, Listing Department,  
Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Tower,  
Dalal Street,  
Mumbai – 400 001  
Scrip Code: 512179**

**Sub: Annual Report for the F.Y. 2019-20 and Notice of Annual General Meeting to be held on September 29, 2020.**

**Dear Sirs,**

Pursuant to Regulation 34(1) read with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, please find attached herewith the Annual Report for the financial year 2019-20 and Notice of Annual General Meeting of the members of the Company to be held on Tuesday, 29<sup>th</sup> September, 2020 through Video Conferencing ("VC") / Other Audio Visual Means ("OA VM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The said Notice and Annual Report for FY 2019-20 is available on the website of the Company at [www.sunteckindia.com](http://www.sunteckindia.com).

Kindly take the same on record and acknowledge the receipt of the same.

Thanking you.

Yours Faithfully,  
**For Sunteck Realty Limited**

  
**Rachana Hingarajia  
Company Secretary**

## NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 37<sup>th</sup> Annual General Meeting (AGM) of the Members of Sunteck Realty Limited will be held on Tuesday, 29<sup>th</sup> September, 2020 at 5.00 p.m. through Video Conferencing / Other Audio Visual Means in conformity with the regulatory provisions and Circulars issued by the Ministry of Corporate Affairs, Government of India to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To consider and adopt the audited standalone financial statements and the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2020 together with the report of the Board of Directors and report of the Auditors thereon and other reports.
2. To declare final dividend on Equity Shares at 150% i.e. Rs. 1.50/- per equity share having face value of Re. 1 each held by person entities other than Promoter & Promoter Group and based on the discussion with Promoter & Promoter Group, final dividend at 75% i.e. Re. 0.75/- per equity share having face value of Re. 1 each to Promoter & Promoter group.
3. To appoint a Director in place of Ms. Rachana Hingarajia (DIN: 07145358) who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint M/s Walker Chandiook & Co LLP as the Statutory Auditors of the Company in place of the retiring Auditors M/s Lodha & Co., for period of 5 years;

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. Walker Chandiook & Co LLP, Chartered Accountants having Firm Registration Number: 001076N/N500013 be and are hereby be appointed as Statutory Auditors of the Company in place of retiring auditors M/s. Lodha & Co., for a term of 5 years commencing from the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 42<sup>nd</sup> Annual General Meeting of the Company to be held in 2025 at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.

**FURTHER RESOLVED THAT** any of the Director or Company Secretary of the Company be and is hereby empowered and authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E Forms with Registrar of Companies.”

### **SPECIAL BUSINESS:**

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

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

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

regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the “GoI”), the Reserve Bank of India (the “RBI”), the Foreign Investment Promotion Board (“FIPB”), and the Securities and Exchange Board of India (“SEBI”), the stock exchanges and/or any other competent governmental or regulatory authorities, whether in India or abroad, and including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI ICDR Regulations”), Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”), the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the listing agreements entered into by the Company with the stock exchanges on which the Company’s shares are listed (the “Listing Agreements”) and subject to necessary approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, RBI, GoI or of concerned statutory and any other governmental or regulatory authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) consent of the members be and is hereby accorded to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), with or without a green shoe option, such number of equity shares of the Company of face value of Re. 1/- each (“Equity Shares”), Global Depository Receipts (“GDRs”), American Depository Receipts (“ADRs”), Foreign Currency Convertible Bonds (“FCCBs”), Foreign Currency Exchangeable Bonds (“FCEBs”), fully convertible debentures/ partly convertible debentures, preference shares convertible into Equity Shares and/or any other financial instruments convertible into Equity Shares (including warrants, or otherwise, in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/ special rights and/or securities linked to Equity Shares (collectively referred as “Shares or Convertible securities”) and/or securities including Non-Convertible Debentures with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as “Securities”) or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of international and/or domestic offering(s) in one or more foreign markets and/or domestic market, by way of one or more public and/or private offerings, and/or on preferential allotment basis and/or private placement basis or any combination thereof including qualified institutions placement (“QIP”), through issue of prospectus and/or placement document/ or other permissible/requisite offer document to any eligible person, including Qualified Institutional Buyers (“QIBs”) as defined in the SEBI ICDR Regulations in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign portfolio investors, public financial institutions, qualified foreign investors, scheduled commercial banks, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds, insurance funds and/or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the “Investors”) as may be decided by the Board in its discretion and permitted under applicable laws and regulations, for an **aggregate amount not exceeding Rs. 2,000 Crores (Rupees Two Thousand Crores Only)** or equivalent thereof, wherein out of the aforesaid amount of Rs. 2,000 Crores an amount of (i) **not more than Rs. 1,500 Crores (Rupees One Thousand Five Hundred Crores only) shall be for issue of Non- Convertible Debentures** and (ii) **not more than Rs. 500 Crores (Rupees Five Hundred Crores only) shall be for issue of Shares and Convertible securities**, at such price and terms or at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed or to be appointed by the Company, in foreign currency and/or equivalent Indian Rupees as may be determined by the Board, in any convertible foreign currency, as the Board at its absolute discretion may deem fit and appropriate (the “Issue”).

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

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

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

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

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

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

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

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

- (a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted to the holders of such Securities at the



relevant time, shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced *pro tanto*;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;

(c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of equity shares and the price as aforesaid shall be suitably adjusted; and

(d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of equity shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.”

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

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

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

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

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to constitute or form a committee or delegate all or any of its powers to any Director(s) or Committee of Directors/Company Secretary/ Chief Financial Officer or other persons authorized by the Board for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Securities.”

**6. REMUNERATION PAYABLE TO M/S. KEJRIWAL & ASSOCIATES APPOINTED AS COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2020-21**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kejriwal & Associates, Cost Accountants appointed as the Cost Auditors by the Board of Directors of the Company to audit the cost records of the Company for the financial year 2020-21, be paid a remuneration of Rs. 45,000 per annum plus applicable taxes and out-of-pocket expenses that may be incurred.

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

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

**Rachana Hingarajia  
Company Secretary**

**Mumbai, September 7, 2020**

**Registered Office:**

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

37-40, Subhash Road,

Vile Parle (East),

Mumbai 400057

CIN: L32100MH1981PLC025346

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

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

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

**NOTES:**

1. The Statement as required under Section 102 of the Companies Act, 2013 (“the Act”) and Regulation 36(3) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) is annexed to the Notice.

2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to Circular Nos. 14/2020, 17/2020, 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020

respectively, issued by the Ministry of Corporate Affairs (MCA) and Circular No. HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (hereinafter collectively referred to as 'Circulars'), the Annual General Meeting of the Company ("AGM") is convened through Video Conferencing / Other Audio Visual Means (VC/OAVM). Since this AGM will be held through VC / OAVM, physical attendance of members has been dispensed with. Members will not be able to appoint proxies for this meeting. Further, Attendance Slip and Route Map are not being annexed to this Notice.

3. Corporate Members are requested to send a scanned copy (in PDF / JPG format) of the Board Resolution authorizing their representatives to attend the AGM, pursuant to Section 113 of the Act, through e-mail at [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

4. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of NSDL.

5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on Tuesday, 22<sup>nd</sup> September, 2020 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice for information purposes only.

6. Pursuant to the Income-tax Act, 1961 read with the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from 1st April, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing information and detailed instructions with respect to tax on dividend for the financial year ended 31<sup>st</sup> March, 2020 shall be sent separately by the Company to the Members. As per Regulation 12 read with Schedule I of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for distribution of dividends to the investors, electronic mode of payments like NECS, ECS, RTGS, NEFT shall be used. In cases where the details like MICR no., IFSC no. etc. required for effecting electronic payments are not available, physical payment instrument like dividend warrants or cheques will be used.

Accordingly, we recommend you to avail the facility of direct electronic credit of your dividend through electronic mode and in all cases keep your bank account details updated in demat account /physical folio.

7. The Register of Members and Share Transfer Books will remain closed from Wednesday, 23<sup>rd</sup> September, 2020 to Tuesday, 29<sup>th</sup> September, 2020 (both days inclusive) for the purpose of Annual General Meeting and Dividend. The dividend payable on equity shares if approved by the Members, will be paid to those Members whose name appear on the Register of Members and as per the beneficial owners' position received from NSDL and CDSL as at the close of the working hours on Tuesday, 22<sup>nd</sup> September, 2020 and payment of such dividend shall be made on or before 29<sup>th</sup> October, 2020.

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

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

9. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

10. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), SEBI has mandated that with effect from 1<sup>st</sup> April, 2019 transfer of securities would be carried out in dematerialized form only. Shareholders, holding shares in physical form are requested to arrange the dematerialization of the said shares at earliest to avoid any inconvenience in future for transferring those shares.

11. Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/2018/73 dated 20<sup>th</sup> April, 2018, members whose folios do not have or have incomplete details of PAN and/ or Bank Account, are required to compulsorily furnish these details for updating the same against their folio number.

12. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

13. Members desirous of registering themselves as speaker shareholder or obtaining information on accounts and operations of the Company, are requested to address their queries at [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com) from 23<sup>rd</sup> September, 2020 to 25<sup>th</sup> September, 2020 till 5.00 p.m. mentioning their name, demat account number/folio number, email id, mobile number, so that the same could be suitably answered at the meeting/by email.

14. Members are requested to quote their Registered Folio Number or their Client ID number with DP ID on all correspondence with the Company as the case may be.

15. In conformity with the applicable Regulations, the Notice of the AGM along with the Annual Report 2019-20 is being sent by only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories. Members may note that this Notice and the Annual Report 2019-20 will also be available on the Company’s website viz. [www.sunteckindia.com](http://www.sunteckindia.com) , website of stock exchanges viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) as well as on website of NSDL (agency for providing the e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in dematerialized form and with Company/ RTA in case the shares are held by them in physical form.

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

16. All documents referred to in the accompanying Notice and Statement annexed thereto shall be open for inspection at the Registered Office of the Company during normal business hours on any working day till the date of the AGM.

17. As per the provisions of the Companies Act, 2013, Members are entitled to make nomination in respect of shares held by them in physical form. Physical Shareholders may contact the RTA and Demat shareholders may contact their depository participants for nomination.



## 18. PROCEDURE FOR REMOTE E-VOTING, ATTENDING THE AGM AND E-VOTING DURING THE AGM:

### Voting through electronic means

1. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
3. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.sunteckindia.com](http://www.sunteckindia.com) and on the website of NSDL [www.evotingnsdl.com](http://www.evotingnsdl.com) immediately after the results are declared by the Chairman or any person authorized by him and the same shall be communicated to the stock exchanges, where the shares of the Company are listed. Mr. Veeraraghavan N. (Membership No. A6911), Practicing Company Secretary, Mumbai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/ Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Member(s) can opt for only e-voting at the Annual General Meeting.

### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Saturday, 26<sup>th</sup> September, 2020 at 9:00 A.M. and ends on Monday, 28<sup>th</sup> September, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

#### a. **Voting through electronic means**

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

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

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

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

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com)
3. Alternatively member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.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 EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM, depending on availability of time.

**Other instructions**

- a. Unclaimed Dividends: Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividends which remain unclaimed / unpaid for a period of 7 years are required to be transferred to Investor Education and Protection Fund (“IEPF”). The details of the unclaimed dividends are available on the website of the Company at [www.sunteckindia.com](http://www.sunteckindia.com) and Ministry of Corporate Affairs at [www.iepf.gov.in/](http://www.iepf.gov.in/). Members can contact Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company for claiming the unclaimed dividends standing to the credit in their account by sending an email to [iepf.shares@linkintime.co.in](mailto:iepf.shares@linkintime.co.in) .
- b. The shareholders whose dividend/shares have been / will be transferred to the IEPF Authority, can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>

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

**Rachana Hingarajia  
Company Secretary**

**Mumbai, September 7, 2020**

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

**Item No. 4:**

Pursuant to the provisions of Section 139 of the Companies Act 2013 and other applicable provisions if any of the Companies Act 2013 (Act), the Company needs to appoint a new statutory auditor in place of the existing auditors whose term is expiring in the forthcoming Annual General Meeting to be held in 2020. Basis the recommendation by the Audit Committee, the Board has proposed to appoint M/s. Walker Chandiook & Co LLP (WCC LLP), Chartered Accountants (Firm Registration Number: 001076N/N500013) as Statutory Auditors of the Company in place of the retiring Auditors M/s Lodha & Co., for period of 5 years, subject to approval by shareholders. The Company has received the consent letter and eligibility certificate as per the provisions of the Act from the proposed Auditor.

It is proposed to pay WCC LLP audit fees of Rs. 40,00,000 (Rupees Forty Lakhs Only) for conducting the audit for the financial year ending 31<sup>st</sup> March, 2021 of the Company. The Board/ Audit Committee is authorized to alter and vary the terms and conditions of appointment, revision including upward revision of the remuneration for remaining tenure during. The fees payable to the proposed statutory auditors in view of the vast experience and broad range of expertise of WCC LLP. A brief profile of WCC LLP is given below:

WCC LLP was set up in the year 1935 and is registered with the Institute of Chartered Accountants of India as well as the PCAOB (US Public Company Accounting Oversight Board). As on March 2020, WCC LLP has 13 branch locations pan India with a total number of partners and staff are above 1295.

The Audit Committee considered various parameters like audit experience in the Company’s operating segments, market standing of the firm, clientele served, technical knowledge etc., and found WCC LLP to be well suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

Members are requested to consider the same and accord their approval towards appointment of WCC LLP as Statutory Auditors of the Company for a term of five years.

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

**Item No. 5:**

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

The resolution in accompanying Notice proposes to create, issue, offer and allot equity shares, Fully / Partly / Optionally Convertible Debentures/Preference shares and/or securities linked to equity shares and/or convertible securities including but not limited to Global Depository Receipts (GDRs) and/or American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), (collectively referred as “Shares or Convertible securities”) and partly or fully paid-up equity/debt instruments including Non-convertible Debentures as allowed under SEBI (ICDR) Regulations, (hereinafter referred to as “Securities”) for an aggregate amount not exceeding Rs. 2,000 Crores (Rupees Two Thousand Crores Only) or equivalent thereof, wherein out of the aforesaid amount of Rs. 2,000 Crores an amount of (i) not more than Rs. 1,500 Crores (Rupees One Thousand Five Hundred Crores only) shall be for issue of Non- Convertible Debentures and (ii) not more than Rs. 500 Crores (Rupees Five Hundred Crores only) shall be for issue of Shares and Convertible securities inclusive of premium, in the course of domestic/ international offerings.



Such securities are proposed to be issued to eligible person including but not limited to resident investors and foreign investors (whether individuals, mutual funds, incorporated bodies, institutions or otherwise), Foreign Financial Institutions and other Qualified Institutional Buyers etc.

The proposed Special Resolution seeks the enabling authorization of the Members to the Board of Directors without the need of any further approval from the Members to undertake to issue securities in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements), Regulation, 2009 as amended from time to time (the "SEBI Regulations"). Pursuant to the above, the Board may, in one or more tranches, issue and allot Equity Shares in the form of Follow-On Public Offer (FPO), Global Depository Receipts (GDRs), and/or American Depository Receipts (ADRs), and/ or External Commercial Borrowings (ECBs) with rights of conversion into shares, and/ or Foreign Currency Convertible Bonds (FCCBs) and/or Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPS/CCPS) convertible into Equity Shares of the Company with voting rights or with differential rights as to voting, dividend or otherwise.

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

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

The offerings of the Securities may require appointment of Merchant Bankers, Underwriters, Legal Advisors and Experts or such other Authority or Authorities to advise the Company especially in relation to the pricing of the Securities. The detailed terms and conditions of the Issue as and when made will be determined in consultation with the Merchant Bankers, Lead Managers, Advisors, Underwriters and other Experts in accordance with the terms of approval of the Government of India, Reserve Bank of India, SEBI and such other authorities as may be required.

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

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

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

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

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

**Item No. 6:**

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

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

On the recommendation of the Audit Committee, the Board has, considered and approved the appointment of M/s. Kejriwal & Associates, Cost Accountants as the cost auditor for the financial year 2020-21 at a remuneration of Rs. 45,000/- per annum plus applicable taxes and reimbursement of out of pocket expenses.

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

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

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

**Mumbai, September 7, 2020**

**Rachana Hingarajia  
Company Secretary**

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

<b>Name of Director &amp; DIN</b>	<b>Rachana Hingarajia (DIN: 07145358)</b>
<b>Date of Birth</b>	4th September, 1979
<b>Age</b>	41 years
<b>First Appointment on the Board</b>	31st March, 2015
<b>Brief Resume</b>	Ms. Rachana Hingarajia has over 15 years of experience in Compliance function, Legal, merger & restructuring. She is a Company Secretary and a Law Graduate. She has been associated with the group for more than 12 years and on the Board since March 2015.
<b>Qualifications</b>	Company Secretary and LLB
<b>Expertise in specific functional areas</b>	Compliance function, Legal, merger & restructuring
<b>Number of Board Meetings attended in FY 2019-20</b>	5 (Five)
<b>Directorships held in other Companies</b>	1. Satguru Infocorp Services Private Limited 2. Sunteck Property Holdings Private Limited
<b>*Chairmanship/Membership of the Committees of the other Listed Companies –</b>  <b>1. Audit Committee</b>  <b>2. Stakeholders' Relationship Committee</b>	NIL
<b>No. of Shares held in the Company as on March 31, 2020</b>	4000
<b>Relationship between Directors Inter-se</b>	NIL
<b>Terms and conditions of appointment/re-appointment</b>	Re-appointment as Executive Director subject to retire by rotation
<b>Remuneration last drawn</b>	Remuneration as disclosed in report on corporate governance forming part of Annual Report for FY 2019-20

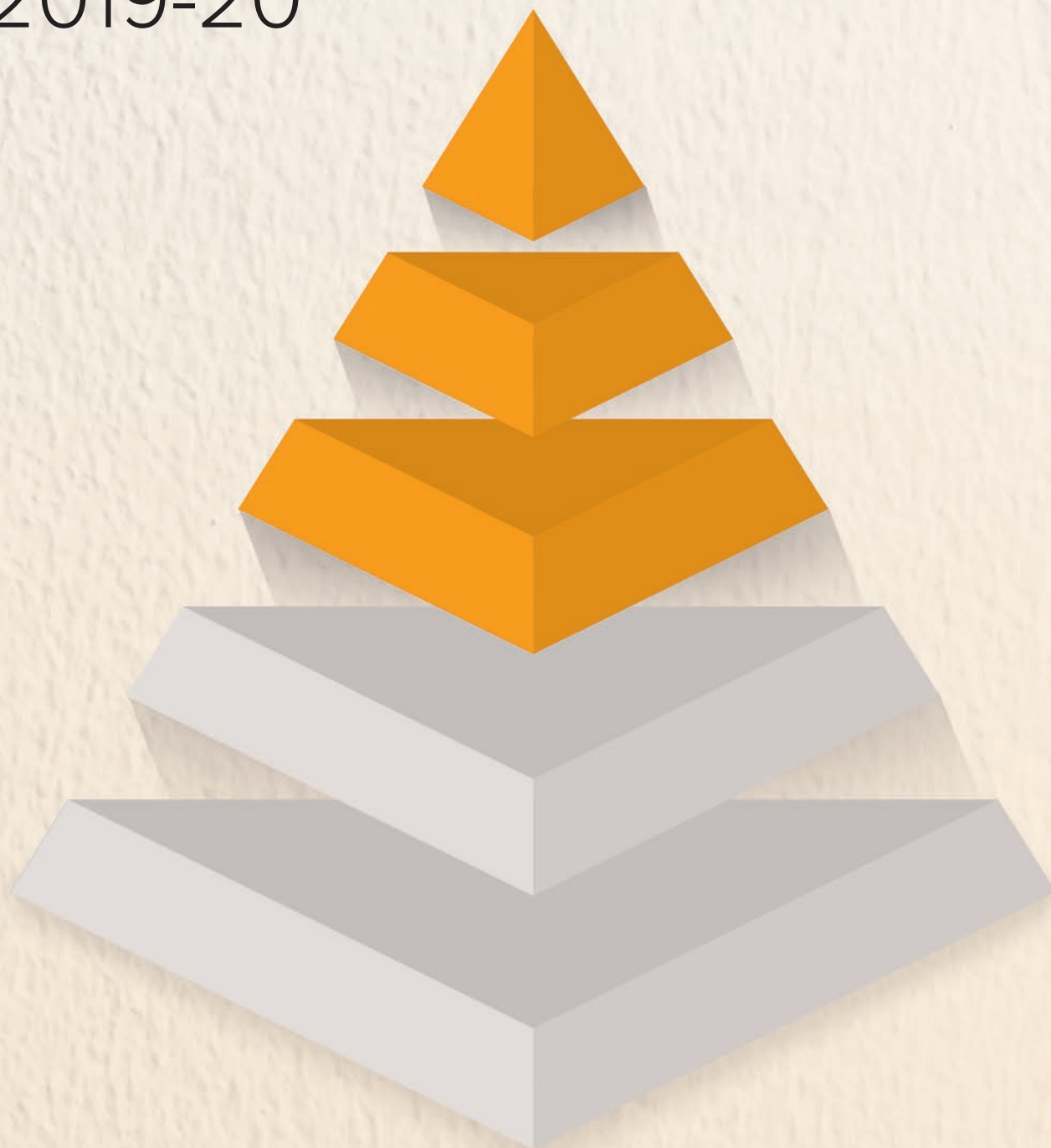
*\* Pursuant to SEBI (Listing Regulations and Disclosures Requirement) Regulations, 2015 only two Committees viz. Audit Committee and Stakeholders' Relationship Committee are considered.*

Sunteck Realty Limited

Annual Report

2019-20

Sunteck 



**PIONEERING  
CHANGE**







# READ BETWEEN THE PAGES

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

Or scan to download



## INVESTOR INFORMATION

BSE Code : 512179

NSE Symbol : SUNTECK

AGM Date : 29<sup>th</sup> September, 2020

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





# WE ARE MOVING FORWARD WITH DYNAMISM, GUIDED BY OUR VISION OF BEING ONE OF INDIA'S MOST TRUSTED NAME IN THE REALTY SPACE.

Over the years we have pioneered several path-breaking initiatives and delivered premium signature projects in the Retail Housing and Commercial Spaces. Our strong business fundamentals drive the change in perceptions and deliver strong value-creation for our stakeholders. At the same time, it also creates strong headroom for future growth and expansion.



# BRANDS THAT DRIVE THE CHANGE

## RESIDENTIAL

Signature

Uber Luxury Residences

Signia

Ultra Luxury Residences

SunteckCity

Premium Luxury Residences

SunteckWorld

Aspirational Luxury Residences

## COMMERCIAL

Sunteck

Commercial & Retail





# CMD's MESSAGE



“

**SRL is well positioned to expand its portfolio through its prudent cash flow management and supported by an asset light strategy. Our in-house construction capabilities not only allow us to ensure stringent cost and quality control but also ensure timely delivery of our projects.**

”

## Dear Shareholders,

I sincerely hope that your families and you are safe and doing well.

This Fiscal year 2020, the government announced a slew of measures for the real estate sector. These measures like the stimulus for the NBFCs and incentives for the affordable and middle-income housing projects have helped the sector to evolve but at the same time led to consolidation in the Indian real estate sector resulting in increased accountability, customer centricity and financial prudence.

With every subsequent challenge - be it Demonetization, GST, RERA, NBFC crisis and now COVID-19 - Sunteck has only emerged stronger each time. At Sunteck Realty Limited, we have an eye to capture and deliver the best in the real estate industry. 'Beyond the Better' depicts our motive to evolve as India's most premium and trusted brand with high standards of ethical business practices, corporate governance and product quality. Despite one of the most challenging decades for Indian real estate, we have consistently grown

supported by our differentiated business model as well as our in-sourced execution capabilities. While acquisitions under the asset light strategy ensures optimal leverage and minimal stress on our balance sheet, our in-house construction capabilities ensure stringent cost checks, quality control and timely delivery of our projects. Prudent cash flow management has ensured operational efficiency across organization levels.

Today, Indian real estate is undergoing another wave of consolidation as financially weak players find it increasingly difficult to adhere to compliance norms. We intend to capitalize on these lucrative opportunities in the form of favourable JDAs and attractive land parcels at reasonable prices. We continue to be agile as we look to increase our market share. I would like to share that your company has successfully added new projects under its asset light strategy in prime locations. We continue to focus on MMR city centric locations and to aggressively pursue newer opportunities, setting the stage for further sustainable growth and attractive ROEs.



With the ongoing COVID-19 pandemic, your company is well-positioned to not only withstand any potential downturn impact but also identify new opportunities for growth. While uncertainty in businesses and employment could lead to near headwinds, interest rates for housing are extremely low and affordability is attractive. The impact on residential segment should be limited as the importance of having a comfortable work from home environment is on the rise. In fact, we are observing increased traction in ready or near ready inventory. Further, we are now focused on increasing our digital presence, via our online platform - SunteckAER, so as to offer a seamless omnichannel experience for our customers.

This year, both our launches - 4th Avenue at SunteckCity, ODC and Sunteck MaxxWorld at Naigaon - met with overwhelming success. Sunteck MaxxWorld's launch in January 2020 outperformed the high benchmark set by Sunteck WestWorld. Despite a tough macroeconomic environment, I am pleased to inform you that we were able to achieve our highest ever pre-sales in a financial year at ₹ 1,221 cr. While we are currently present across the pricing spectrum, we anticipate our brands - SunteckCity (large mixed use development between ₹ 1 & ₹ 5 cr) and SunteckWorld (aspirational luxury between ₹ 25L and ₹ 1 cr) - will garner further traction in near to medium term. Collections for the year improved by 8%, partly moderated due to the pandemic impact towards the fourth quarter.

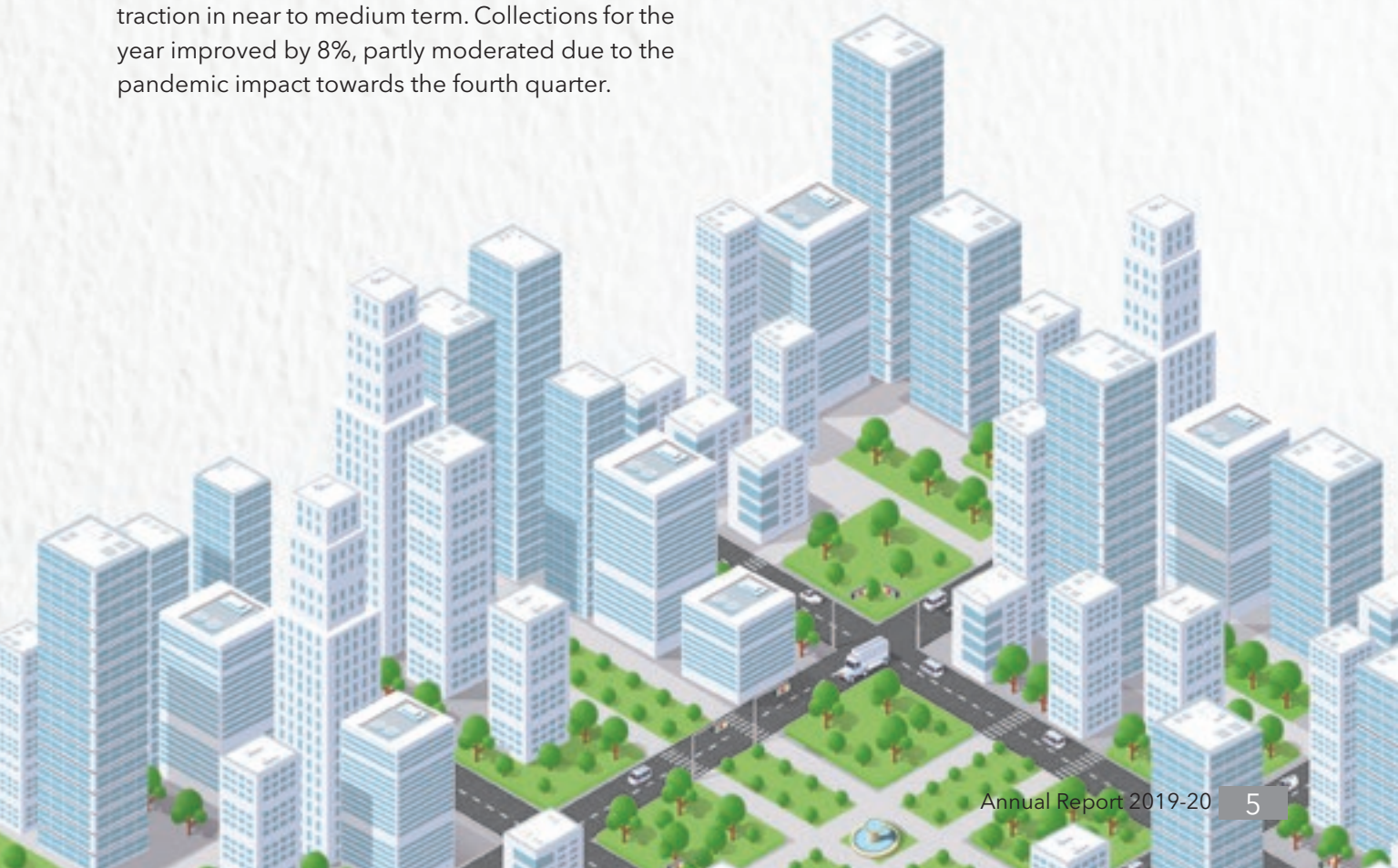
While we ended the year gone on a strong note, the current year will present its own challenges and opportunities. While we invest in our systems and processes to integrate industry best practices, we will ensure that our prudent cash flow management and operational efficiencies further builds our agility to emerge stronger from hereon. We have continuously challenged our limits and pushed ourselves to create landmark projects across our brand portfolio. Our ability to foresee opportunities across market segments has allowed us to strategically scale-up our business and create strong and enduring value for all our stakeholders.

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

Warm regards,

**Kamal Khetan**

Chairman and Managing Director







# KEY HIGHLIGHTS

₹ **6,087**  
**Million**

REVENUE FROM OPERATIONS

₹ **1,011**  
**Million**

PROFIT AFTER TAX

₹ **12,208**  
**Million**

PRE-SALES

₹ **7,151**  
**Million**

COLLECTIONS

# AWARDS



**Zee Business Real Estate Leadership Award - 2019**



**Zee Business Real Estate Leadership Award - 2019**



**ET NOW Real Estate Awards - 2019**



**ET NOW Real Estate Awards - 2019**



**ET NOW Real Estate Awards - 2019**



**Realty Plus Excellence Awards - 2018**



**Realty Plus Excellence Awards - 2017**



**Realty Plus Excellence Awards - 2017**



**NDTV Property Awards - 2015**

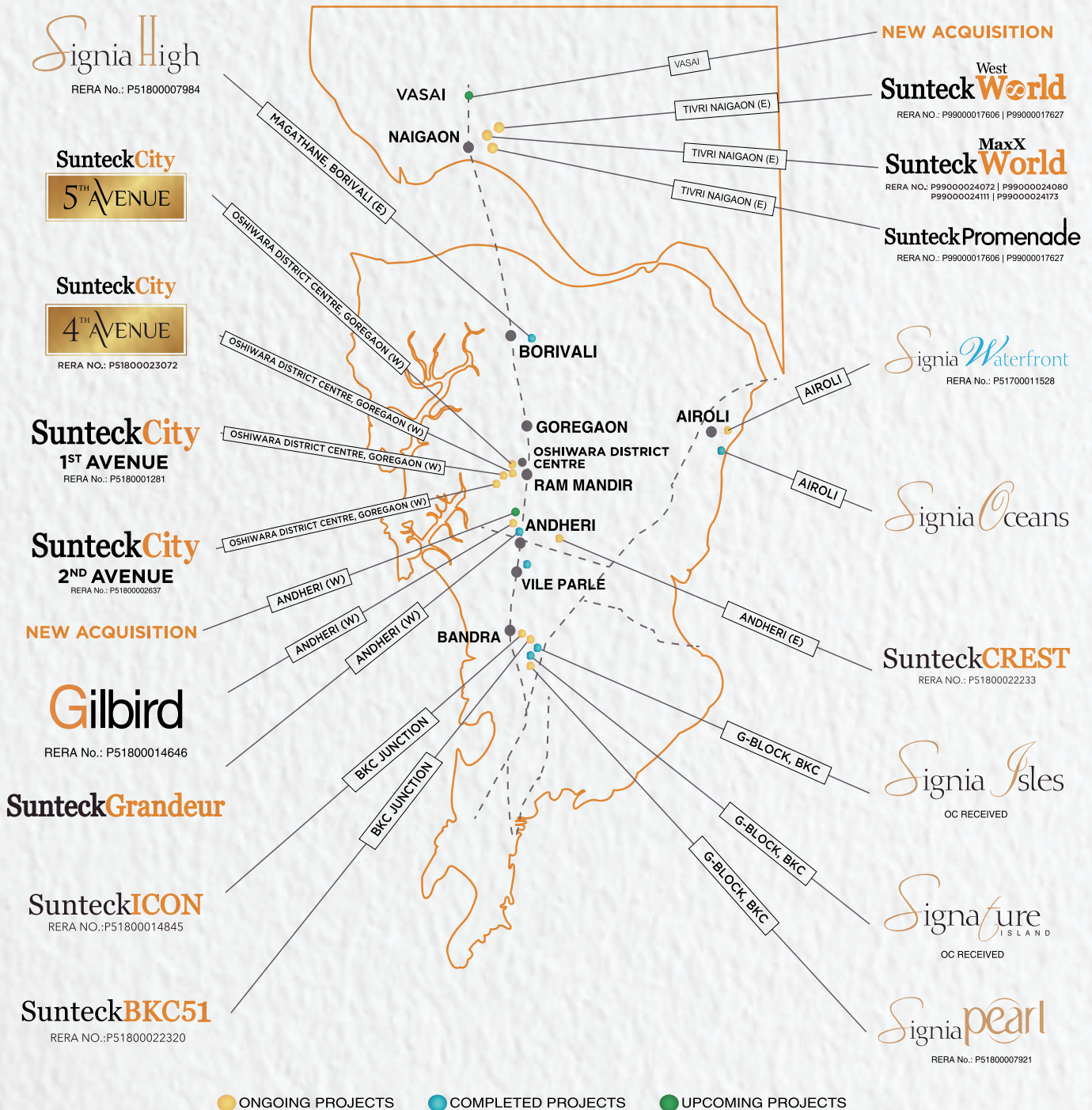






# OUR FOOTPRINT

## Our Mumbai Presence





# OUR PROJECTS

## Completed Projects - Residential

Signature  
ISLAND  
by Sunteck Realty

**G - BLOCK, BKC**

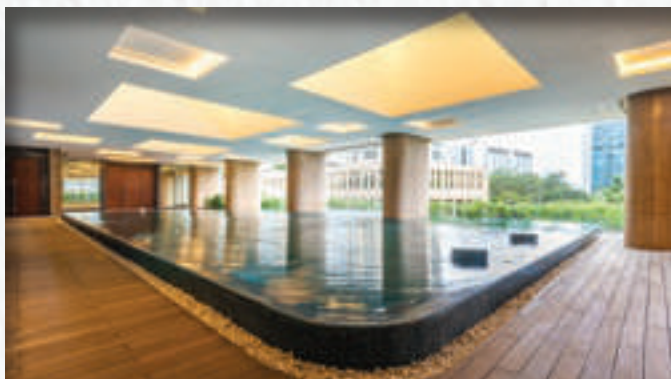
### OUR ICONIC LANDMARK WITH LIMITED-EDITION DUPLEX RESIDENCES

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

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



Artist's Impression



Actual Image



Actual Image





## Completed Projects - Residential

# Signia Isles

## G - BLOCK, BKC

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



Artist's Impression



Actual Image of Show Flat



Actual Image of Show Flat



Actual Image of Show Flat



Completed Projects - Residential

# Signia pearl

## G - BLOCK, BKC

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



Artist's Impression



Actual Image of Show Flat



Actual Image of Show Flat



Actual Image of Show Flat



Actual Image





## Completed Projects - Residential

# Signia High

## WEH - BORIVALI

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

# 81

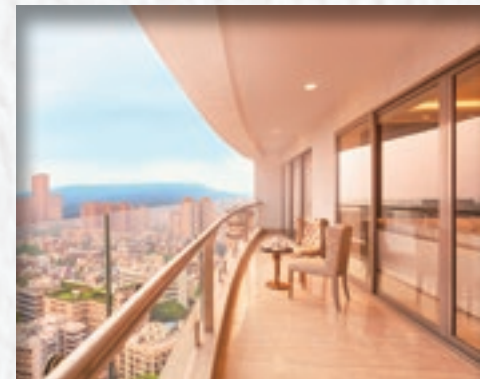
**Limited Edition Residences  
SPREAD ACROSS 2 ACRES**



Artist's Impression



Actual Image of Lobby



Actual Image of Deck



Actual Image of Show Flat



Actual Image of Show Flat



Completed Projects - Residential

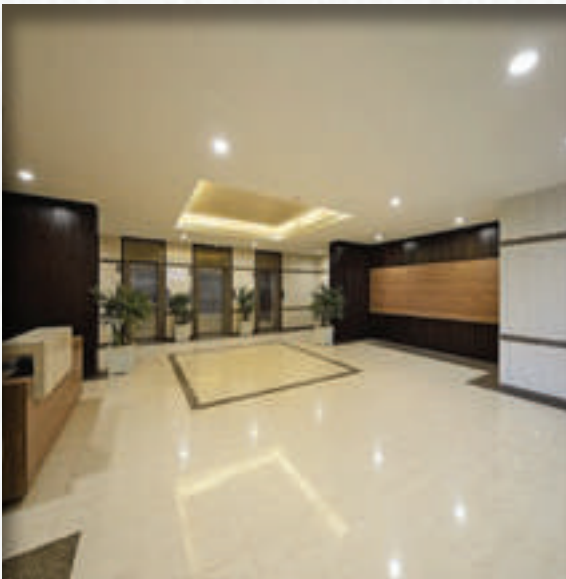
# Signia Oceans

## AIROLI

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



Actual Image



Actual Image



Actual Image



Actual Image



Actual Image





## Completed Projects - Residential

# Signia Skys

NAGPUR

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



Actual Image



Actual Image



Actual Image



Actual Image



Completed Projects - Commercial

**Sunteck**  
**Kanaka**  
corporate park

**GOA**

The most prosperous business property in Goa.



Actual Image



Actual Image

**Sunteck**  
**GRANDEUR**  
**ANDHERI (W)**

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

**Sunteck Centre**  
**VILE PARLE (E)**

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



Actual Image





## Ongoing Projects - Residential

# Signia Waterfront

by Sunteck Realty  
**AIROLI**

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



Artist's Impression



Actual Image



Actual Image of Show Flat



Actual Image of Podium



Ongoing Projects - Residential

# SunteckCity

## ODC, GOREGAON (W)

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

### 1<sup>ST</sup> & 2<sup>ND</sup> AVENUE

Sunteck City 1<sup>st</sup> & 2<sup>nd</sup> Avenue, A project with spacious deck living.



Artist's Impression



Actual Image of Show Flat



### FINEST RESIDENCES

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



Artist's Impression



Artist's Impression



Artist's Impression





## Ongoing Projects - Residential

# West Sunteck World

NAIGAON

The largest township of Western Suburbs



Artist's Impression



Artist's Impression



Ongoing Projects - Residential

# Sunteck MaxX World

NAIGAON

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



Artist's Impression



Artist's Impression



Artist's Impression



Artist's Impression





## Ongoing Projects - Residential

# Gilbird

**ANDHERI (W)**

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



Artist's Impression



Ongoing Projects - Commercial

# Sunteck **BKC51**

## BKC JUNCTION

**The gateway to success**

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



Artist's Impression



Artist's Impression

# Sunteck **ICON**

## BKC JUNCTION

**The Monument Of Perfection**

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





## Ongoing Projects - Commercial

# SunteckCREST

**ANDHERI KURLA ROAD**

### The Apex of Success

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

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



Artist's Impression



Ongoing Projects - Retail

# Sunteck Promenade

NAIGAON

The 1st ever high street retail of the Western Suburbs



Artist's Impression



Artist's Impression



Artist's Impression





# BOARD OF DIRECTORS



## KAMAL KHETAN

*Chairman & Managing Director*

An Electronics and Communication Engineer from Mangalore University.

- Over 2 decades of experience in real estate industry.
- Engaged in the overall business management, execution and strategy.



## ATUL POOPAL

*Executive Director*

Civil Engineer with more than 31 years of experience in regulatory field.

- Profound knowledge of regulations/ acts governing development.
- In-depth insights in conceptualising, planning, devising and streamlining approval process.



## RACHANA HINGARAJIA

*Director & Company Secretary*

- CS & LLB by qualification; Over 13 years of experience in Compliance function, merger & restructuring.
- Associated with the group for more than 13 years; on board since March 2015.







### **RAMAKANT NAYAK**

*Independent Director*

A certified associate of Indian Institute of Banking and also holds a degree of Science and Law.

- On board since 2010; has held leadership positions with Bank of Maharashtra, Saraswat Co-operative Bank and others.
- Over 4 decades of experience in the field of commercial banking.



### **KISHORE VUSSONJI**

*Independent Director*

A Solicitor with Bombay Incorporated Law Society and an Advocate with the Bar Council of Maharashtra.

- On board since 2008; Partner of Kanga & Co.
- Over 4 decades of experience in real estate transactions in Mumbai.



### **SANDHYA MALHOTRA**

*Independent Director*

A Practicing Company Secretary and Law graduate.

- Over 16 years of experience of corporate law compliances advising to esteemed clientele in India and overseas.
- Holds position as President, Thane Board of International Human Rights Council and also engaged in consultation in the field of corporate social responsibility and stakeholder relationship.





# CORPORATE SOCIAL RESPONSIBILITY

## GO GREEN

CSR committee started a 'Go Green' Campaign within the organisation to highlight worldly issues of Water Wastage, Paper Usage, Electricity Consumption and Cleanliness & Hygiene.

## AGILE & EFFECTIVE INITIATIVES TAKEN BY SUNTECK GROUP FOR THEIR CONSTRUCTION WORKERS

Sunteck had 2,000 construction workers and to discourage the migrant workers from traveling back to their hometowns during the Covid-19 times, the projects team ensured their stay is comfortable, they got adequate food facilities and their hygiene was monitored through onsite medical assistance at all project sites.





# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Mr. Kamal Khetan**  
*Chairman & Managing Director*

**Mr. Atul Poopal**  
*Executive Director*

**Mr. Kishore Vussonji**  
*Independent Director*

**Mr. Ramakant Nayak**  
*Independent Director*

**Mrs. Sandhya Malhotra**  
*Independent Director*

**Mrs. Rachana Hingarajia**  
*Director & Company Secretary*

## AUDITORS

### Statutory:

**Lodha & Company**  
(Chartered Accountants)

### Internal:

**Pricewaterhouse Coopers  
(PWC)**

## ADDRESS OF REGISTERED OFFICE

5th Floor, Sunteck Centre  
Subhash Road, Vile Parle (E)  
Mumbai 400 057  
CIN: L32100MH1981PLC025346  
Tel: +91 22 4287 7800  
Fax: +91 22 4287 7890  
Website : [www.sunteckindia.com](http://www.sunteckindia.com)  
Email: [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com)

## REGISTRAR AND TRANSFER AGENTS

**Link Intime India Private Limited**  
C-101, 247 Park, L.B.S. Marg  
Vikhroli (West)  
Mumbai 400 083  
Tel No: +91 22 4918 6000  
Fax No: +91 22 4918 6060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)





## Directors' Report

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

Your Directors have the pleasure in presenting the 37<sup>th</sup> Annual Report of the Company on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2020.

### FINANCIAL HIGHLIGHTS

The Company's performance during the financial year ended 31<sup>st</sup> March, 2020 as compared to the previous financial year, is summarised below:

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended on 31.03.2020	For the year ended on 31.03.2019	For the year ended on 31.03.2020	For the year ended on 31.03.2019
Revenue from Operations	29,351.59	23,793.45	60,783.45	85,679.21
Other Income	3,910.20	7,034.85	2,371.62	3,432.55
Total Income	33,261.79	30,828.30	63,155.08	89,111.76
Total Expenditure	22,889.37	11,290.93	49,305.11	52,181.40
Profit for the period before tax and share of profit/ (loss) of Associates/ Joint ventures	10,372.42	19,537.37	13,849.97	36,930.36
Share of profit/(loss) of Associate/ Joint Ventures	-	-	43.28	25.05
Profit Before Tax	10,372.42	19,537.37	13,893.25	36,955.41
Current Tax	1,225.67	459.46	3,457.42	12,740.18
Deferred Tax	(1205.54)	44.83	323.93	102.75
Profit After Tax	10,352.29	19,033.08	10,111.90	24,112.48
Other Comprehensive Income	(48.31)	(8.85)	1,037.58	(92.68)
Total Comprehensive Income	10,303.98	19,024.23	11,149.48	24,019.80

Note: Your Company has adopted Indian Accounting Standards (referred to as Ind AS) with effect from 1<sup>st</sup> April, 2016 and accordingly these financial statements along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules framed thereunder and other accounting principles generally accepted in India.

### REVIEW OF OPERATIONS

During the year under review, the consolidated total income for the current year amounted to ₹ 63,155.08/- Lakhs compared to ₹ 89,111.76/- Lakhs in the previous year. The profit before tax on consolidated basis stands at ₹ 13,893.25/- Lakhs as compared to ₹ 36,955.41/- Lakhs during the previous year.

The total income earned is ₹ 33,261.79/- Lakhs compared to previous year's revenue of ₹ 30,828.30/- Lakhs on standalone basis. The profit before tax on standalone basis stands at ₹ 10,372.42/- Lakhs compared to profit before tax of ₹ 19,537.37/- Lakhs during the previous year.

### NATURE OF BUSINESS

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

## Directors' Report (Contd.)

### DIVIDEND

Your Directors are pleased to recommend a dividend of 150 % i.e. ₹ 1.5/- per equity share having face value of ₹ 1 each held by persons/entities other than promoter and promoter group and a dividend of 75% i.e. ₹ 0.75 per equity share having face value of ₹ 1 each held by promoters and promoter group out of the profits of the Company for the financial year 2019-20 subject to approval of shareholders at the ensuing Annual General Meeting (AGM). Total outflow on account of dividend shall amount to ₹ 14,58,28,247 (Rupees Fourteen Crores Fifty Eight Lakhs Twenty Eight Thousand Two Hundred and Forty Seven only).

### TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to reserves out of the profits earned during financial year 2019-20.

### SHARE CAPITAL

During the year under review, your Company allotted 8,222 and 27,018 Equity Shares of Face Value of ₹ 1/- each (Rupee One Only) on 1<sup>st</sup> April, 2019 and 23<sup>rd</sup> December, 2019 respectively to option grantees pursuant to exercise of options under Company's Employee Stock Option Scheme 2017 (ESOS 2017). All allotted shares rank pari-passu to the existing shares of the Company in all respects.

Pursuant to the above allotments, the paid up capital of the Company increased to 14,63,71,879 Equity shares of ₹ 1/- each aggregating to ₹ 14,63,71,879/- (Rupees Fourteen Crores Sixty Three Lakhs Seventy One Thousand Eight Hundred and Seventy Nine).

### REDEMPTION OF NON-CONVERTIBLE DEBENTURES DURING THE YEAR

The Company has made timely payment of interest and redemption amount to the Debentureholders of 2000, 11.75 % Secured, Redeemable, Non-Convertible Debentures (NCD) Series D.

The Company does not have any outstanding Non-Convertible Debentures as on 31<sup>st</sup> March, 2020.

### DEPOSITS

In terms of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year financial year 2019-20, your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

### SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

As on 31<sup>st</sup> March, 2020, the Company had 18 subsidiaries which includes 3 foreign companies and 4 LLPs. Additionally, the Company has 5 joint venture / associates which includes 1 foreign company and 3 LLPs. During the year, the Company constituted a joint venture viz. Yukti Infraprojects LLP and acquired a wholly owned subsidiary viz. Magnate Industries LLP.

Pursuant to the National Company Law Tribunal (NCLT) order dated 8<sup>th</sup> August, 2019 the wholly owned subsidiaries of the Company viz. Amenity Software Private Limited, Magenta Computer Software Private Limited and Sunteck Fashions and Lifestyle Private Limited were merged with the Company.

As per Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company, its subsidiaries, associates and joint venture entities in accordance with applicable Accounting Standards issued by The Institute of Chartered Accountants of India, forms part of this Annual Report. The performance and financial position of each of the subsidiaries, associates and Joint Venture companies for the year ended 31<sup>st</sup> March, 2020 is attached to the financial statements hereto in Form AOC 1.

In terms of Section 136 of the Companies Act, 2013, separate audited accounts in respect of each of subsidiaries have been placed on the website of the Company. Further, the Company shall provide a copy of separate audited annual





## Directors' Report (Contd.)

accounts in respect of each of its subsidiary to any member of the company who asks for it and said annual accounts will also be kept open for inspection at the Registered Office of the Company.

The Company has formulated a policy for determining 'material' subsidiaries and such policy is disclosed on Company's website.

### MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the shareholders of the Company at the AGM dated 27<sup>th</sup> September, 2019 approved the continuance of directorship of Mr. Ramakant Nayak and Mr. Kishore Vussonji even after attaining the age of 75 years considering their valued association with the Company. Appointment of Ms. Sandhya Malhotra, Independent Director was approved by the shareholders of the Company at the AGM dated 27<sup>th</sup> September, 2019 for a term of up to 5 consecutive years from 1<sup>st</sup> April, 2019.

During the year under review, Mr. Manoj Agarwal was appointed Chief Financial Officer and Key Managerial Personnel of the Company with effect from 14<sup>th</sup> June, 2019.

The Board has received declarations from the Independent Directors as per the requirement of Section 149(7) of the Companies Act, 2013 and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013. Further, the Board is of the opinion that the existing and new Independent Directors of the Company appointed during the year possess requisite qualities to act as Independent Directors including integrity, relevant expertise and experience. The Board further confirms that the Independent Directors who were required to, have duly passed the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

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

### DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

#### Board Meetings

The Board of Directors met 5 times during the financial year ended 31<sup>st</sup> March, 2020 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

The Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations. For further details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Annual Report.

#### Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2020, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March, 2020 and of the profits of the Company for the year ended on that date;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with

## Directors' Report (Contd.)

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

### Committees of the Board

#### a) Audit Committee

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

#### b) Nomination and Remuneration Committee

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

#### c) Corporate Social Responsibility Committee

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

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

The Company has undertaken projects in the areas of Education and Environment Sustainability as part of its initiatives under Corporate Social Responsibility (CSR) which are in accordance with Schedule VII of the Companies Act, 2013.

#### d) Other Board Committees

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

### Vigil Mechanism for the Directors and Employees

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

### Risk Management

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

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



## Directors' Report (Contd.)

### Annual Evaluation of Directors, Committee and Board

A formal evaluation mechanism has been adopted for evaluating the performance of the Board, the Committees thereof, individual Directors and the Chairman of the Board. The evaluation is based on criteria which include, among others, providing strategic perspective, integrity and maintenance of confidentiality and independence of judgment, Chairmanship of Board and Committees, attendance, time devoted and preparedness for the Meetings, quality, quantity and timeliness of the flow of information between the Board Members and the Management, contribution at the Meetings, effective decision making ability, monitoring the corporate governance practices, role and effectiveness of the Committees and effective management of relationship with stakeholders. Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of its directors individually and the committees of the Board and the same is reviewed by the Nomination and Remuneration Committee.

### Particulars of Remuneration

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

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

### DISCLOSURE RELATING TO EMPLOYEE STOCK OPTION SCHEMES

In compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended thereto, the details of Employees Stock Option Schemes of the Company as on 31<sup>st</sup> March, 2020 are furnished in Annexure II attached herewith and forms part of this Report and is also available on the website of the Company <https://www.sunteckindia.com/financials.php>. The ESOS Schemes of the Company are in compliance with the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 and a certificate from statutory auditors of the Company has been obtained for the same.

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

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

### PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

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

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

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

## Directors' Report (Contd.)

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

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

### INTERNAL FINANCIAL CONTROLS

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

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

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

### STATUTORY AUDIT AND AUDITORS' REPORT

Pursuant to the provisions of 139(2) of the Act, the term of M/s. Lodha & Co. (Firm Registration No. 301051E), Chartered Accountants, will conclude at the upcoming AGM of the Company to be held in 2020. The Board has recommended the appointment of Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) as Statutory Auditors of the Company from the conclusion of the 37<sup>th</sup> AGM to the conclusion of the 42<sup>nd</sup> AGM of the Company to be held in the year 2025. The Company has received a certificate from Walker Chandiook & Co. LLP that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

#### Observations of statutory auditors on accounts for the year ended 31<sup>st</sup> March, 2020:

There are no qualifications, reservations or adverse remarks made by M/s. Lodha & Co. Chartered Accountants, Statutory Auditors of the Company, in their report for the financial year ended 31<sup>st</sup> March, 2020.

Pursuant to provisions of section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

### SECRETARIAL AUDIT

As required under provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the report in respect of the Secretarial Audit carried out by Mr. Veeraraghavan N., Company Secretary in practice in Form MR-3 for the financial year 2019-20 forms part to this report. The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditor.

### COST AUDIT

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, maintenance of Cost records and Cost Audit is applicable and has been complied with by the Company. On the recommendation of the Audit Committee, the Board has re-appointed M/s. Kejriwal & Associates, Cost Accountants (Firm Registration No. 101363), to audit the cost accounts of the Company for the financial year ending on 31<sup>st</sup> March, 2020. Remuneration payable to the Cost Auditor needs to be ratified by the members of the Company and hence, a resolution seeking members' ratification for the remuneration payable to the Cost Auditor is included in the Notice convening the AGM.





## Directors' Report (Contd.)

### EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March, 2020 made under the provisions of Section 92(3) of the Act is attached as Form MGT 9 as Annexure III which forms part of this Report and is also available on website at <https://www.sunteckindia.com/financials.php>.

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

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

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

- |                               |                                     |
|-------------------------------|-------------------------------------|
| i) Foreign Exchange Earned:   | ₹ 2,44,19,786 (P.Y. ₹ 9,17,41,945)  |
| ii) Foreign Exchange Outflow: | ₹ 2,42,95,334 (P.Y. ₹ 15,40,95,427) |

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

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

### COMPLIANCE WITH SECRETARIAL STANDARDS

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

### OTHER DISCLOSURES

#### Corporate Governance

The report on Corporate Governance and the certificate from the Statutory Auditors regarding compliance with the conditions of Corporate Governance have been furnished in the Annual Report.

#### Management Discussion and Analysis Report

The Management Discussion and Analysis report has been separately furnished in the Annual Report.

#### Business Responsibility Report

Pursuant to Regulation 34(2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report of the Company for the financial year ended 31<sup>st</sup> March, 2020 is attached as Annexure IV which forms part of this Report.

## Directors' Report (Contd.)

### Investor Education and Protection Fund ('IEPF')

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

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

The details of the unclaimed dividend along with the names and addresses of the shareholders are mentioned on the website of the Company [www.sunteckindia.com](http://www.sunteckindia.com). Members who have so far not encashed the dividend warrant are requested to encash the same.

### ACKNOWLEDGEMENT AND APPRECIATION

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

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

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

**Kamal Khetan**

Chairman & Managing Director  
DIN: 00017527

Mumbai, 28<sup>th</sup> July, 2020



## Annexure 'I'

### Annual Report on CSR Activities

#### 1. Composition of the CSR Committee:

Name of the Director	Category	Position
Mr. Kamal Khetan	Executive and Non Independent Director	Chairman
Mr. Ramakant Nayak	Non-Executive and Independent Director	Member
Mr. Kishore Vussonji	Non-Executive and Independent Director	Member

#### 2. CSR Policy

Web link: <http://www.sunteckindia.com/codes-policies.php>

#### 3. Average net profit of the Company for last three financial years:

Average net profit: ₹ 1,55,45,15,197/-

#### 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is required to spend ₹ 3,10,90,304/- towards CSR.

#### 5. Details of CSR spend for the financial year:

- Total amount spent for the financial year: ₹ 87,19,940/-
- Amount unspent, if any : ₹ 2,23,70,364/-
- Manner in which the amount spent during the financial year is detailed below:

Sr. No.	Projects / Activities	Relevant Section of Schedule VII in which the Project is Covered	Locations	Amount Outlay (Budget) Project or Programs Wise	Amount spent on the project or programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or Indirect
1.	Promoting Higher Education	(ii) promoting education	Mohali	50,00,000	50,00,000	50,00,000	Indirect through Reimaging Higher Education Foundation
2.	Beautification work near Mithi River	(iv) ensuring environmental sustainability	Mumbai	37,19,940	37,19,940	37,19,940	Direct

#### 6. Reasons for failure to spend the two percent of the average net profit of the last three financial years or any part thereof:

The actual CSR spending of the Company fell short of the targeted spending for the financial year 2019-20 due to the time taken in identifying the CSR projects and identifying implementing agencies with better skills and experience to partner for CSR activities. The Company endeavors to achieve the targeted spending on CSR in coming years.

#### 7. Responsibility statement

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of your Company.

**For Sunteck Realty Limited**

**Kamal Khetan**

Chairman of CSR Committee  
DIN: 00017527

Mumbai, 28<sup>th</sup> July, 2020

## Annexure 'II'

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

Particulars	Employee Stock Options Scheme-2017	Employee Stock Options Scheme-2018	Employee Stock Options Scheme-2019
Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time	<b>Refer notes to financial statements</b>		
Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Indian Accounting Standard (Ind AS) 102	₹ 7.06/-		
Date of shareholders' approval	26 <sup>th</sup> September, 2017	27 <sup>th</sup> September, 2018	27 <sup>th</sup> September, 2019
Total number of options approved for grants under the Scheme	12,50,000	14,00,000	14,00,000
Vesting requirements	As specified by the Nomination and Remuneration Committee subject to minimum 1 year from the date of grant		
Exercise Price or Pricing formula	₹ 225	₹ 325	*
Maximum term of options granted	As may be decided by the Nomination and Remuneration Committee as per the prevalent regulatory provisions.		
Source of Shares (primary, secondary or combination)	Primary Allotment		
Variation of terms of options	N.A.	N.A.	N.A.
Method used to account for ESOS. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	The Company adopts the fair value method to account for the stock options it grants to the employees.		
Number of options outstanding as on 1 <sup>st</sup> April, 2019	2,96,424	33,846	N.A.
Number of options granted during 2019-20	Nil	Nil	NA
Number of options forfeited/lapsed during 2019-20	23,112	19,231	NA
Number of options vested during 2019-20	61,889	Nil	NA
Number of options exercised during 2019-20	27,018	Nil	NA
Number of shares arising as a result of exercise of options during 2019-20	35,240 equity shares**	Nil	NA
Money realised by exercise of options, if Scheme implemented directly by the Company	₹ 60,79,050	N.A.	NA



## Annexure 'II' (Contd.)

Disclosure of Information in respect of Employees Stock Option Scheme:

Particulars	Employee Stock Options Scheme-2017	Employee Stock Options Scheme-2018	Employee Stock Options Scheme-2019
Loan repaid by the Trust during the year from exercise price received	N.A.	N.A.	NA
Number of options outstanding at the end of the year	2,46,294	14,615	NA
Number of options exercisable at the end of the year	33,849	2,923	NA
Weighted average exercise price and weighted average fair value of options whose exercise price equals or exceeds or is less than market price of the stock-			
a) Weighted average exercise price per stock option	₹ 225	₹ 325	
b) Weighted Average Fair Value of options	₹ 175.50/- for options whose vesting is effective from 01/10/2018 and ₹ 197.25 for options whose vesting is effective from 01/12/2019.	₹ 143.25/- for options whose vesting is effective from 01/02/2020	
Employee-wise details of options granted to -			
(i) Senior Managerial Personnel/Key Managerial Personnel	1. Mr. Atul Poopal (ED) - 55,556 2. Mrs. Rachana Hingarajia (CS) - 20,000 3. Mr. Manoj Agarwal (CFO) - 8,889	N.A.	N.A.
(ii) Any other employee who receives a grant, in any one year of option amounting to 5% or more of option granted during that year#	NA	NA	NA
(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil	Nil	Nil
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following weighted-average information-			

## Annexure 'II' (Contd.)

Disclosure of Information in respect of Employees Stock Option Scheme:

Particulars	Employee Stock Options Scheme-2017		Employee Stock Options Scheme-2018	Employee Stock Options Scheme-2019
	Series I	Series II		
a) Risk-free interest rate	6.37%	7.64%	7.31%	-
b) Expected life	3.34 years	3.34 years	3.80 years	-
c) Expected volatility	38.81%	40.44%	40.12%	-
d) Expected dividends	0.43%	0.49%	0.49%	-
e) Closing price of the underlying share in market at the time of option grant	₹ 326.05/-	₹ 346.10/-	₹ 342.25/-	-
Method used and the assumptions made to incorporate the effects of expected early exercise	Not Applicable			
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Expected Annualised Volatility (Standard deviation) is variation of stock prices on recognised stock exchange. Annualised volatility is calculated based on spread between daily opening and closing prices of the Company's Share on BSE Limited over the last 5 years.			
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	The Black-Scholes Option Pricing Model is used as suggested under Ind AS - 102, which requires the consideration of certain variables such as volatility (standard deviation), risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option. These variables significantly influence the fair value and any change in these variables could significantly affect the fair value of the option.			

Employee Stock Options Scheme-2013 has been withdrawn by the Board of Directors of the Company and there are no outstanding options.

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

\*No grants have been made under ESOS 2019.

\*\*Includes 8,222 equity shares exercised and pending allotment as on 31st March 2019 and which were allotted on 1st April, 2019.

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

**Kamal Khetan**

Chairman & Managing Director  
DIN: 00017527

Mumbai, 28<sup>th</sup> July, 2020



## Annexure 'III'

### EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2020

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

#### FORM MGT-9

#### I. REGISTRATION AND OTHER DETAILS

CIN	L32100MH1981PLC025346
Registration Date	01.10.1981
Name of the Company	Sunteck Realty Limited
Category/ Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057 Website :www.sunteckindia.com Email Add: cosec@sunteckindia.com Contact No.: 022-42877800 Fax No.: 022-42877890
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083. Contact no.: 022- 49186270 Fax No.: 022- 49186060 E-mail id: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main Products/Services	NIC code of the Product/ Service	% to total turnover of the Company
Construction of buildings and Real estate activities with own or leased property	41001, 68100	88.24

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES INCLUDING JOINT VENTURES (JV)

Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate/ JV	% of Shares held	Applicable Section
Satguru Infocorp Services Private Limited 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	U74140MH1999PTC122127	Subsidiary	100	2(87)
Sunteck Property Holdings Private Limited 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	U70102MH2010PTC211484	Subsidiary	100	2(87)

## Annexure 'III' (Contd.)

Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate/ JV	% of Shares held	Applicable Section
Sunteck Realty Holdings Private Limited 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	U70200MH2013PTC242501	Subsidiary	100	2(87)
Starlight Systems Private Limited 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	U70200MH2000PTC125475	Subsidiary	100	2(87)
Sahrish Constructions Private Limited 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	U45400MH2012PTC233184	Subsidiary	100	2(87)
Starteck Lifestyle Private Limited 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	U74900MH2012PTC232793	Subsidiary	100	2(87)
Advaita Infraprojects Private Limited 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	U45203MH2011PTC223208	Subsidiary	100	2(87)
Sunteck Real Estates Private Limited 5th Floor, Sunteck Centre, 37-40, Subhash Road, Vileparle (East), Mumbai 400057.	U74120MH2015PTC271422	Subsidiary	100	2(87)
Sunteck Infraprojects Private Limited 5th Floor, Sunteck Centre, 37-40, Subhash Road, Vileparle (East), Mumbai 400057.	U74120MH2015PTC271094	Subsidiary	100	2(87)
Skystar Buildcon Private Limited 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	U70102MH2010PTC198509	Step down Subsidiary	100	2(87)
Satguru Corporate Services Private Limited 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	U74120MH2011PTC211816	Step Down Subsidiary	100	2(87)
Sunteck Lifestyle International Private Limited C/o IQEQ, 33, Edith Cavell Street, Port Louis, Republic of Mauritius.	119272 C1/GBL	Foreign Subsidiary	100	2(87)



## Annexure 'III' (Contd.)

Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate/ JV	% of Shares held	Applicable Section
Sunteck Lifestyles Limited Lease office building 16, Office No.16133, 1st Floor, P.O.Box No.16952, Jebel Ali free Zone, Dubai, UAE.	161719	Step Down Foreign Subsidiary	100	2(87)
Sunteck Lifestyle Management DMCC Unit No. 30-01-2079, Floor No. 1, Building No. 3, Plot No. 550-554, J & G, DMCC, Dubai, UAE.	134432	Step Down Foreign Subsidiary	100	2(87)
GGICO Sunteck Limited 15th Floor, The Maze Tower, P.O.Box 9275, Dubai, United Arab Emirates.	166068	Joint Venture	50	2(6)
Piramal Sunteck Realty Private Limited 8th Floor, Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013.	U70102MH2007PTC176348	Joint Venture	50	2(6)
Starlight Systems (I) LLP 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	AAB-4193	Subsidiary	100	2(87)
Mithra Buildcon LLP 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	AAA-2993	Subsidiary	100	2(87)
Nariman Infrastructure LLP 5th Floor, Sunteck Centre, Subhash Road, Vile Parle (E), Mumbai 400057.	AAA-6334	Joint Venture	50	2(6)
Uniworth Realty LLP 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	AAA-4219	Joint Venture	50	2(6)
Clarissa Facility Management LLP 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	AAH-8590	Subsidiary	100	2(87)
Yukti Infraprojects LLP 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	AAR-7021	Joint Venture	50	2(6)
Magnate Industries LLP 5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E), Mumbai 400057.	AAN-0823	Subsidiary	100	2(87)

## Annexure 'III' (Contd.)

### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

#### i) Category-wise Shareholding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>										
<b>(1) Indian</b>										
	a) Individual/HUF	5581182	-	5581182	3.81	5581160	-	5581160	3.81	0.00
	b) Central Govt.	-	-	-	-	-	-	-	-	-
	c) State Govt.(s)	-	-	-	-	-	-	-	-	-
	d) Bodies Corporate	8521288	-	8521288	5.83	14597244	-	14597244	9.97	4.1
	e) Banks / FI	-	-	-	-	-	-	-	-	-
	f) Any other	84170691	-	84170691	57.52	78127691	-	78127691	53.38	(4.12)
	<b>Sub- Total(A)(1):</b>	<b>98273161</b>		<b>98273161</b>	<b>67.16</b>	<b>98306095</b>	<b>-</b>	<b>98306095</b>	<b>67.16</b>	<b>0.02</b>
<b>(2) Foreign</b>										
	a) NRI's- Individuals	-	-	-	-	-	-	-	-	-
	b) Other - Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corporate	-	-	-	-	-	-	-	-	-
	e) Banks / FI	-	-	-	-	-	-	-	-	-
	f) Any other	-	-	-	-	-	-	-	-	-
	<b>Sub- Total(A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoters(A)= (A)(1)+(A)(2)</b>	<b>98273161</b>	<b>-</b>	<b>98273161</b>	<b>67.16</b>	<b>98306095</b>	<b>-</b>	<b>98306095</b>	<b>67.16</b>	<b>0.02</b>
<b>B. Public Shareholding</b>										
<b>(1) Institutions</b>										
	a) Mutual Funds/ UTI	1698741	-	1698741	1.16	3698226	-	3698226	2.53	1.37
	b) Banks/FI	40506	-	40506	0.03	11974	-	11974	0.01	(0.02)
	c) Central Govt.	-	-	-	-	4010	-	4010	0.00	0.00
	d) State Govt.(s)	-	-	-	-	-	-	-	-	-
	e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	396452	-	396452	0.27	264452	-	264452	0.18	(0.09)
	g) FII's/FPIs	39718726	-	39718726	27.14	38819197	-	38819197	26.52	(0.62)
	h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i) Others (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total(B)(1):</b>	<b>41854425</b>	<b>-</b>	<b>41854425</b>	<b>28.60</b>	<b>42797859</b>	<b>-</b>	<b>42797859</b>	<b>29.24</b>	<b>0.64</b>
<b>(2) Non-Institutions</b>										
	a) Bodies Corporate									
	i) Indian	2946567	-	2946567	2.01	2312813	-	2312813	1.58	(0.43)
	ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individuals									



## Annexure 'III' (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	1769460	5010	1774470	1.21	1405557	10	1405567	0.96	(0.25)
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	695284	-	695284	0.48	705872	-	705872	0.48	0.00
c) Others (specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI / OCBs	289785	-	289785	0.20	292075	-	292075	0.20	0.00
v) Clearing Members / Clearing House	445636	-	445636	0.30	488851	-	488851	0.33	0.03
vi) HUF	50402	-	50402	0.03	57052	-	57052	0.04	0.01
vii) Employee Trust	-	-	-	-	900	-	900	0.00	0.00
viii) Limited Liability Partnership	-	-	-	-	-	-	-	-	-
ix) Foreign Portfolio Investor (Category III)	2925	-	2925	0.00	4795	-	4795	0.00	0.00
x) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d) NBFCs registered with RBI	3984	-	3984	0.00	-	-	-	0.00	(0.00)
<b>Sub-Total (B)(2):</b>	<b>6204043</b>	<b>5010</b>	<b>6209053</b>	<b>4.24</b>	<b>5267915</b>	<b>10</b>	<b>5267925</b>	<b>3.59</b>	<b>(0.64)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>48058468</b>	<b>5010</b>	<b>48063478</b>	<b>32.84</b>	<b>48065774</b>	<b>10</b>	<b>48065784</b>	<b>32.84</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>146331629</b>	<b>5010</b>	<b>146336639</b>	<b>100.00</b>	<b>146371869</b>	<b>10</b>	<b>146371879</b>	<b>100.00</b>	<b>0.02</b>

## Annexure 'III' (Contd.)

### (ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	
Manisha Khetan	160	0.00	-	150	0.00	-	(0.00)
Kamal Khetan	162	0.00	-	150	0.00	-	(0.00)
Akrur Khetan	2240620	1.53	-	2240620	1.53	-	-
Anupma Khetan	2352660	1.61	-	2352660	1.61	-	-
Shanti Khetan	987580	0.67	-	987580	0.67	-	-
Satguru Infocorp Services Pvt. Ltd.	3000000	2.05	-	3000000	2.05	-	-
Starlight Systems Private Limited	3000000	2.05	-	3000000	2.05	-	-
Samagra Wealthmax Private Limited	229829	0.16	-	3834829	2.62	-	2.46
Eskay Infrastructure Development Private Limited	950454	0.65	-	2258410	1.54	-	0.89
Glint Infraprojects Private Limited	1026631	0.70	-	2189631	1.5	-	0.80
Stardeck Infraprojects Private Limited	314374	0.21	-	314374	0.21	-	-
Paripurna Trust	21548908	14.73	-	16133908	11.02	-	(3.71)
Astha Trust	18617487	12.72	-	15424487	10.54	-	(2.18)
Matrabhav Trust	44004296	30.07	-	46569296	31.82	-	1.75
<b>Total</b>	<b>98273161</b>	<b>67.16</b>	<b>-</b>	<b>98306095</b>	<b>67.16</b>	<b>-</b>	<b>-</b>

### (iii) Change in Promoters' Shareholding

S. I. Manisha Khetan	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	160	0.00	160	0.00
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):				
Decrease in shareholding as on 19 <sup>th</sup> November, 2019 (Inter-se Transfer)	(10)	0.00	150	0.00
At the end of the year	<b>150</b>	<b>0.00</b>	<b>150</b>	<b>0.00</b>

## Annexure 'III' (Contd.)

S. II. Kamal Khetan	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	162	0.00	162	0.00
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):				
Decrease in shareholding as on 19 <sup>th</sup> November, 2019 (Inter-se Transfer)	(12)	0.00	150	0.00
At the end of the year	<b>150</b>	<b>0.00</b>	<b>150</b>	<b>0.00</b>

S. III. Samagra Wealthmax Private Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	229829	0.16	229829	0.16
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):				
Increase in shareholding as on 13 <sup>th</sup> May, 2019 (Inter-se Transfer)	3605000	2.46	3834829	2.62
At the end of the year	<b>3834829</b>	<b>2.62</b>	<b>3834829</b>	<b>2.62</b>

S. IV. Eskay Infrastructure Development Private Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	950454	0.65	950454	0.65
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):				
Increase in shareholding as on 19 <sup>th</sup> November, 2019 (Inter-se Transfer)	1275022	0.87	2225476	1.52
Increase in shareholding as on 24 <sup>th</sup> March, 2020 and 25 <sup>th</sup> March, 2020 (Purchase)	32934	0.02	2258410	1.54
At the end of the year	<b>2258410</b>	<b>1.54</b>	<b>2258410</b>	<b>1.54</b>



## Annexure 'III' (Contd.)

S. V. Glint Infraprojects Private Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1026631	0.70	1026631	0.70
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):				
Increase in shareholding as on 13 <sup>th</sup> May, 2019 (Purchase)	1163000	0.80	2189631	1.50
<b>At the end of the year</b>	<b>2189631</b>	<b>1.50</b>	<b>2189631</b>	<b>1.50</b>

S. VI. Paripurna Trust	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	21548908	14.73	21548908	14.73
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):				
Decrease in shareholding as on 13 <sup>th</sup> May, 2019 (Inter-se Transfer and Sale)	(4140000)	2.83	17408908	11.90
Decrease in shareholding as on 19 <sup>th</sup> November, 2019 (Inter-se Transfer)	(1275000)	0.87	16133908	11.02
<b>At the end of the year</b>	<b>16133908</b>	<b>11.02</b>	<b>16133908</b>	<b>11.02</b>

S. VII. Astha Trust	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	18617487	12.72	18617487	12.72
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):				
Decrease in shareholding as on 13 <sup>th</sup> May, 2019 (Sale)	(628000)	0.43	17989487	12.29
Decrease in shareholding as on 19 <sup>th</sup> November, 2019 (Inter-se Transfer)	(2565000)	1.75	15424487	10.54
<b>At the end of the year</b>	<b>15424487</b>	<b>10.54</b>	<b>15424487</b>	<b>10.54</b>

## Annexure 'III' (Contd.)

S. VIII. Matrabhav Trust	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	44004296	30.07	44004296	30.07
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):				
Increase in shareholding as on 19 <sup>th</sup> November, 2019 (Inter-se Transfer)	2565000	1.75	46569296	31.82
<b>At the end of the year</b>	<b>46569296</b>	<b>31.82</b>	<b>46569296</b>	<b>31.82</b>

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

For Each of the Top 10 shareholders*	Shareholding at the beginning of the year		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
THE PABRAI INVESTMENT FUND IV, LP	5462973	3.73	5462973	3.73
FIDELITY INVESTMENT TRUST FIDELITY SERIES EMERGING MARKETS FUND	3586457	2.45	4644309	3.17
BNP PARIBAS ARBITRAGE - ODI	4131452	2.82	3748622	2.56
PABRAI INVESTMENT FUND 3, LTD	3510676	2.40	3510676	2.40
THE PABRAI INVESTMENT FUND II, LP	3496822	2.39	3496822	2.39
FIDELITY INVESTMENT TRUST FIDELITY INTERNATIONAL DISCOVERY FUND	3638783	2.49	3114219	2.13
FIL INVESTMENTS(MAURITIUS)LTD	2993438	2.05	2992004	2.04
L&T MUTUAL FUND TRUSTEE LIMITED-L&T EMERGING BUSINESSES FUND	0	0.00	2477200	1.69
FIAM GROUP TRUST FOR EMPLOYEE BENEFIT PLANS - FIAM EMERGING MARKETS COMMINGLED POOL	1752596	1.20	1719248	1.18
AL MEHWAR COMMERCIAL INVESTMENTS LLC - (NOOSA)	1176800	0.80	1176800	0.80

\* The shares of the Company are traded on a daily basis and hence the datewise increase / decrease in shareholding is not indicated.

Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

## Annexure 'III' (Contd.)

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

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Mr. Kamal Khetan, Chairman &amp; Managing Director</b>				
At the beginning of the year	162	0.00	162	0.00
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0.00
Decrease in shareholding as on 19 <sup>th</sup> November, 2019 (Inter-se Transfer)	(12)	0.00	150	0.00
<b>At the end of the year</b>	<b>150</b>	<b>0.00</b>	<b>150</b>	<b>0.00</b>

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Mrs. Rachana Hingarajia, Woman Director and Company Secretary</b>				
At the beginning of the year	4000	0.00	4000	0.00
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
<b>At the end of the year</b>	<b>4000</b>	<b>0.00</b>	<b>4000</b>	<b>0.00</b>

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	41,323	2,445	-	43,768
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	269	-	-	269
<b>Total (i+ii+iii)</b>	<b>41,592</b>	<b>2,445</b>	<b>-</b>	<b>44,037</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	26,294	1,473	-	27,767
Reduction	(12,685)	-	-	(12,685)
<b>Net Change</b>	<b>13,609</b>	<b>1,473</b>	<b>-</b>	<b>15,082</b>



## Annexure 'III' (Contd.)

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	54,980	3,918	-	58,898
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	221	-	-	221
<b>Total (i+ii+iii)</b>	<b>55,201</b>	<b>3,918</b>	<b>-</b>	<b>59,119</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. 1) Remuneration to Managing Director, Whole- time Directors and /or Manager:

(₹ In Lakhs)

Sr. No.	Particulars	Name of Managing Directors / Whole Time Directors		Total Amount
		Kamal Khetan (CMD)	Atul Poopal (ED)	
1	Gross Salary	225.00	145.00	370.00
	Value of perquisite	-	-	-
	Profits in Lieu of Salary	-	-	-
2	ESOPs	-	55,556 Options	55,556 Options
3	Sweat Equity	-	-	-
4	Commission(as % of profit or others)	-	-	-
5	OTHERS(Specify)	-	-	-
<b>TOTAL</b>		<b>225.00</b>	<b>145.00</b>	<b>370.00</b>
Ceiling as per the Act		₹ 10,440.10/- (being 10% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)		

#### B. Remuneration of other Directors:

##### 1. Independent Directors

(₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Ramakant Nayak	Kishore Vussonji	Sandhya Malhotra*	Total Amount
1	- Fee for attending Board/Committee Meetings	3.40	2.50	2.80	8.70
2	- Commission	-	-	-	-
3	- Others, please specify	-	-	-	-
<b>Total (B)(1)</b>		<b>3.40</b>	<b>2.50</b>	<b>2.80</b>	<b>8.70</b>

\*Ms. Sandhya Malhotra was appointed as Non-Executive Independent Director on 1<sup>st</sup> April, 2019

## Annexure 'III' (Contd.)

### 2. Other Non-Executive Directors - None

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD -

#### Details of Remuneration of Key Managerial Personnel (KMP)

(₹ In Lakhs)

Sr. No.	Particulars	Name of KMP		Total Amount
		Manoj Agarwal (Chief Financial Officer)	Rachana Hingarajia (Company Secretary)	
1	Gross Salary	70.00	40.00	<b>110.00</b>
	Value of perquisite	-	-	-
	Profits in Lieu of Salary	-	-	-
2	ESOPS	8,889 options	20,000 options	<b>28,889 options</b>
3	Sweat Equity	-	-	-
4	Commission(as % of profit or others)	-	-	-
5	OTHERS(Specify)	-	-	-
<b>TOTAL</b>		<b>70.00</b>	<b>40.00</b>	<b>110.00</b>

Note: Mr. Manoj Agarwal was appointed as Chief Financial Officer (CFO) of the Company on 14<sup>th</sup> June, 2019.

### 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]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment			NOT APPLICABLE		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			NOT APPLICABLE		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			NOT APPLICABLE		
Compounding					

For and on behalf of Board of Directors

**Kamal Khetan**

Chairman & Managing Director  
DIN: 00017527

Mumbai, 28<sup>th</sup> July, 2020

## Annexure 'IV'

### Business Responsibility Report

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

The Directors of the Company present the Business Responsibility Report of the Company for the financial year ended on the 31<sup>st</sup> March, 2020 pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The report states initiatives taken by the Company on the nine principles of the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business framed by the Ministry of Corporate Affairs.

1.	Corporate Identity Number (CIN) of the Company	L32100MH1981PLC025346	
2.	Name of the Company	Sunteck Realty Limited	
3.	Registered Address	5th Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai 400057	
4.	Website	www.sunteckindia.com	
5.	E-mail Id	cosec@sunteckindia.com	
6.	Financial Year reported	2019-20	
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	<b>Name and Description of Main Products/Services</b>	<b>NIC Code of the Product/Service</b>
		Construction of buildings carried out on own-account basis or on a fee or contract basis	41001
		Real estate activities with own or leased property	68100
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Development of residential and commercial projects Leasing of property	
9.	Total number of locations where business activity is undertaken by the Company	i. Number of International Locations: The Company has representative office in UAE. Also, the Company has a subsidiary in Mauritius.	
	i. Number of International Locations:	ii. Number of National Locations: The Company has undertaken projects at Mumbai, Jaipur, Goa and Nagpur.	
	ii. Number of National Locations		
10.	Markets served by the Company Local/State/National/International	Sunteck Realty Limited serves customers in national as well as international locations.	

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

Sr. No.	Particulars	Details as on 31 <sup>st</sup> March, 2020
1.	Paid up Capital (INR)	₹ 14,63,71,879/-
2.	Total Turnover (INR)	₹ 29,351.59/- (₹ In Lakhs) (Standalone)
3.	Total profit after taxes (INR)	₹ 10,352.29/- (₹ In Lakhs) (Standalone)
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 87.19/- Lakhs, which is 0.84% of the net profit.
5.	List of activities in which expenditure in 4 above has been incurred	a. Education b. Environment Sustainability



## Annexure 'IV' (Contd.)

### SECTION C: OTHER DETAILS

Sr. No.	Particulars	References
1.	Does the Company have any Subsidiary Company/ Companies?	Yes; the list of subsidiaries is provided in Form MGT-9 forming part of Directors' Report as Annexure III
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)?	The group carries on business responsibility collectively.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

### SECTION D: BR INFORMATION

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

## Annexure 'IV' (Contd.)

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

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

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

## Annexure 'IV' (Contd.)

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		<b>Business Ethics</b>	<b>Sustainability</b>	<b>Employees' Wellbeing</b>	<b>Stakeholders' welfare</b>	<b>Human Rights</b>	<b>Environment</b>	<b>Regulatory Policy</b>	<b>Equitable Development</b>	<b>Customer Responsibility</b>
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The grievance redressal mechanism is mentioned under the policies, wherever applicable.								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The policies are reviewed by the Board from time to time and their compliance are reviewed from time to time internally.								

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

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





## Annexure 'IV' (Contd.)

### 2. Governance related to BR

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

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

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

The Company is publishing the information on BR in the Annual Report for the financial year 2019-20, which is also available on the website of the Company i.e. [www.sunteckindia.com](http://www.sunteckindia.com).

### SECTION E: PRINCIPLE -WISE PERFORMANCE

#### PRINCIPLE 1:

<b>Businesses should conduct and govern themselves with Ethics, Transparency and Accountability</b>	
<b>1.</b>	<p><b>Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?</b></p> <p>The Code of Conduct of the Company provides guidelines on ethics, bribery and corruption. The Code is applicable to the Directors of the Company, Senior Management and all employees of the Company including Group companies and Joint Ventures. The guidelines are also communicated to most of our associates like vendors, suppliers and it is expected that they will follow it in their dealings with the Company.</p> <p>The Company has also formulated adopted codes and policies including Whistleblower Policy, Code of Conduct for Fair Disclosures, Insider Trading Policy and Policy on Prevention of Sexual Harassment at Workplace which govern the conduct of all directors and employees of the Company.</p>
<b>2.</b>	<p><b>How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.</b></p> <p>The Company's stakeholders include our shareholders, investors, clients, employees, vendors, partners, government and local communities. The Company has constituted a Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders. The Company received no investor complaints during the year. Further, during the reporting period, we have not received any complaints/ grievances from our stakeholders regarding unethical business practices.</p> <p>In the arbitration proceedings against its partner in respect of Goa Kanaka project, the Arbitral Award has been passed in favour of your Company. Your company has filled Execution Application against said Partner for recovery of amount.</p>

## Annexure 'IV' (Contd.)

### PRINCIPLE 2:

<b>Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle</b>	
<b>1.</b>	<p><b>List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.</b></p> <p>Development of Residential and Commercial segments</p>
<b>2.</b>	<p><b>For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):</b></p> <p><b>(a)Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?</b></p> <p><b>(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?</b></p> <ul style="list-style-type: none"> <li>• The Company uses Dual Fitting Tanks and LED lights which reduces the burden on energy usage in the construction area.</li> <li>• The Company uses steel products from rolling mills which saves considerable amount of natural resources and energy required to convert steel from ores. Re-rolling converts scrap steel to construct reinforcement bars.</li> <li>• The Company has installed sewage treatment plant in its major projects which enables to reduce water consumptions as waste water is recycled.</li> <li>• Fly ash and GGBS are the waste generated from the thermal power plant and steel plants respectively used in concrete which consumes waste generated by these industries, reduces cement consumption and also produce more durable concrete.</li> <li>• Sites are covered with G1 sheets which reduces the equipment noise and prevents dust getting blown up in air in windy days.</li> <li>• The Company also provides RO filtered water to labor at site, wherever possible.</li> </ul>
<b>3.</b>	<p><b>Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.</b></p> <p>The various materials which are used in the construction activity of the Company are procured from the areas located in and around Mumbai except for natural stones.</p>
<b>4.</b>	<p><b>Has the company taken any steps to procure goods and services from local &amp; small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</b></p> <p>The Company creates various employment opportunities in its surrounding place of work by employing the local contractors, vendors, labor etc. for the execution of its project activities thereby improving their skills and capabilities.</p> <p>Also, for support functions like transportation services, housekeeping and others, the Company employs local persons in the vicinity of its operations with an objective of developing them as well as supporting their economic growth.</p>
<b>5.</b>	<p><b>Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as &lt;5%, 5-10%, &gt;10%). Also, provide details thereof, in about 50 words or so.</b></p> <p>The waste generated from the construction activity is segregated and reused for various activities such as backfilling, leveling etc. at the project sites. The construction wastage which cannot be reused is sent to the vendors for appropriate recycling.</p>

## Annexure 'IV' (Contd.)

### PRINCIPLE 3:

<b>Businesses should promote the wellbeing of all employees</b>														
<b>1. Please indicate the Total number of employees.</b>	Total number of employees is 327.													
<b>2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.</b>	31													
<b>3. Please indicate the Number of permanent women employees.</b>	The number of permanent women employees is 103													
<b>4. Please indicate the Number of permanent employees with disabilities.</b>	Nil													
<b>5. Do you have an employee association that is recognised by management.</b>	No, we do not have an employee association that is recognized by the management.													
<b>6. What percentage of your permanent employees is members of this recognised employee association?</b>	Not Applicable													
<b>7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.</b>	<p>The Company has a Policy on Prevention of Sexual Harassment at Workplace in accordance with the statutory requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All sexual harassment complaints are diligently reviewed and investigated by an Internal Complaints Committee constituted under the Policy on Prevention of Sexual Harassment at Workplace. No case was reported under the Policy on Prevention of Sexual Harassment at Workplace during FY 2019-20. The details of the complaints filed and pending are mentioned below:</p> <table border="1"> <thead> <tr> <th><b>Category</b></th> <th><b>No. of complaints filed during the financial year</b></th> <th><b>No. of complaints pending as on end of the financial year</b></th> </tr> </thead> <tbody> <tr> <td>Child labour/forced labour/involuntary labour</td> <td>NIL</td> <td>NIL</td> </tr> <tr> <td>Sexual harassment</td> <td>NIL</td> <td>NIL</td> </tr> <tr> <td>Discriminatory employment</td> <td>NIL</td> <td>NIL</td> </tr> </tbody> </table>		<b>Category</b>	<b>No. of complaints filed during the financial year</b>	<b>No. of complaints pending as on end of the financial year</b>	Child labour/forced labour/involuntary labour	NIL	NIL	Sexual harassment	NIL	NIL	Discriminatory employment	NIL	NIL
<b>Category</b>	<b>No. of complaints filed during the financial year</b>	<b>No. of complaints pending as on end of the financial year</b>												
Child labour/forced labour/involuntary labour	NIL	NIL												
Sexual harassment	NIL	NIL												
Discriminatory employment	NIL	NIL												
<b>8. What percentage of your under mentioned employees were given safety &amp; skill up-gradation training in the last year?</b>	<p>Based on the functions or tasks performed by employees regular skill upgradation training are given to the employees from time to time to enhance the skills of the employees to enable them to keep abreast with the latest developments and other applicable provisions that impact the business of the Company.</p> <p>The Company focuses on the well-being of all its employees ensuring diversity, zero discrimination and other attributes essential to create a healthy and good working environment. The various policies of the Company such as Code of Conduct, Policy on Prevention of Sexual Harassment at Workplace and Whistle Blower Policy ensure the wellbeing of all the employees of the Company. Also, this year we have strengthen the safety department which is equipped adequately to take appropriate safety measures at the construction site by the Company.</p>													



## Annexure 'IV' (Contd.)

### PRINCIPLE 4:

<b>Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.</b>	
<b>1. Has the company mapped its internal and external stakeholders? Yes/No</b>	The Company has identified its various internal and external stakeholders including among others its employees, investors, shareholders, directors, customers, vendors, contractors, banks and other authorities.
<b>2. Out of the above, has the company identified the disadvantaged, vulnerable &amp; marginalised stakeholders.</b>	The Company has identified and is responsive to the needs of all its stakeholders.
<b>3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.</b>	The Company's CSR activities are specifically targeted towards the upliftment and betterment of the disadvantaged sections of the society. The various CSR activities in the areas of higher education for the benefit of the different sections of the society are listed in Annexure 1 of Directors report.

### PRINCIPLE 5:

<b>Businesses should respect and promote human rights</b>	
<b>1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?</b>	Yes.
<b>2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?</b>	During the year, the Company has not received any complaint with respect to violation of human rights.

### PRINCIPLE 6:

<b>Business should respect, protect, and make efforts to restore the environment</b>	
<b>1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.</b>	<p>The Company recognises the importance of doing business in harmony with the environment. The Company, its group companies, suppliers, vendors, contractors etc. protect the environment by adhering to all the relevant statutory compliances as mandated by laws.</p> <p>The Company supports ecological sustainability and green initiatives by promoting and encouraging optimum use of electronic communication and reduce paper wastage.</p>
<b>2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.</b>	<p>The Company has taken initiatives such as rainwater harvesting and recycling of water which is used on a day-to-day basis in the business activity of the Company thereby addressing the global environmental issues. The Company's water consumption intensity has declined steadily over the years as water management initiatives are in place.</p> <p>The Company uses Dual Fitting Tanks and LED lights which reduces the burden on energy usage in the construction area. The Company uses steel products for rolling mills which saves considerable amount of natural resources, reduces cement consumption and energy required to convert steel from ores. Fly ash and GGBS are the waste generated from the thermal power plant and steel plants respectively used in concrete which consumes waste generated by other industries and also produce more durable concrete.</p>



## Annexure 'IV' (Contd.)

	Sites are covered with G1 sheets which reduces the equipment noise and prevents dust getting blown up in air in windy days. The use of STP water for flushing and gardening reduces the burden on natural water resources.
<b>3.</b>	<b>Does the company identify and assess potential environmental risks? Y/N.</b>  The Company carries out Environmental Impact Assessment for large projects through environment / energy experts which may have potential impact on the surrounding environment and strategises to minimise the impact for such projects. Soil Erosion control measures are in place in order to avoid contamination of the water table. Issues relating to water percolation is handled by taking proper rain harvesting and recharge measures. All the projects are duly undertaken after taking the Environmental Authority's approval and monitored on regular basis.
<b>4.</b>	<b>Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?</b>  The Company obtains environmental clearances by satisfying all the terms and conditions required to be complied with. The suggestions provided by the environmental authority are incorporated by the Company in areas related to energy consumption and conservation of water. These include continual improvement in adoption of good practices and rainwater harvesting thereby lowering fresh water intake and reducing run-offs.
<b>5.</b>	<b>Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.</b>  No
<b>6.</b>	<b>Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?</b>  The statutory requirements are complied by the Company as per the requirements given by MPCB.
<b>7.</b>	<b>Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.</b>  The Company has not received any show cause/legal notices and none are pending as on end of financial year.

### PRINCIPLE 7:

<b>Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner</b>	
<b>1.</b>	<b>Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:</b>  The Company is a member of The Associated Chambers of Commerce of India (AASOCHAM), National Real Estate Development Council (NAREDCO) and CREDAI-MCHI (Maharashtra Chamber of Housing Industry).
<b>2.</b>	<b>Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).</b>  No

## Annexure 'IV' (Contd.)

### PRINCIPLE 8:

<b>Businesses should support inclusive growth and equitable development</b>	
<b>1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.</b>	The CSR initiatives of the Company promote social and economic growth. The Company believes that no organisation can sustain in a society that is deprived of good health and sound education. The Company distributes food grains and provides funds for education purposes thereby helping the marginalised sections of the society.
<b>2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?</b>	The CSR initiatives of the Company are generally carried out by the in-house team with support from partner NGOs wherever necessary.
<b>3. Have you done any impact assessment of your initiative?</b>	No, we have not done any impact assessments yet.
<b>4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.</b>	Please refer Annexure - I attached to the Directors Report.
<b>5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.</b>	Yes, we actively encourage participation of stakeholders in various programs through personal intervention.

### PRINCIPLE 9:

<b>Businesses should engage with and provide value to their customers and consumers in a responsible manner</b>	
<b>1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.</b>	Customer complaints redressal systems are in place to effectively address any customer complaint in an efficient and timely manner. As on 31st March, 2020, there was 1 Appeal pending before the RERA Appellate Tribunal and 1 consumer case which is sub judice before consumer courts at New Delhi.
<b>2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)</b>	Since the Company operates in Real Estate industry, there is no labelling requirements for the Company's projects. However, in compliance with the Real Estate (Regulation and Development) Act, 2016 all details with respect to the Company's projects are available on the MahaRera website. However, the Company displays/discloses all such information as mandated by laws.
<b>3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.</b>	None
<b>4. Did your company carry out any consumer survey/ consumer satisfaction trends?</b>	The Company regularly engages in collecting feedback from our customers on our services and deliverables.



## Annexure 'V'

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

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

Name of the Directors/ KMP	Designation	Ratio of Remuneration to the median remuneration of all employees	% Increase in Remuneration in the Financial Year 2019-20
Kamal Khetan	Managing Director	36.58	-
Atul Poopal	Executive Director	23.57	-
Manoj Agarwal	Chief Financial Officer	11.38	27%
Rachana Hingarajia	Company Secretary & Executive Director	6.50	14%

- ii. The percentage decrease in the median remuneration of Employees for the financial year was 5.38%
- iii. There were 327 permanent employees on the rolls of the Company and its group companies as on 31st March, 2020.
- iv. Average increase made in the salaries of employees other than the managerial personnel in the financial year was 48.29% whereas the increase in the managerial remuneration was 13%. Increase in remuneration is after taking into consideration performance of an individual and the Company.
- v. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

#### Notes:

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

# Report on Corporate Governance

In accordance with Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as **"Listing Regulations"**), the report containing the details of the Governance systems and process at Sunteck Realty Limited for the Financial Year 2019-20 is as under:

## COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

## BOARD OF DIRECTORS

### Composition of the Board

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

The Board has put in place the policies as part of its succession planning exercise to ensure that the same is closely aligned with the strategy and long-term needs of the Company. Mrs. Sandhya Malhotra was appointed as an Independent Director by the Board of Directors on 1<sup>st</sup> April, 2019 and the shareholders of the Company regularised the said appointment at the Annual General Meeting dated 27<sup>th</sup> September, 2019 for a term of 5 (Five) consecutive years with effect from 1<sup>st</sup> April, 2019.

### Confirmation and Certification

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

### Board Independence

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

## Report on Corporate Governance (Contd.)

provided on the website of the Company viz. <http://www.sunteckindia.com/>.

### Number of meetings of the Board

The Board of Directors met five times during the Financial Year and the gap between two meetings did not exceed one hundred and twenty days i.e. on 2<sup>nd</sup> May, 2019, 13<sup>th</sup> June, 2019, 12<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 and 12<sup>th</sup> February, 2020. The requisite quorum was present for all the meetings of the Board held during the Financial Year 2019-20.

### Details of Board Members

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

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

Name of the Directors	Category	No. of Board Meetings attended during the period	Attendance at the last AGM held on 27 <sup>th</sup> September, 2019	*No. of Directorship in other Indian public limited companies as on 31 <sup>st</sup> March, 2020 (Excluding Sunteck Realty)	No. of Board Committee positions held in other public limited companies as on 31 <sup>st</sup> March, 2020 (Excluding Sunteck Realty)		No. of shares and convertible instruments held in the Company by Non-Executive directors
					Chairmanship	Member	
Mr. Kamal Khetan (DIN: 00017527)	Promoter Executive Chairman and Managing Director	5	Yes	3	Nil	Nil	NA
Mr. Atul Poopal (DIN: 07295878)	Executive Director	5	Yes	0	Nil	Nil	NA
Mr. Kishore Vussonji (DIN: 00444408)	Non- Executive, Independent	4	Yes	3	3	6	Nil
Mr. Ramakant Nayak (DIN:00129854)	Non- Executive, Independent	4	Yes	3	1	3	Nil
Mrs. Sandhya Malhotra (DIN: 06450511)#	Non- Executive, Independent	5	Yes	1	0	2	Nil
Mrs. Rachana Hingarajia (DIN:07145358)	Executive Director and Company Secretary	5	Yes	2	Nil	Nil	NA

# Mrs. Sandhya was appointed to act as an Independent Director w.e.f. 1<sup>st</sup> April, 2019.

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



## Report on Corporate Governance (Contd.)

### Notes:

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

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

Sr. No.	Name of the Directors	List of Directorship held in Other Listed Companies	Category of Directorship
1.	Mr. Kamal Khetan (DIN: 00017527)	-	-
2.	Mr. Atul Poopal (DIN: 07295878)	-	-
3.	Mr. Kishore Vussonji (DIN: 00444408)	1. Goldcrest Corporation Limited	Non-Executive Independent
		2. Krishna Ventures Limited	Non-Executive Independent
		3. Karma Energy Limited	Non-Executive Independent
4.	Mr. Ramakant Nayak (DIN : 00129854)	1. Poddar Housing and Development Limited	Non-Executive Independent
		2. Shree Pushkar Chemical & Fertilisers Limited	
5.	Mrs. Sandhya Malhotra (DIN: 06450511)	1. SW Investments Limited	Non-Executive Independent
6.	Mrs. Rachana Hingarajia (DIN:07145358)	-	-

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

In line with the applicable provisions of the Act and the Listing Regulations, the Company's Board has an optimum combination of Executive and Non-Executive Directors with half of the Board comprising of Independent Directors. Your Board comprises of qualified members who collectively bring in the skills, expertise and competencies stated below that allow them to make effective contribution to the Board and its Committees. The table below highlights the Core Areas of Expertise/Skills/Competencies of the Board members. However, absence of mention of skill/ expertise/competency against a member's name does not indicate that the member does not possess that skill or competency.

## Report on Corporate Governance (Contd.)

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

### COMMITTEES OF THE BOARD OF DIRECTORS

#### (A) AUDIT COMMITTEE:

##### Constitution of Audit Committee:

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

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

## Report on Corporate Governance (Contd.)

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

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

As on 31<sup>st</sup> March, 2020, the Audit Committee comprises of three Non-Executive Independent Directors and one Executive Non-Independent Director having requisite accounting and financial management expertise. The Company Secretary officiates as the Secretary of the Committee.

The Audit Committee met five times during the Financial Year and the gap between two meetings did not exceed one hundred and twenty days i.e. on 2<sup>nd</sup> May, 2019, 13<sup>th</sup> June, 2019, 12<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 and 12<sup>th</sup> February, 2020. The requisite quorum was present for all the meetings during the Financial Year 2019-20.



## Report on Corporate Governance (Contd.)

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

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Ramakant Nayak #	Non-Executive, Independent	Chairman	5	4
Mr. Kamal Khetan	Executive, Non Independent	Member	5	5
Mr. Kishore Vussonji	Non-Executive, Independent	Member	5	4
Mrs. Sandhya Malhotra*	Non-Executive, Independent	Member	5	5

# As per Regulation 18 of Listing Regulations, the Chairperson of the Audit Committee shall be present at Annual General Meeting (AGM) to answer shareholder queries. Mr. Ramakant Nayak was appointed as Chairman of the Audit Committee on 1<sup>st</sup> April, 2019.

\* Mrs. Sandhya was appointed as member of the Committee w.e.f. 1<sup>st</sup> April, 2019

During the financial year 2019-20, total consolidated fees of ₹ 30/- Lakhs was paid to the M/s. Lodha & Co., Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part of, for all the services rendered to the Company, its associates and its subsidiaries.

### (B) NOMINATION AND REMUNERATION COMMITTEE:

#### Constitution of Nomination and Remuneration Committee:

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

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

## Report on Corporate Governance (Contd.)

As on 31<sup>st</sup> March, 2020, the Nomination and Remuneration Committee comprises of three Non-Executive Independent Directors. The Company Secretary officiates as the Secretary of the Committee.

During the Financial Year under review, four meetings of the Nomination and Remuneration Committee were held i.e. on 2<sup>nd</sup> May, 2019, 13<sup>th</sup> June, 2019, 12<sup>th</sup> August, 2019 and 23<sup>rd</sup> December, 2019. The necessary quorum was present for all the meetings.

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

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Ramakant Nayak#	Non-Executive, Independent	Chairman	4	3
Mr. Kishore Vussonji	Non-Executive, Independent	Member	4	4
Mrs. Sandhya Malhotra*	Non-Executive, Independent	Member	4	4

# Mr. Ramakant Nayak, Chairperson of the Nomination and Remuneration Committee was present at Annual General Meeting (AGM) held on 27<sup>th</sup> September, 2019 to answer shareholder queries.

\* Mrs. Sandhya Malhotra was appointed as member of the Committee w.e.f. 1<sup>st</sup> April, 2019

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

The performance evaluation of Independent Directors is done by the entire Board of Directors, excluding the Director being evaluated. The performance evaluation indicators includes participation and contribution by a director, monitoring the corporate governance practices, addressing business challenges and risks, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of judgment. The Nomination and Remuneration Committee also evaluates the usefulness of such performance parameters, and makes necessary amendments. The term of the Independent Director shall be determined on the basis of the performance evaluation report.

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

### REMUNERATION OF DIRECTORS:

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

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

#### A. Remuneration structure of Executive and Independent Directors:

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

## Report on Corporate Governance (Contd.)

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

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

Details of remuneration/commission and fees paid to Executive and Non-Executive Directors for the Financial Year 2019-20:

#### a. Independent Directors:

(₹ in Lakhs)

Name of Director	Sitting Fees#
Mr. Ramakant Nayak	3.40
Mr. Kishore Vussonji	2.50
Mrs. Sandhya Malhotra	2.80

# No Commission was paid to Independent Directors during the Financial Year 2019-20.

#### b. Managing Director and Executive Directors:

(₹ in Lakhs)

Name of Director	Salary	Benefits/Bonus/Stock Options/Commission	Others (Specify)
Mr. Kamal Khetan Chairman and Managing Director	225.00	Nil	Nil
Mr. Atul Poopal Executive Director	145.00	55,556 stock options	Nil
Mrs. Rachana Hingarajia Executive Director and Company Secretary	40.00	20,000 stock options	Nil

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

### (C) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Constitution of Stakeholders' Relationship Committee and its functions:

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

As on 31<sup>st</sup> March, 2020, the Stakeholders' Relationship Committee comprises of three Non-Executive Independent Directors. The Company Secretary officiates as the Secretary of the Committee.

During the Financial Year under review, four meetings of the Stakeholders' Relationship Committee were held i.e. on 2<sup>nd</sup> May, 2019, 12<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 and 12<sup>th</sup> February, 2020.



## Report on Corporate Governance (Contd.)

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

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Kishore Vussonji#	Non-Executive, Independent	Chairman	4	3
Mr. Ramakant Nayak	Non-Executive, Independent	Member	4	4
Mrs. Sandhya Malhotra*	Non-Executive, Independent	Member	4	4

# Mr. Kishore Vussonji, Chairman of the Stakeholders Relationship Committee was present at the Annual General Meeting (AGM) held on 27<sup>th</sup> September, 2019 to answer the queries of shareholders. Mr. Vussonji was appointed as Chairman of the Committee w.e.f. 1<sup>st</sup> April, 2019.

\* Mrs. Sandhya Malhotra was appointed as member of the Committee w.e.f. 1<sup>st</sup> April, 2019.

Terms of Reference of Stakeholders' Relationship Committee:

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

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

The Company has not received any complaint during the Financial Year 2019-20 and there were no pending complaints from the Previous Year.

Name, Designation and Address of the Compliance Officer:

**Ms. Rachana Hingarajia**

Company Secretary

Sunteck Realty Limited

5th Floor, Sunteck Centre,

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

Mumbai- 400057

Tel no.:91 22 4287 7800

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

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

As on 31<sup>st</sup> March, 2020, the CSR Committee comprises of one Executive Director and two Non-Executive Independent Directors.

## Report on Corporate Governance (Contd.)

During the Financial Year under review, one meeting of the CSR Committee was held i.e. 2<sup>nd</sup> May, 2019.

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

Name of the Director	Category	Position	Others (Specify)	
			Held	Attended
Mr. Kamal Khetan	Executive, Non-Independent	Chairman	1	1
Mr. Ramakant Nayak	Non-Executive, Independent	Member	1	1
Mr. Kishore Vussonji	Non-Executive, Independent	Member	1	1

### Terms of Reference of CSR Committee:

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

1. To recommend to the Board CSR modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities in a Financial Year;
2. To monitor the Corporate Social Responsibility Policy from time to time;
3. To identify the projects to be undertaken by the Company for CSR;
4. To ensure compliance of CSR Policy;
5. Any other matter as may be considered expedient in furtherance of and to comply with the CSR Policy of the Company.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at [www.sunteckindia.com](http://www.sunteckindia.com). The Annual Report on CSR activities for the financial year 2019-20 forms part of the Board's Report.

### (E) RISK MANAGEMENT COMMITTEE:

#### Constitution of Risk Management Committee and its functions:

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the top 500 listed entities on the basis of market capitalisation, as at the end of the immediate previous financial year, shall constitute a Risk Management Committee which shall meet atleast once in a year. The majority of members of Risk Management Committee shall consist of members of the Board of Directors and senior executives of the listed entity may be members of the Committee.

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

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

Name of the Director	Position
Mr. Atul Poopal	Chairman
Mr. Ramakant Nayak	Member
Mr. Kishore Vussonji	Member
Mr. Manoj Agarwal	Member
Mr. Prashant Chaubey	Member

## Report on Corporate Governance (Contd.)

### TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE:

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

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

### OTHER COMMITTEES OF THE BOARD:

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

#### (F) CORPORATE GOVERNANCE COMMITTEE:

##### Constitution of Corporate Governance Committee and its functions:

The Corporate Governance (CG) Committee comprises of one Executive Director and one Non-Executive Independent Director.

The composition of the members of the Management Committee as on the 31<sup>st</sup> March, 2020 is as follows:

Name of the Director	Category	Position
Mr. Kamal Khetan	Executive, Non Independent	Chairman
Mr. Ramakant Nayak	Non-Executive, Independent	Member

##### Terms of Reference of CG Committee:

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

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

#### (G) MANAGEMENT COMMITTEE:

##### Constitution of Management Committee and its functions:

The composition of the members of the Management Committee as on the 31<sup>st</sup> March, 2020 is as follows:

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



## Report on Corporate Governance (Contd.)

### Powers of Management Committee:

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

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

#### Constitution of Special Committee and its functions:

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

Name of the Director	Category	Position
Mr. Kamal Khetan	Executive, Non Independent	Chairman
Mr. Ramakant Nayak	Non-Executive, Independent	Member
Ms. Rachana Hingarajia	Executive, Non Independent	Member

#### Role of Special Committee:

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

#### SEPARATE INDEPENDENT DIRECTORS' MEETINGS:

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

During the year under review, the Independent Directors met on 12<sup>th</sup> February, 2020 inter alia, to:

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

All the Independent Directors were present at the Meeting.

#### SUBSIDIARY COMPANIES

The Company has 3 material unlisted Indian subsidiaries whose income or net worth exceeds ten percent of the consolidated income or net worth of the Company as defined under the Listing Regulations.

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

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

During the year, Secretarial Audit was carried out for the material subsidiary Companies and the reports thereon are available on the website of the Company at [www.sunteckindia.com](http://www.sunteckindia.com)

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

## Report on Corporate Governance (Contd.)

### GENERAL BODY MEETINGS

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

Date	Venue	Time	No. of Special Resolution/s
27 <sup>th</sup> September, 2019	MIG Cricket Club, MIG Colony, Bandra (East), Mumbai 400051	5.30 p.m.	<ol style="list-style-type: none"> <li>1. Approval for raising of funds by way of further issue of securities</li> <li>2. Continuance of appointment of Mr. Ramakant Nayak, independent director of the company beyond attaining 75 years of age</li> <li>3. Continuance of appointment of Mr. Kishore Vussonji, independent director of the company beyond attaining 75 years of age</li> <li>4. Approval of "Sunteck Realty Limited Employees' Stock Option Scheme 2019" ("ESOS 2019") for employees of the Company</li> <li>5. Approval of "Sunteck Realty Limited Employees' Stock Option Scheme 2019" ("ESOS 2019") for employees of the subsidiaries of the Company</li> </ol>
27 <sup>th</sup> September, 2018	MIG Cricket Club, MIG Colony, Bandra (East), Mumbai 400051	5.30 p.m.	<ol style="list-style-type: none"> <li>1. Approval for raising of funds by way of further issue of securities</li> <li>2. Approval of "Sunteck Realty Limited Employees' Stock Option Scheme 2018" ("ESOS 2018") for employees of the Company</li> <li>3. Approval of "Sunteck Realty Limited Employees' Stock Option Scheme 2018" ("ESOS 2018") for employees of the subsidiaries of the Company</li> </ol>
26 <sup>th</sup> September, 2017	MIG Cricket Club, MIG Colony, Bandra (East), Mumbai 400051	5.30 p.m.	<ol style="list-style-type: none"> <li>1. Approval of "Sunteck Realty Limited Employees' Stock Option Scheme 2017" ("ESOS 2017") for employees of the Company</li> <li>2. Approval of "Sunteck Realty Limited Employees' Stock Option Scheme 2017" ("ESOS 2017") for employees of the Subsidiaries of the Company</li> </ol>

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

No Extra-Ordinary General Meeting was held during the Financial Year 2019-20.

#### iii. Details of Resolution passed through Postal Ballot, the persons who conducted the postal ballot exercise and details of the voting pattern: During the financial year 2019-20, there were no resolution passed through Postal Ballots.

### MEANS OF COMMUNICATION:

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

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

## Report on Corporate Governance (Contd.)

### GENERAL SHAREHOLDER INFORMATION:

- a) CIN No. : L32100MH1981PLC025346
- b) Registered Office Address : 5th Floor, Sunteck Centre, 37-40, Subhash Road,  
Vile Parle (East), Mumbai - 400057  
Tel No.: 022-42877800 Fax: 022-42877890  
Email Id: cosec@sunteckindia.com
- c) The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/Registrars and Transfer Agents to record additional details of Members, including their Permanent Account Number details (PAN), e-mail address, bank details for payment of dividend, etc. Further, the Securities and Exchange Board of India has mandated the submission of PAN by every participant in the securities market.
- d) Annual General Meeting to be held through Video Conferencing / Other Audio Visual Means:  
Day : Tuesday  
Date : September 29, 2020
- e) Financial Year: The financial year of the Company starts on 1<sup>st</sup> April and ends on 31<sup>st</sup> March of next year. For the financial year ended 31<sup>st</sup> March, 2020, the financial results were announced

First Quarter	2 <sup>nd</sup> May, 2019
Second Quarter	12 <sup>th</sup> August, 2019
Third Quarter	13 <sup>th</sup> November, 2019
Fourth Quarter	12 <sup>th</sup> February, 2020

- f) Date of Book Closure :  
Wednesday, 23<sup>rd</sup> September, 2020 to Tuesday, 29<sup>th</sup> September, 2020 (both days inclusive)
- g) Dividend Payment Date :  
Based on the Company's performance, your Directors are pleased to recommend a final dividend of 150 % i.e. Rs. 1.5/- per equity share having face value of Re. 1 each held by persons/entities other than promoter and promoter group and a dividend of 75% i.e. Rs. 0.75 per equity share having face value of Re. 1 each held by promoters and promoter group out of the profits of the Company for the financial year 2019-20. The dividend payout is subject to approval of members at the ensuing Annual General Meeting.  
If declared by the Shareholders in the Annual General Meeting, the same will be paid within 30 days of declaration of Dividend.
- h) Stock Exchanges on which the Company's Shares are listed:  
BSE Limited  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai - 400001.  
  
National Stock Exchange of India Ltd  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai - 400051.  
The Company confirms that it has paid annual listing fees to both the Stock exchanges for the year 2020-2021.
- i) Dematerialisation of Shares  
As on 31<sup>st</sup> March, 2020, 99.99% of shares have been dematerialised and held in electronic form through National Securities Depository Limited and Central Depository Services (India) Limited.



## Report on Corporate Governance (Contd.)

j) Outstanding GDRs/ADRs/Warrants/Convertible instruments:

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

k) Debt Securities

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

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

The Company did not engage in hedging activities.

m) Plant Locations:

The Company does not have any plant.

n) Stock Code:

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

o) Market Price Data: High/Low during each month during the Financial Year 2019-2020:

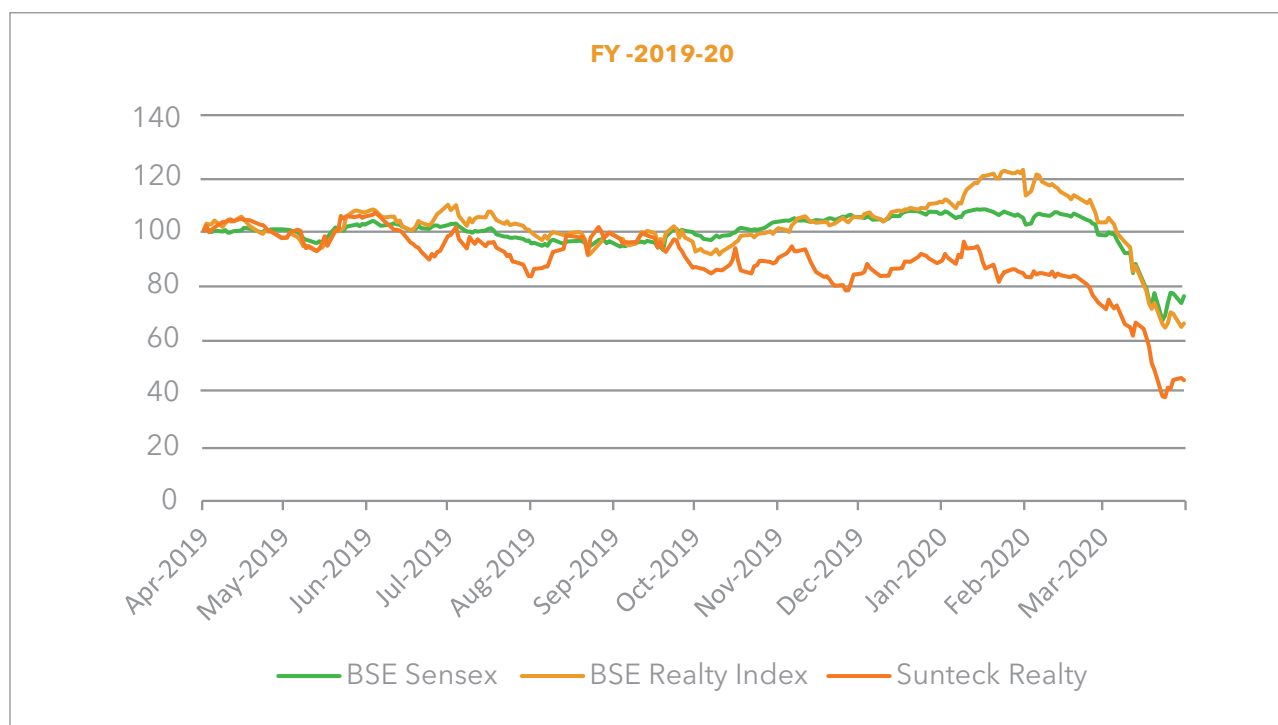
Month	BSE - SUNTECK			S&P BSE Sensex Index		
	High Price (₹)	Low Price (₹)	Close Price (₹)	High Price (₹)	Low Price (₹)	Close Price (₹)
April 2019	509.90	452.75	457.35	39,487.45	38,460.25	39,031.55
May 2019	532.00	423.60	494.70	40,124.96	36,956.10	39,714.20
June 2019	510.70	412.30	434.30	40,312.07	38,870.96	39,394.64
July 2019	487.00	379.95	391.25	40,032.41	37,128.26	37,481.12
August 2019	487.35	375.70	466.45	37,807.55	36,102.35	37,332.79
September 2019	473.05	400.00	405.65	39,441.12	35,987.80	38,667.33
October 2019	445.60	384.05	414.75	40,392.22	37,415.83	40,129.05
November 2019	450.50	350.45	393.45	41,163.79	40,014.23	40,793.81
December 2019	431.40	380.15	415.40	41,809.96	40,135.37	41,253.74
January 2020	457.70	377.85	396.30	42,273.87	40,476.55	40,723.49
February 2020	419.00	313.20	345.75	41,709.30	38,219.97	38,297.29
March 2020	360.90	164.05	210.25	39,083.17	25,638.90	29,468.49

## Report on Corporate Governance (Contd.)

Month	NSE - SUNTECK			NSE Nifty 50		
	High Price (₹)	Low Price (₹)	Close Price (₹)	High Price (₹)	Low Price (₹)	Close Price (₹)
April 2019	511.95	455.50	461.45	11,856.15	11,549.10	11,748.15
May 2019	533.35	422.80	497.05	12,041.15	11,108.30	11,922.80
June 2019	509.90	413.00	435.25	12,103.05	11,625.10	11,788.85
July 2019	487.30	379.00	393.45	11,981.75	10,999.40	11,118.00
August 2019	487.00	376.05	466.00	11,181.45	10,637.15	11,023.25
September 2019	472.45	400.25	405.65	11,694.85	10,670.25	11,474.45
October 2019	445.90	383.00	415.35	11,945.00	11,090.15	11,877.45
November 2019	451.35	357.65	390.40	12,158.80	11,802.65	12,056.05
December 2019	431.90	380.10	416.20	12,293.90	11,832.30	12,168.45
January 2020	457.80	377.70	396.20	12,430.50	11,929.60	11,962.10
February 2020	409.95	313.00	346.25	12,246.70	11,175.05	11,201.75
March 2020	361.00	163.95	210.05	11,433.00	7,511.10	8,597.75

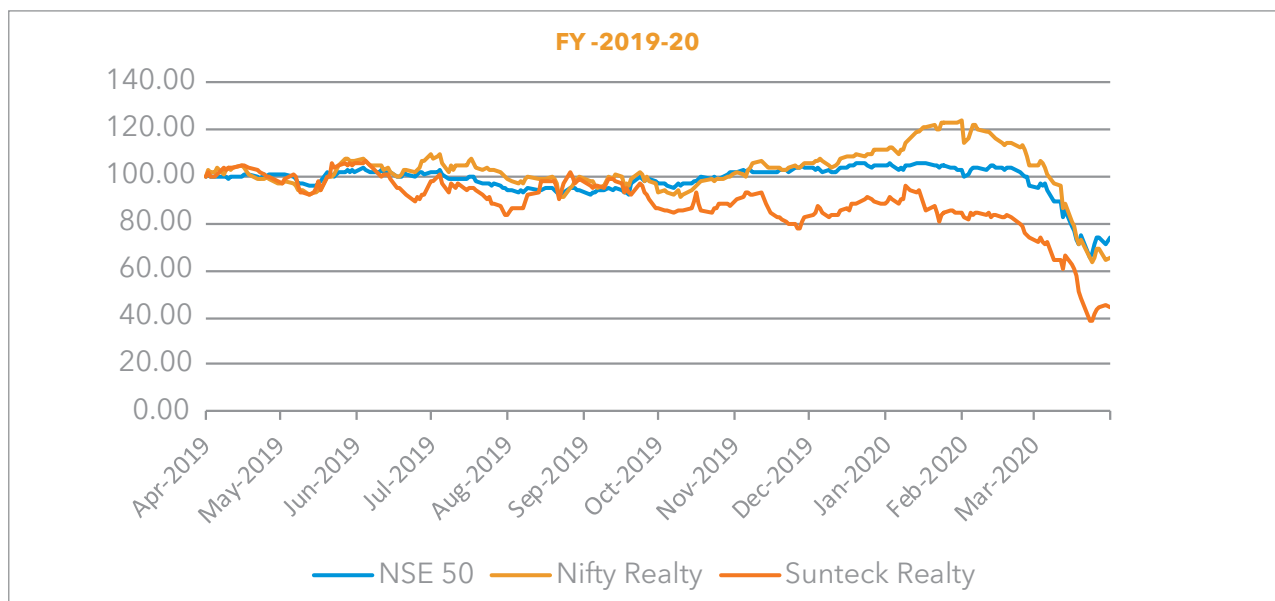
**p) Performance in comparison to broad-based indices such as BSE Sensex, BSE Realty Index, Nifty 50, Nifty Realty Index etc.:**

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



## Report on Corporate Governance (Contd.)

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



q) Registrar & Share Transfer Agent:

Link Intime India Pvt. Ltd.,  
C-101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai - 400083  
Tel : (022) 49186000 Fax: (022) 49186060  
Email id: rnt.helpdesk@linkintime.co.in  
Website: www.linkintime.co.in

r) Share Transfer System:

The share transfers which are received in physical form are processed by Registrar and Share Transfer Agent viz. Link Intime India Pvt. Ltd. and share certificates are dispatched within the time limit prescribed under the Listing Regulations.

s) Distribution of shareholding as on 31<sup>st</sup> March, 2020:

Number of Shares (Range)	No of Shareholders*	Percentage of Total Shareholders	Total No of Shares	Percentage of Total Capital
001- 500	7487	91.71	397,931	0.27
501-1000	240	2.94	186,130	0.13
1001-2000	148	1.81	225,166	0.15
2001-3000	57	0.70	147,292	0.10
3001-4000	23	0.28	82,618	0.06
4001-5000	17	0.21	76,616	0.05
5001-10000	57	0.70	426,976	0.29
10001 & Above	135	1.65	144,829,150	98.95
<b>Total</b>	<b>8164</b>	<b>100</b>	<b>146,371,879</b>	<b>100</b>

\*The folios having same PAN are not clubbed.

## Report on Corporate Governance (Contd.)

Shareholding Pattern (category wise) as on 31st March, 2020:

Sr. No	Category	No. of Shares held	Percentage of total holding
1.	Promoter & Promoter Group	98,306,095	67.16
2.	Mutual Funds	3,698,226	2.53
3.	Financial Institutions/Banks	11,974	0.01
4.	FII / Foreign Portfolio Investor	38,819,197	26.52
5.	Clearing Members	488,851	0.33
6.	Hindu Undivided Family	57,052	0.04
7.	Non Resident Indians (Repat and Non Repat)	292,075	0.20
8.	Bodies Corporate	2,312,813	1.58
9.	Insurance Companies	264,452	0.18
10.	Central Govt/State Govt./President of India	4,010	0.00
11.	Foreign Portfolio Investor (Category III)	4,795	0.00
12.	Others	2,112,339	1.45
<b>Total</b>		<b>146,371,879</b>	<b>100</b>

t) Address for correspondence:

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

u) Credit Rating: In March, 2020, CARE reaffirmed the Long Term Credit Rating of the Company to "CARE AA- / Stable" and Short Term Credit Rating of the Company to "CARE A1+". In February, 2020, India Ratings (FITCH) has reaffirmed Company's long term issuer rating to "IND AA- / Stable" and Short Term Credit Rating of the company to "IND A1+".

### DISCLOSURES:

#### a) Related Party Transactions:

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

During the year 2019-20, as required under section 177 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations, all RPTs were placed before the Audit Committee for approval.

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

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



## Report on Corporate Governance (Contd.)

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

### b) **Non Compliances/Strictures/Penalties Imposed:**

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

### c) **Disclosure of Accounting Treatment:**

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

### d) **Whistle Blower Policy/Vigil Mechanism:**

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

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

### e) **Dividend Distribution Policy:**

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

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

### g) **Code of Conduct:**

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

All Directors and Senior Management Personnel have affirmed compliance with the code for 2019-20. A declaration to this effect signed by the Chairman and Managing Director is given in this Annual Report.

### h) **Management Discussion and Analysis:**

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

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

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



## Report on Corporate Governance (Contd.)

There has been no instance of non-compliance of any requirement of Corporate Governance Report.

### NON-MANDATORY REQUIREMENTS

The Company has reviewed the non-mandatory requirements as specified in the Listing Regulations and it shall be adopted /complied by the Company on need basis.

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

**Kamal Khetan**

Chairman & Managing Director  
DIN: 00017527

Mumbai, 28<sup>th</sup> July, 2020

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

I hereby confirm that the Company has received from all the Board of Directors and Senior Management Personnel, an affirmation(s) that they have complied with the Code of Conduct as applicable to them in respect of the Financial Year ended 31st March, 2020.

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

**Kamal Khetan**

Chairman & Managing Director  
DIN: 00017527

Mumbai, 28<sup>th</sup> July, 2020

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

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

Mumbai, 28<sup>th</sup> July, 2020

**Veeraraghavan N.**

ACS No. 6911

CP No. 4334

UDIN: A006911B000513494



# Auditor's Certificate On Corporate Governance

To the Members of

## Sunteck Realty Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 4th October, 2019.
2. This certificate contains details of compliance of conditions of corporate governance by **SUNTECK REALTY LIMITED** ('the Company') for the year ended 31st March, 2020 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

3. 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

4. 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.
5. 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 Listing Regulations for the year ended 31st March, 2020.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes 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 the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has generally complied in material respects with the conditions of Corporate Governance as stipulated in the aforesaid regulations except for Compliance Certificate issued under Regulation 17(8), which has been signed by the Chief Financial Officer and Managing Director.
9. 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

10. The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person or for any other purpose. Accordingly, 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 Lodha & Company

Chartered Accountants  
Firm Registration No. 301051E

### R. P. Baradiya

Partner  
Membership No. 44101

UDIN - 20044101AAABIS7128

Mumbai, 28<sup>th</sup> July, 2020



# Secretarial Audit Report

FORM NO. MR - 3

## SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2020

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

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

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 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 ):
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) Securities and Exchange Board of India ( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (e) Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements ) Regulations, 2018;
  - (f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (g) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities ) Regulations, 2008;
  - (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
- (j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

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

- a) Real Estate (Regulation & Development) Act, 2016.
- b) Transfer of Property Act, 1882,
- c) Indian Easements Act, 1882,
- d) Registration Act, 1908,
- e) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and
- f) The Land Acquisition Act, 1894.

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

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

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

**I further report that:**

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

Majority decision is carried through, while the dissenting members' views( if any ) are captured and recorded as part of the minutes.

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

Mumbai, 28<sup>th</sup> July, 2020

**Veeraraghavan N.**

ACS No. 6911

CP No. 4334

UDIN: A006911B000513472

# Management Discussion and Analysis

## GLOBAL ECONOMY

The global economy continued to be in the grip of slowdown amidst Brexit-related uncertainty, the U.S.-China trade war and rising geopolitical tensions and growth rate is estimated to have declined to 2.9% in 2019, according to International Monetary Fund (IMF). Global manufacturing activity and investment weakened substantially owing to increasing trade tensions and uncertainty related to rising tariffs. Investment growth reached multi-year low on the back of muted demand environment and declining business confidence. Central banks around the world cut interest rates in order to stoke demand and stave off a downturn.

According to IMF estimates, the world economy is expected to contract by 3% in 2020 owing to the coronavirus pandemic which has disrupted global manufacturing and trade. However, the economy is expected to rebound and clock a growth of 5.8% in 2021 after the pandemic fades.

## INDIAN ECONOMY

Impact of a global slowdown amid trade war worries and Non-Banking Financial Companies (NBFC) crisis continued to weigh on the Indian economy. According to IMF estimates, the growth rate of economy declined significantly to 4.2% for fiscal year 2020 on the back of weak manufacturing activity, falling exports and weak consumer demand and private investment. Responding to the persistent slowdown, the Central Bank continued to cut policy rates during the year while the Government announced various measures to arrest the pace of decline. Corporate tax rate was slashed to boost investment. Public sector banks were merged to create healthy large banks and the Government announced capital infusion into PSU banks to boost lending and improve liquidity in the system.

The Centre announced a Rs 25,000 Crores stimulus package for the ailing real estate sector in order to revive stalled affordable and middle-income housing projects. The move is likely to release a large amount of funds stuck in these projects for productive use in the economy, generate employment and revive other major sectors of the economy. In line with the government's initiative "Housing for All" and Affordable Housing, the Finance Minister extended the date of sanction of loan for availing the additional deduction by one more year and also extended the tax holiday provided on profits earned by real estate developers of affordable housing projects approved by one more year.

The Covid-19 pandemic and consequent lockdown brought economic activity to a virtual standstill. Amidst the uncertainty, IMF expects the growth rate of Indian economy to plunge to 1.9% in FY21. In response to the ongoing crisis, the government and RBI announces several fiscal and monetary stimulus measures to revive the ailing economy. Though the economy continues to be in the grip of slowdown in the short term, key structural reforms by the government including reduction in policy rates, recapitalization of public sector banks, liquidity support to NBFC sector and government's infrastructure investment plans should help revive the credit cycle and help in kickstarting the economy over the medium to long term.

## INDUSTRY

For the housing sector, 2019 was a lacklustre year in terms of sales growth and demand. Sentiments remained subdued, sustaining almost solely on end-user activity focused on ready-to-move-in or almost-complete homes. Indian residential sector was caught in the grip of delayed project deliveries, liquidity squeeze for developers, high unsold inventory and a growing proportion of stalled projects. As such, end-users continued to gravitate towards well-established players with a track record of completing and delivering projects on time. The slew of measures announced by the government such as last-mile funding of affordable housing, rationalisation of the GST rates, liquidity support to HFCs and NBFCs were desirable steps to revive the sector.

Indian real estate sector which had already been grappling with subdued demand and liquidity crisis, is now facing severe slowdown challenges owing to the impact of coronavirus pandemic. Amidst the current COVID-19 outbreak, residential sector, which was already reeling under inventory overhang and lack of consumer confidence, is likely to



## Management Discussion and Analysis (Contd.)

struggle through fiscal 2021 as developers will face challenges in launching new projects and complete the ongoing ones as planned because of construction halts, labour shortage and financing issues. However, the government is expected to step in with required measures to revive the sentiments and invigorate demand to get the growth trajectory back on track. Moreover, in the current challenging environment, leading players are likely to adopt technology to enhance customer experience.

Affordable housing remained upbeat in 2019 thanks to multiple government sops throughout the year. First-time home buyers were given further tax deductions on interest amount of home loans below ₹ 45 Lakhs availed within FY 2020 end. The ticket size of residential projects has been shrinking as developers have been launching units at 7-15% reduction in prices with lower average area per house, led by both market needs and the government's impetus to affordable housing.

The Indian real estate sector has been consolidating for the past few years. With the onset of RERA, financially weak players found it difficult to adhere to compliance norms and were either going out of business or consolidating with larger players. The ongoing liquidity crisis in certain NBFCs have created major roadblocks for developers with low credit quality scores thus kicking off a new wave of consolidation. The consolidation phase is likely to continue amidst the current COVID-19 outbreak and as the industry emerges from this pandemic, many weak players may cease to exist.

Regulatory and financial measures taken by the government have played their part in supporting end-user sentiments in the residential segment. Multiple rate cuts and structural reforms to ease credit flow by the RBI along with the reduction of GST rates to 1% for affordable housing and 5% for others have helped the sector otherwise struggling with liquidity and funding issues. India's improved rank on Ease of Doing Business and the courage to implement reforms such as RERA and IBC are indeed creditworthy. These are expected to yield fruitful results in the future and help establish Indian real estate as a preferred destination for global investors, occupiers, and homebuyers.

### MUMBAI REAL ESTATE

Mumbai is the commercial capital and economic growth engine of India and is among the fastest growing regions in India. The city has been one of the largest markets for the luxury residential real estate in the country. However, liquidity pressure faced by developers and weak consumer demand resulted in weakness in luxury residential real estate market. However, developers with strong balance sheet and excellent track record have been consolidating their position and market share over the last few years.

Ongoing infrastructure projects and increased connectivity have resulted in sustained demand for housing in Mumbai. Moreover, demand for affordable housing continues to pick up in the city and suburbs and is expected to drive the growth of the industry in the short to medium term. According to property consultancy firm JLL, Mumbai remained the only city in the country that witnessed a hike in launches with majority of the launches under affordable and mid-income housing segment.

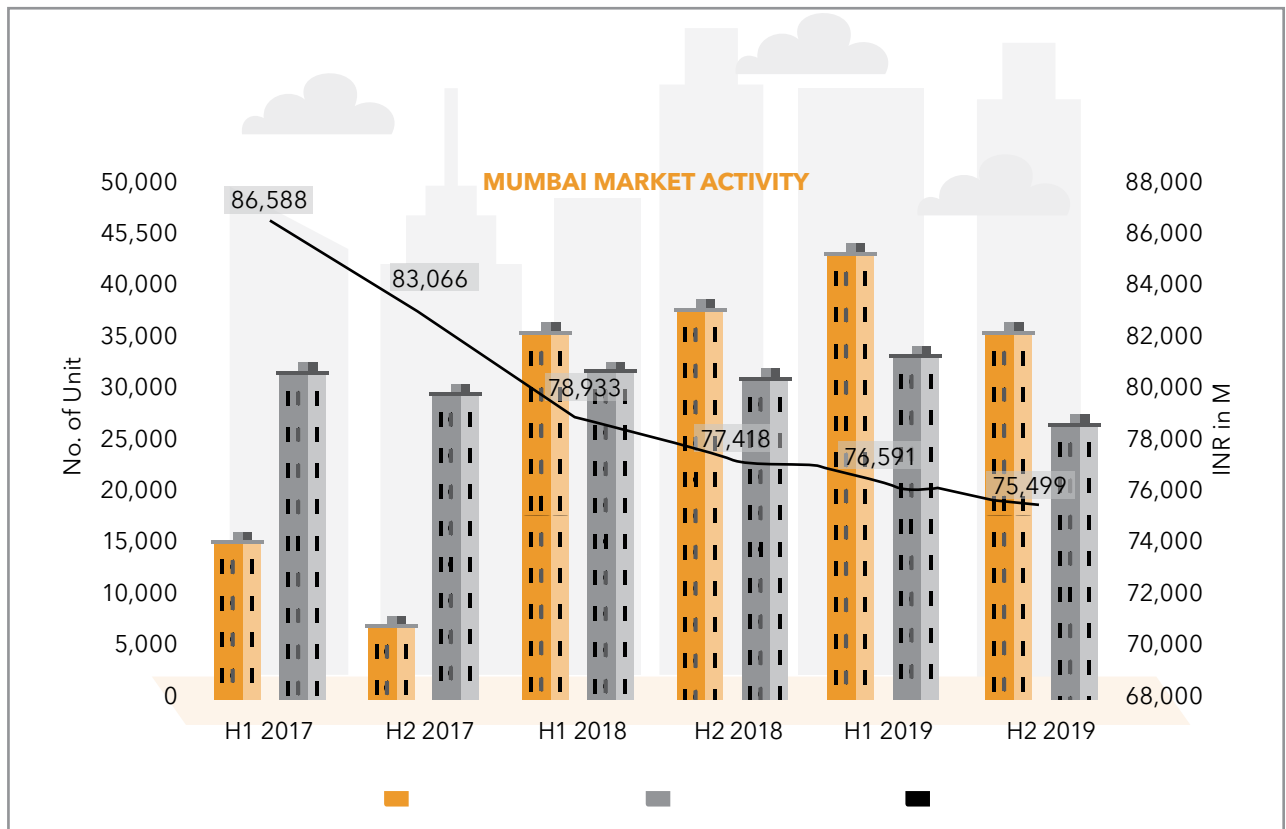
### MMR RESIDENTIAL

The Mumbai Metropolitan Region (MMR) recorded muted growth of 7% year-on-year (YoY) in launches in 2019 to 79,810 units on the back of ongoing economic slowdown, national and state elections in 2019, and the prolonged NBFC crisis which dented consumer sentiments and affected demand. The number of homes sold fell by 5% YoY to 60,943 units during the calendar year 2019. Weighted average home prices in MMR continued to correct in 2019, although marginally, by 2% YoY to ₹ 7,014 per sq. ft. The prices have corrected by 14% from the peak of H2 2016.

According to Anarock Property Consultants, the unsold inventory reached a 5 year low indicating improvement in the supply demand equilibrium in MMR.



## Management Discussion and Analysis (Contd.)



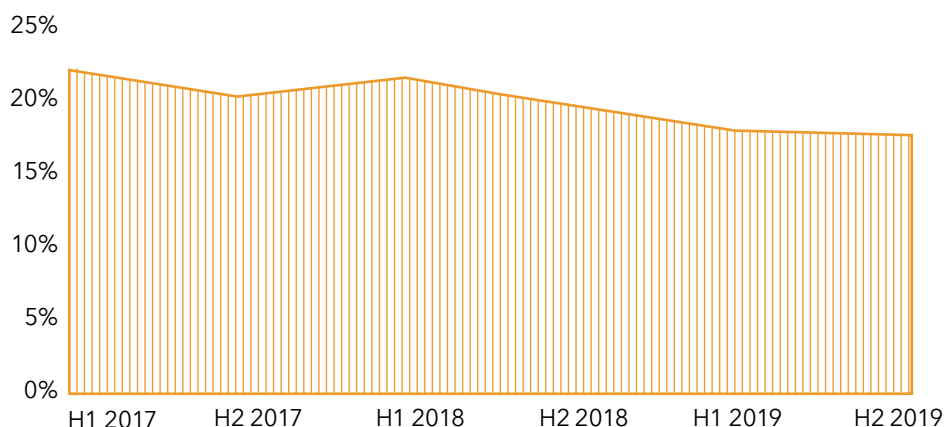
Source: Knight Frank Research

### MMR Residential Activity (Source: Knight Frank research report)

#### MMR Region office market

Despite challenging economic climate, the office market in key micro markets like MMR exhibited resilience with low vacancy and limited new supply. Office leasing in MMR touched a historic high of 9.7 mn sq. ft. in 2019, registering a 22% YoY growth, driven by large deals in the BFSI sector while new supply of office space went down by 18% YoY to 5.4 mn sq. ft. in 2019.

BFSI continued to have largest share in office leasing activity in H2 2019, garnering 64% share of total transactions. Vacancy level in MMR declined from 21.5% during H1 2018 to 17.5% during H2 2019.



Source: Knight Frank Research

### MMR Office Market Vacancy (Source: Knight frank research report)



## Management Discussion and Analysis (Contd.)

### BUSINESS OVERVIEW

Sunteck Realty is one of the fastest growing real estate development companies of the country with focus on city-centric developments well spread-out across Mumbai Metropolitan Region (MMR). The Company's business focuses on designing, developing and managing premium residential and commercial properties. The strength of the Company has been to follow an asset light strategy to ensure efficient Return on Equity while delivering projects that provide value for money.

The Company has carved a niche for itself in the luxury segment through brand positioning complimented with various product offerings, efficient designs and an established network of reputed channel partners for market penetration.

Our core focus remains Mumbai Metropolitan Region (MMR); we forecast sustained demand, especially in the residential segment, as a result of limited supply of quality land, emerging middle-income segment and rising immigrant population. Our Company's ultra-luxurious residential projects in BKC continue enjoying a monopoly position in the micro market, leading to significant premium pricing. Another major location is ODC - Goregaon (W), where we are developing a large mixed-use project on 23 acres. In FY18-19, we also added the 'World' brand in our portfolio, focusing on aspirational luxury and offering apartments in sub INR 1 Crore bracket. Our latest project, Sunteck MaxxWorld in Naigaon met with grand success at the time of launch with sales of over 1,800 apartments in a short span.

The Company's strategy is to expedite monetization of its ongoing and ready projects in near to medium term, thus enabling higher ROEs. Key features of our business model are as follows:

- 1. Strategic Land Acquisition** - Periodic acquisitions through Government Tenders, Joint Development, Outright purchase from private corporates and re-development of housing societies has ensured a clear and clean supply of land parcels at relatively lower acquisition cost. Further, most of our land-acquisitions (viz. BKC, ODC Goregaon-W and Naigaon) have been validated through solid research. We consciously undertook peak expansion of our portfolio during and post Lehman crisis around 2009-10, thereby creating value for the Company. With the ongoing consolidation, a similar opportunity has presented itself today - paving the path for aggressive business development. In H1FY20, we announced an acquisition of a residential project in prime locality of Andheri Lokhandwala under the asset light strategy with minimal upfront capital investment.
- 2. Premium Positioning** - To differentiate the Company's projects from its peers, your Company has developed various brands that well resonate product offerings across residential and commercial developments: (a) Signature - uber luxury residences that are aimed at high-net worth individuals, (b) Signia - ultra luxury residences in select suburban micro markets, (c) Sunteck City - large mixed-use developments offering premium luxury residences and (d) World - Aspirational luxury residences and (e) Sunteck - for commercial developments
- 3. Robust Sales** - The Company achieves its target sales through its sales offices, reputed channel partners, wealth managers, institutions and through participation in property exhibitions to attract clientele - both retail and corporate customers. Your company recently launched an online platform named SunteckAer to garner digital sales amidst the lockdown because of the ongoing pandemic. Sunteck Aer will evolve into a permanent sales channel to enhance sales across the portfolio. Further, your Company emphasises on customer centricity with dedicated services for its customers from the date of purchase until handover of the apartment.
- 4. Social Media & Digital marketing** - In today's digital age, the need to adopt digital marketing practices has become imperative. Increased usage of internet and social media platforms by customers in their decision making process across products, including real estate, is now the new norm. Extensive thought through digital campaigns are more likely to propel customer site visits. Keeping up with these trends, Sunteck has enhanced its digital presence in a big way, especially digitization of property listings, to maintain high conversion rates for our projects. Towards the end of this financial year, your Company launched its digital sales platform - SunteckAer - to market ongoing and new projects.
- 5. Strong tie-ups for execution** - Your Company has built a strong in-house project management team with complete execution capabilities to ensure quality, design and timely completion of its projects. Further, with individual teams for each brand, we are well equipped to tackle large scale developments while maintaining our luxury quotient.

## Management Discussion and Analysis (Contd.)

- 6. Strategic Partners & Associates** - As your Company has grown, it has always been very selective in its partnerships with financial institutions; we always strive to partner with those that bring not only financial strength to the business but share our vision to be the best in the business.
- 7. Prudent cash flow management** - Since inception, the Company has always focused on expanding its footprint in micro markets, through extensive research, where we can add value to propel capital appreciation in our projects. Further, your Company has always maintained fiscal discipline by following a differential asset light strategy (JV / JDA) in a capital intensive real estate market of MMR. Prudent cash flow management and efficient capital allocation has enabled your Company to grow exponentially in a short span. Wherever required, we have implemented innovative funding structures to maintain optimal debt levels and ensure minimal stress on our balance sheet.
- 8. Presence across pricing spectrum** - With the integration of 'World' brand in our portfolio, your Company has firmly established its position in the aspirational luxury segment as well. Your Company is now present across the pricing spectrum, from uber-luxury to aspirational luxury, in various micro markets.

### GROWTH ENGINES

Presently, your Company's portfolio has 26 projects with an aggregate development potential of ~35 msf, of which approximately 70 percent is in the residential segment and balance comprises commercial & retail projects. This expansion of our operations has been achieved within a short span since your Company's foray into real estate development business in 2005.

Currently, our portfolio focuses on MMR region with a few projects in other cities. We continue to monetize our three growth engines and are also gearing up to building a rental portfolio of commercial assets. The Company's growth engines can be divided as follows:

- (a) Bandra Kurla Complex (BKC)** has emerged as the new Central Business District of Mumbai. BKC has evolved over the last decade and continues to remain a preferred choice for international and domestic financial institutions. Demand is expected to increase with ongoing infrastructure initiatives - extension of Santacruz Chembur Link Road, flyover connecting directly to Bandra Worli Sea Link, Phase 3 of Mumbai Metro, etc. Some of the well-known corporates, financial institutions, consulates, educational institutions, hotels, F&B outlets and a hospital already occupy space in BKC. With almost no residential supply except Sunteck Projects, CXOs who aspire a luxurious lifestyle along with close proximity to their work place continue to drive demand in the micro-market. Further, with upcoming commercial supply in BKC, we believe that we are well placed to benefit from it.
- (b) Oshiwara District Centre (ODC)** identified as the next CBD by MMRDA is strategically located and enjoys superior connectivity to major nodes of the city. MMRDA continues to improve the infrastructure; construction of six ninety feet roads in the notified zone of ODC and three metro stations in a radius of 2-3kms will be completed over next few years, further enhancing the micro-market's profile.

Sunteck City Avenue 1 and Avenue 2 are nearing completion with limited unsold inventory. Incrementally, the launch of Sunteck City Avenue 4 (Tower 1) has added to our residential offering in the vicinity. The launch met with an overwhelming response, and your Company was able to sell ~125 units within 3 weeks of launch.

In close proximity, there are various large commercial developments such as Nirlon Knowledge Park, Nesco and Mind Space with prominent occupiers - MNCs, back offices of international banks (Citi, JP Morgan, Deutsche Bank) as well as IT companies. Keeping in mind the current market dynamics, we are currently working on plans for Sunteck City Avenue 5 and Avenue 6, comprising of commercial and retail space.

**With our project Sunteck City** - a large mixed-use development spread over 23 acres, we intend to create a true sense integrated community living.

- (c) Sunteck World** brand in Naigaon continues to witness strong demand since its launch in September 2018. Sunteck WestWorld (Phase I) met with grand success at the time of launch. In Q4 FY20, the Company received a similar overwhelming response to Phase II of the project - Sunteck Maxx World.



## Management Discussion and Analysis (Contd.)

Work is in full swing and your Company has been able to achieve record construction progress since breaking ground in a short span of 16 months, a reflection of your Company's strong execution skill. We've adopted 'Mivan Technology', using pre-casted aluminium structures unlike wooden structure for RCC, to significantly reduce slab cycles.

Naigaon project has strengthened our cash flow visibility & enabled portfolio diversification with an entry into aspirational luxury segment. The launch of upcoming phases will further strengthen the cash flows and product offerings.

- (d) Vasai** - Similar to our strategy to enter BKC, ODC and Naigaon - Vasai will evolve into our fourth growth engine as it offers potential untapped demand in an established residential micro-market. With a focus on middle income group, we intend to offer well designed apartments with unobstructed sea views - catering to emerging customer needs of residential premises that not only offer a luxurious lifestyle, but also ensures a comfortable 'Work from Home' environment - an emerging need based on the ongoing pandemic COVID-19.

### OPPORTUNITIES

The ongoing COVID-19 pandemic for last 4-5 months has significantly impacted our economy - across industries. On the macro side, we are seeing a few things - uncertainty in businesses and employment could lead to near headwinds. On the flip side, interest rates for housing are extremely low and affordability is attractive.

The importance of owning a nice home in a 'Work from Home' environment is positive and we are observing a major shift in demand from under construction to ready or nearing ready inventory.

A majority of your Company's inventory is ready or near ready. Despite the lock down, we were positively surprised by the pre-sales achieved in Q4 FY20 and most of it is driven by either finished or close to finished inventory in projects like Sunteck City Avenue 1 in ODC, Sunteck WestWorld in Naigaon, Signia High in Borivali and Signia Waterfront in Airoli.

On business development front, developers with weak balance sheet are facing multifold challenges - lack of liquidity to complete the projects and non-availability of fresh capital; lenders are not willing to offer home loans to buyers of unorganized developers and there is tremendous distress on the street.

Our brand recall, quality execution track record and balance sheet strength positions us to be one of the biggest beneficiaries and increase our market share. We intend to capitalize on the opportunity at hand, setting the stage for further sustainable growth through asset light acquisitions ensuring attractive ROEs.

### ELEMENTS OF COMPETITIVE ADVANTAGE

<b>Asset Light Strategy</b>	<ul style="list-style-type: none"> <li>- Efficient RoE Model in capital intensive MMR</li> <li>- JV/JDA Model preferred</li> </ul>
<b>Balance Sheet Strength</b>	<ul style="list-style-type: none"> <li>- Optimal leverage and cost borrowing</li> <li>- Fiscal discipline through prudent cash flow management</li> </ul>
<b>Research Based Acquisitions</b>	<ul style="list-style-type: none"> <li>- Proven ability to identify strategic locations along the growth vector</li> <li>- Aggressive acquisition during market slowdown</li> </ul>
<b>Inourced Capabilities</b>	<ul style="list-style-type: none"> <li>- Independent execution teams for various brands</li> <li>- Firm control on costs and quality</li> </ul>
<b>Premium Positioning</b>	<ul style="list-style-type: none"> <li>- Well established luxury brands catering to diversified income segments</li> <li>- Value creation through marquee projects that elevate micro-market profile</li> </ul>



## Management Discussion and Analysis (Contd.)

### OPERATIONAL PERFORMANCE

During 2019-20, your Company achieved pre-sales of ~INR 12,20,800 Lakhs and in terms of collections, your Company achieved ~INR 7,15,100 Lakhs during 2019-20.

Our 3 residential projects in ODC, Goregaon (W) contributed 22 per cent of our total pre-sales. This represents strong demand for our projects in the next major CBD of Mumbai being developed by MMRDA at attractive price points, especially with Sunteck City Avenue 1 & 2 approaching possession. Our aspirational luxury housing project in Naigaon - Sunteck WestWorld & MaxxWorld contributed 63 per cent of our total pre-sales.

### CONSOLIDATED FINANCIAL PERFORMANCE

Your Company recorded Income from operations of ~INR 60,870 Lakhs in 2019-20. PAT has decreased from ~24,110 Lakhs in FY 2018-19 to INR~ 10,110 Lakhs in 2019-20

As part of the Company's endeavor to reward shareholders, the Board has recommended a final dividend of ₹ 1.5 per equity share having face value of Re. 1 each held by persons / entities other than Promoter & Promoter Group. Based on the discussion with Promoter & Promoter Group, the Board recommended dividend of ₹ 0.75 per equity share having face value of ₹ 1 each to Promoter & Promoter Group. The Company's FY 2019-20 proposed dividend payout shall be ~ ₹ 1,458 lakhs on the total equity base as compared to ~ ₹ 2,195 lakhs in FY 2018-19.

The Net Worth of the Company increased to ~INR 2,92,010 Lakhs in 2019-20 compared to ~INR 2,83,370 Lakhs in FY 2018-19 on account of the profits. Net Debt to equity ratio stood at 0.26x in 2019-20. Our prudent corporate finance practices also ensured efficient finance costs during the year.

### Abridged Consolidated Profit & Loss Account

₹ In Lakhs

Particulars	March 31, 2020	March 31, 2019
Income from Operations	60,783.45	85,679.21
Other Income	2,371.62	3,432.55
<b>Total Revenue</b>	<b>63,155.08</b>	<b>89,111.76</b>
Total Expenditure	49,305.11	52,181.40
<b>Profit Before Tax</b>	<b>13,849.97</b>	<b>36,930.36</b>
Share of profit/(loss) of associates	43.28	25.05
Tax	3,781.35	12,842.93
<b>Profit After Tax</b>	<b>10,111.90</b>	<b>24,112.48</b>
Minority Interest (Profit)/loss	(83.51)	(1,357.88)
Comprehensive Income/(loss)	1,037.58	(92.68)
<b>Adjusted Profit After Tax</b>	<b>11,064.28</b>	<b>22,662.80</b>
<b>EPS (₹ / share)</b>		
<b>Basic EPS</b>	<b>7.14</b>	<b>16.22</b>
<b>Diluted EPS</b>	<b>7.13</b>	<b>16.20</b>

### Abridged Consolidated Balance Sheet

₹ In Lakhs

Liabilities	FY 2020	FY 2019	Assets	FY 2020	FY 2019
Shareholders' Funds	2,92,014	2,83,372	Trade Receivables	35867	41010
Minority Interest	-	9,103	Inventories	2,72,030	263,206
Secured Loans	78,838	58,574	Loans & Advances	10,587	6,099
Unsecured Loans	13,333	4,888	Cash & Bank balances	16,622	14,792
Others	35,558	36761	Others	84,637	67591
<b>Total</b>	<b>419,743</b>	<b>392,698</b>	<b>Total</b>	<b>419,743</b>	<b>392,698</b>

## Management Discussion and Analysis (Contd.)

### Financial Ratios

			2020	2019	Remarks
Debtors Turnover	x	Sales Debtors	1.71	2.31	Lower sales value due to change in sales mix
Inventory Turnover	x	Sales/COGS Inventory	0.22	0.33	Lower sales value due to change in sales mix
Interest Coverage Ratio	x	EBIT Interest Expense	3.64	9.20	Ratio adequate indicates better coverage ratio
Current Ratio	x	Current Assets  Current Liabilities	3.40	4.03	Ratio adequate indicates better liquidity position
Debt Equity Ratio	x	Total Borrowings  Total Shareholders Equity	0.26	0.17	Ratio adequate indicates low leverage position
Operating Profit Margin	%	EBITDA  Total Revenue	27%	44%	Lower EBITDA is due to change in sales mix
Net Profit Margin	%	PAT  Total Revenue	17%	28%	Lower PAT is due to change in sales mix
RoNW	%	PAT  Total Shareholders Equity	3%	9%	Due to lower PAT as result of lower sales and change in sales mix

Your Company broadly defines "liquidity" as its ability to generate sufficient funds from both internal and external sources to meet its obligations and commitments. Your Company has funded capital requirements primarily through cash flows generated from its operations. Working capital requirements were met by internal accruals and short term borrowings from Banks to run the operations efficiently.

### INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

Your Company has appropriate internal control systems covering the gamut of business processes including acquisitions, sales, operations, financials and regulatory reporting. There are clearly defined roles and responsibilities amongst the team through an institutionalized job description and role profile definition. The human resource and related manuals enable all team members to coherently integrate into the Company in quick time. Regular internal audits and checks ensure that responsibilities are discharged effectively.

Your Company keeps on updating the IT infrastructure both hardware and software. It has strong ERP platform to streamline business processes, enhance productivity and efficiency. There are intelligent reporting tools in place that provide business with valuable insights to quickly make sound decisions.

### HUMAN RESOURCE

The Human Resources function at Sunteck has evolved and developed over time and has made appropriate changes to bringing in talent across levels and departments. In Fiscal 2020, management graduates from top institute were hired to bolster the bench strength of future leaders. Your Company today has a young and motivated work-force that brings in fresh thinking and energy, simultaneously Senior Management team which comes with a wealth of

## Management Discussion and Analysis (Contd.)

knowledge and numerous years of industry experience act as mentors to these young employees. Hiring best of the talent and developing & retaining them within the organization has been a key policy of the organization. As a part of succession planning we took a step further and went on to hire the talent from country's best management Institute.

With greater visibility and strong brand, your Company has been able to attract some of the best talents of the industry. As we scale up our presence in the niche premium residential segment in the real estate market, Human Capital and best-in-class people practices remain at the core of our business.

In order to ensure that we onboard the best young talent, we now encourage every line manager to be a part of our campus engagement initiatives. We also encourage internship opportunities in all departments as we believe that influencing young minds at an early stage can help in creating good, sound professionals. This year we created a well-defined campus strategy and involved all department heads to contribute to this combined effort.

Under Management Trainee programme fresh talent is hired from best of the institute's through a robust recruitment plan, post selection they are put through a rigorous on-the-job rotation program to develop wellrounded professionals in various departments of our business

We are constantly re-evaluating our HR policies so as to do the best that we can for our people. In order to bring in new-age HR practices, we have undertaken a thorough review of our existing policies followed by a benchmarking study of our top competitors. We understand the rigors around the work that our people put in and conduct stress management sessions on a regular basis. The organization supports the spirit of learning and this resonates in the fact that some of our employees have chosen to pursue higher education while continuing with their employment. Such development initiatives ensure that our people are up to the mark.

In terms of talent management, our Company's key focus in the current year was on ramp-up of teams across Sales, CRM & marketing departments, including senior management executives across these departments. This follows our last year's focus on increasing the headcount in varied verticals of operations like Engineering Procurement & Construction (EPC), Acquisitions, Legal & Liaison, Architecture & Design, Sales and Marketing. These recruitments have brought with them a breadth and depth of knowledge and expertise across all functions.

A few practices observed by the Company to ensure that the multi-cultural work environment is maintained whilst giving a learning opportunity to the employees include:

- Extensive and rigorous training programs with upgraded development modules, new practices & methods and superior's assistance to make them equipped with necessary skills and knowledge to handle vital functions of project management and delivery
- Imparting behavioral training programs to equip our employees with the soft skills that distinguish them from their peers in the industry
- Building confidence in the employees by constant communication on any developments in the Company like new joiners, awards and recognitions, employees' poll on certain work related matters, news articles, etc. are communicated through mailers on a regular basis
- Improving morale, creating loyalty and increasing overall productivity in our employees through performance management system is the key to the Company outperforming the competition. The current performance management system establishes a true pay-for-performance culture which, in turn, has recognized and appreciated the deserving employees
- The Company thrives towards retaining its Talent by creating open communication medium between employees and the management. We foster employee development and make sure that they know what we expect of them by having periodic review meetings
- Development of a healthy mind and body with periodic health camps, workshops and seminars.
- Offsite meetings consisting of key members in the organization to strategize the Short term & Long term goals and formulate a Road map towards achieving the same

The Company focuses on its core values and culture of "Dream, Plan, Act and get Results" which is reflected in HR policies and plans followed at Sunteck. The culture of openness, the quest to innovate and implement new ideas is



## Management Discussion and Analysis (Contd.)

ingrained in the work environment - driving everyone to think, believe and deliver big. The Company would like to express its gratitude for the support and assistance rendered by its employees and expects the spirit of teamwork to continue in the years to follow.

### CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, estimates, expectations may be "forward-looking statements" within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied due to several factors which are beyond the control of the management. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy and comprehensiveness though the same are based on sources believed to be reliable. Utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions on the material impacts on the Company's operations but it is not exhaustive. The Company assumes no obligation to amend or update forward looking statements in future on the basis of new information, subsequent developments or otherwise.



# Independent Auditors' Report

## TO THE MEMBERS OF SUNTECK REALTY LIMITED

### REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying consolidated financial statements of Sunteck Realty Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures, which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Financial Statements").

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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at 31st March, 2020, their consolidated profit including other comprehensive income, their the consolidated changes in equity and consolidated cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matters

Without qualifying our opinion, we draw your attention to following matters:

- a) In view of Covid-19 pandemic outbreak, we draw your attention to the note no. 60 of the consolidated financial statements regarding the Management's assessment of, inter-alia, recoverability/ realisability of assets of the Group and its joint ventures, based on current indicators of future economic conditions. The Management, apart from considering the internal and external information up to the date of approval of consolidated financial statements has also performed sensitivity analysis on the assumptions used. The Management expects to, inter-alia, realise inventories of ₹ 272,029.98 lakhs and projects to be executed (by joint venture companies), having carrying value of ₹ 22,781.23 lakhs, whose commencement have been delayed; and recover trade receivables of ₹ 35,866.59 lakhs (including in respect of what is stated in para "b" below) and contract assets (unbilled debtors) of ₹ 25,251.75 lakhs. The impact of the global health pandemic may be different from the estimated as at the date of approval of consolidated financial statements. Considering the continuing uncertainties, the Management will continue to closely monitor any material changes to future economic conditions.
- b) The Group has overdue trade receivables amounting to ₹ 1,203.50 lakhs (Previous Year ₹ 1,203.50 lakhs) from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of legal case and is hopeful of recovering the same in due course of time. In their opinion, therefore, no provision is considered necessary at this stage.
- c) The Holding Company is a partner in a partnership firm, Kanaka & Associates, in which the Holding Company has total exposure comprising of capital invested, loans given and other receivables aggregating to ₹ 1,397.42 lakhs (Previous Year ₹ 1,179.55 lakhs). Since, there is some dispute with the other partner, the financial statements of the said firm are not available and therefore, the same has not been consolidated, which as explained by the management, would be immaterial. The management is hopeful of recovering / realising the aforesaid exposure in due course of time, as the Holding Company has received the favourable arbitration award and hence, in their opinion, no provision is considered necessary at this stage.

## Independent Auditors' Report (Contd.)

### 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.

Key Audit Matters	How the matter was addressed in our audit
<b>Revenue recognition for real estate development contracts</b>	
<p>Revenue from real-estate contracts is recognised over a period of time (using percentage of completion method), if the necessary conditions/obligations as mentioned in the Ind AS 115 - "Revenue from contracts with customers" are satisfied, otherwise, 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. 1(e), 2(a) and 49 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 financial statements, as specified in Ind AS 115.</li> </ul>

## Independent Auditors' Report (Contd.)

<b>Carrying values of Inventories</b>	
<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 no. 1(m) and 12, particularly in respect of Construction work-in-progress of ₹ 191,724.89 lakhs and Completed units of ₹ 79,709.88 lakhs, to the consolidated financial statements.</p>	<p>We assessed the 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>
<b>Recoverability of carrying value of investment in / loan to joint ventures:</b>	
<p>The Group accounts for investments in equity instruments of joint ventures at cost less accumulated impairment losses, if any.</p> <p>The assessment of recoverable amount of the investment and loans receivable from joint ventures involves significant judgement in respect of assumptions such as current projects, expected sales, future business plan, upcoming projects and the recoverability of certain receivables / investments.</p> <p>We focused on this area as a key audit matter due to judgement involved in forecasting future cash flows and the selection of assumptions.</p> <p>Refer note no. 6 and 17 to the consolidated financial statements.</p>	<p>Our procedures / testing included the following:</p> <ul style="list-style-type: none"> <li>• Tested management's assessment of the provision required for impairment of investments / loans</li> <li>• Checked the net worth of the joint ventures and its history of financial performance.</li> <li>• Evaluated appropriateness of key assumptions, including current market rates, used in the cash flow forecasts used in computing recoverable amount of investment and /or loan (including interest accrued).</li> </ul>
<b>Fair valuation of certain investments:</b>	
<p>Investments other than investment in joint ventures are carried at either Fair Value through Profit / Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI) as per fair value hierarchy.</p> <p>In case of investments, whose fair valuation falls under the Level 3 hierarchy, the Group engages third party valuers to perform the valuation. Inputs/assumptions used for valuation are not based on observable market data and therefore significant level of judgement is involved. Hence, we have considered this area as key audit matter.</p> <p>Refer notes no. 1(o) and 7 to the consolidated financial statements.</p>	<p>Our procedures / testing included the following:</p> <ul style="list-style-type: none"> <li>• Tested the operating effectiveness of controls for the review of assumptions and estimates used in evaluation of inputs for the purpose of fair valuation.</li> <li>• Reviewed the valuation reports obtained by the Group from independent third party valuers for investments recorded at fair value for level 3 fair valuation hierarchy and assessed/challenged the assumptions, methods and competency of the valuer.</li> </ul>



## Independent Auditors' Report (Contd.)

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its joint ventures are responsible for assessing the ability of the Group and its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

### Auditor's Responsibilities 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 Act, we are also responsible for expressing our opinion on whether the Holding 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.



## Independent Auditors' Report (Contd.)

- 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 ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 and its joint ventures 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 and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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

- (a) We did not audit the financial statements and financial information of fifteen subsidiaries, whose financial statements reflect total assets of ₹ 80,966.39 lakhs as at 31st March, 2020, total revenues of ₹ 3,601.02 lakhs and net cash flows amounting to ₹ 4,666.23 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 0.21 lakhs for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of three joint ventures, whose financial statements and financial information have not been audited by us.



## Independent Auditors' Report (Contd.)

These financial statements and financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements and financial information of a foreign joint venture company, whose financial statements include the Group's share of net loss of ₹ 50.49 lakhs for the year ended 31st March, 2020, as considered in the consolidated financial statements. These financial statements and financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture company, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statements and financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures, incorporated in India, none of the directors of the Group's companies and its joint ventures, incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and its joint ventures and the operating effectiveness of such controls, refer to our separate report in Annexure "A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures, incorporated in India, the remuneration paid by the Holding Company, its subsidiaries and joint ventures incorporated in India 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures - Refer note no. 39 to the consolidated financial statements.
  - (ii) The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its joint ventures incorporated in India.

**For LODHA & CO.**

Chartered Accountants  
Firm Registration No: 301051E

**R. P. Baradiya**

Partner  
Membership No. 44101  
UDIN : 20044101AAABIR6467

**Place:** Mumbai  
**Date:** 28th July, 2020



## "Annexure A"

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

In conjunction with our audit of the consolidated financial statements of the SUNTECK REALTY LIMITED as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of SUNTECK REALTY LIMITED ("the Holding Company"), its subsidiary companies and its joint ventures, which are companies incorporated in India, as of that date.

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

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

#### **Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India.

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

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



## "Annexure A" (Contd.)

accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements; and (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the respective company from time to time.

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

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

### Opinion

In our opinion, the Holding Company, its subsidiary companies and its joint ventures, which are companies incorporated in India, have broadly, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to nine subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

**Place:** Mumbai  
**Date:** 28th July, 2020

**For LODHA & CO.**  
Chartered Accountants  
Firm Registration No: 301051E

**R. P. Baradiya**  
Partner  
Membership No. 44101  
UDIN : 20044101AAABIR6467

# Consolidated Balance Sheet

## as at 31st March 2020

(₹ in Lakhs)

Particulars	Notes	As at	
		31st March, 2020	31st March, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	3,301.46	1,504.47
Investment property	4	2,209.48	2,543.47
Goodwill on consolidation		3,184.01	3,184.01
Other intangible assets	5	9.30	14.86
Investments accounted for using the equity method	6	24,407.73	22,899.57
<b>Financial Assets</b>			
(i) Investments	7	3,192.25	2,871.22
(ii) Trade receivables	8	332.76	3,951.60
(iii) Other financial assets	9	2,036.19	1,989.64
Deferred tax assets (net)	10(a)	1,192.22	1,639.96
Income tax assets (net)	38	1,285.90	1,180.90
Other non-current assets	11	6.45	5.94
<b>Current assets</b>			
Inventories	12	272,029.98	263,205.61
<b>Financial Assets</b>			
(i) Investments	13	-	292.96
(ii) Trade receivables	14	35,533.83	37,058.42
(iii) Cash and cash equivalents	15	8,323.39	9,110.53
(iv) Bank balances other than (iii) above	16	8,298.50	5,681.13
(v) Loans	17	10,587.42	6,098.63
(vi) Other financial assets	18	38,564.73	25,586.11
Other current assets	19	5,247.07	3,879.33
<b>Total Assets</b>		<b>419,742.67</b>	<b>392,698.36</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	20	1,403.72	1,403.37
Other equity	21	290,609.91	281,969.40
Non-controlling interests		-	9,102.70
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	22	15,496.75	12,536.50
(ii) Other financial liabilities	23	299.50	239.14
Provisions	24	411.52	238.13
Deferred tax liabilities (net)	10(b)	-	120.90
Other non-current liabilities	25	24.57	22.90
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	26	61,282.70	34,696.98
(ii) Trade payables	27		
- total outstanding dues of micro enterprises and small enterprises		2,881.63	181.81
- total outstanding dues of creditors other than micro enterprises and small enterprises		13,655.92	14,740.94
(iii) Other financial liabilities	28	17,775.03	16,640.03
Other current liabilities	29	14,191.90	18,370.95
Provisions	30	34.34	117.43
Current tax liabilities (net)	38	1,675.18	2,317.18
<b>Total Equity and Liabilities</b>		<b>419,742.67</b>	<b>392,698.36</b>
<b>Significant Accounting Policies</b>	1 & 2		

The accompanying notes including other explanatory information form an integral part of consolidated financial statements

As per our attached report of even date

For and on behalf of the Board of Directors of Sunteck Realty Limited

**For LODHA & CO.**Chartered Accountants  
Firm Registration No: 301051E**Kamal Khetan**Managing Director  
(DIN: 00017527)**Atul Poopal**Director  
(DIN: 07295878)**Ramakant Nayak**Director  
(DIN: 00129854)**R. P. Baradiya**

Partner

**Kishore Vussonji**Director  
(DIN: 00444408)**Sandhya Malhotra**Director  
(DIN: 06450511)**Manoj Agarwal**Chief Financial Officer  
(DIN: 01982024)**Place:** Mumbai**Date :** 28<sup>th</sup> July, 2020**Rachana Hingarajia**Director and Company Secretary  
(DIN: 07145358)

## Consolidated Profit and Loss Statement for the year ended 31st March 2020

(₹ in Lakhs)

Particulars	Notes	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>INCOME</b>			
Revenue from operations	31	60,783.45	85,679.21
Other income	32	2,371.63	3,432.55
<b>Total Income</b>		<b>63,155.08</b>	<b>89,111.76</b>
<b>EXPENSES</b>			
Operating costs	33	33,665.52	42,138.57
Employee benefits expense	34	2,588.57	1,231.95
Finance costs	35	4,348.60	4,082.95
Depreciation and amortisation expense	36	357.78	218.64
Other expenses	37	8,344.64	4,509.29
<b>Total Expenses</b>		<b>49,305.11</b>	<b>52,181.40</b>
<b>Profit before share of profits of joint ventures</b>		<b>13,849.97</b>	<b>36,930.36</b>
Add: Share of profit of joint ventures accounted for using the equity method		43.28	25.05
<b>Profit before tax</b>		<b>13,893.25</b>	<b>36,955.41</b>
<b>Tax expense</b>	38		
Current tax		3,100.93	12,642.96
Deferred tax		323.93	102.75
Short/ (excess) taxation of earlier years		356.49	97.22
<b>Profit for the year (A)</b>		<b>10,111.90</b>	<b>24,112.48</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Remeasurments of net defined benefit plans	43	5.85	(44.54)
- Equity Instruments through other comprehensive income		(26.03)	(7.03)
- Income tax relating to above items		0.90	16.86
<b>Items that will be reclassified to profit or loss</b>			
- Exchange difference in translating the financial statements of foreign operations		1,056.86	(57.97)
<b>Other comprehensive income/ (loss) for the year (B)</b>		<b>1,037.58</b>	<b>(92.68)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>11,149.48</b>	<b>24,019.80</b>
<b>Profit attributable to:</b>			
Equity holders of the parent		10,028.39	22,754.60
Non - controlling interests		83.51	1,357.88
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent		11,064.28	22,662.80
Non-controlling interests		85.20	1,357.00
<b>Earnings per equity share of face value ₹ 1 each</b>	41		
Basic		7.14	16.22
Diluted		7.13	16.20
<b>Significant accounting policies</b>	1 & 2		

The accompanying notes including other explanatory information form an integral part of consolidated financial statements

As per our attached report of even date

For and on behalf of the Board of Directors of Sunteck Realty Limited

**For LODHA & CO.**

Chartered Accountants  
Firm Registration No: 301051E

**Kamal Khetan**

Managing Director  
(DIN: 00017527)

**Atul Poopal**

Director  
(DIN: 07295878)

**Ramakant Nayak**

Director  
(DIN: 00129854)

**R. P. Baradiya**

Partner

**Kishore Vussonji**

Director  
(DIN: 00444408)

**Sandhya Malhotra**

Director  
(DIN: 06450511)

**Manoj Agarwal**

Chief Financial Officer  
(DIN: 01982024)

**Place:** Mumbai

**Date :** 28<sup>th</sup> July, 2020

**Rachana Hingarajia**

Director and Company Secretary  
(DIN: 07145358)

## Consolidated Statement of Changes in Equity

	(₹ in Lakhs)
<b>A. Equity share capital (refer note no. 20)</b>	<b>Amount</b>
<b>As at 1st April, 2018</b>	<b>1,403.15</b>
Changes in equity share capital during the year	0.22
<b>As at 31st March, 2019</b>	<b>1,403.37</b>
Changes in equity share capital during the year	0.35
<b>As at 31st March, 2020</b>	<b>1,403.72</b>

### B. Other equity (refer note no. 21)

Particulars	Other Equity										Total				
	Share application money pending allotment	Capital reserve on merger	Securities premium	Share based payment reserve	Debtenture redemption reserve	Capital reserve	Statutory reserve	General reserve	Retained earnings	Equity instrument through other comprehensive income		Other Comprehensive Income	Foreign currency translation reserve	Total equity	Non-controlling interests
<b>Balance as at 1st April, 2018</b>	-	3.12	96,342.10	137.55	750.00	87,560.77	7.21	152.79	77,026.56	(6.53)	27.44	(369.00)	261,632.01	7,745.48	269,377.49
Profit for the year	-	-	-	-	-	-	-	-	22,754.60	-	-	-	22,754.60	1,357.88	24,112.48
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	-	-	-	-	-	(6.00)	(28.14)	(57.66)	(91.80)	(0.88)	(92.68)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	-	-	22,754.60	(6.00)	(28.14)	(57.66)	22,662.80	1,357.00	24,019.80
Non-controlling interests (including movement in current capital of partner)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.22	0.22
Dividends paid (including dividend distribution tax)	-	-	-	-	-	-	-	-	(2,556.27)	-	-	-	(2,556.27)	-	(2,556.27)
Share application money received (refer note no. 42)	18.50	-	-	-	-	-	-	-	-	-	-	-	18.50	-	18.50
Allotment of shares against share application money received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium on issuance of equity shares	-	-	46.54	-	-	-	-	-	-	-	-	-	46.54	-	46.54
Transfer from share based payment reserve on exercise/ lapse of stock options	-	-	33.68	(35.33)	-	-	-	-	1.65	-	-	-	-	-	-
Recognition of share based payment (net)	-	-	-	165.82	-	-	-	-	-	-	-	-	165.82	-	165.82
Transfer (to) and from debtenture redemption reserve	-	-	-	-	(250.00)	-	-	-	250.00	-	-	-	-	-	-
<b>Balance as at 31st March, 2019</b>	<b>18.50</b>	<b>3.12</b>	<b>96,422.32</b>	<b>268.04</b>	<b>500.00</b>	<b>87,560.77</b>	<b>7.21</b>	<b>152.79</b>	<b>97,476.54</b>	<b>(12.53)</b>	<b>(0.70)</b>	<b>(426.66)</b>	<b>281,969.40</b>	<b>9,102.70</b>	<b>291,072.10</b>
Profit for the year	-	-	-	-	-	-	-	-	10,028.39	-	-	-	10,028.39	83.51	10,111.90
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	-	-	-	-	-	(20.32)	(0.65)	1,056.86	1,035.89	1.69	1,037.58
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,028.39</b>	<b>(20.32)</b>	<b>(0.65)</b>	<b>1,056.86</b>	<b>11,064.29</b>	<b>85.20</b>	<b>11,149.49</b>



# Consolidated Statement of Changes in Equity (Contd.)

(₹ in Lakhs)

Particulars	Other Equity										Total				
	Share application money pending allotment	Capital reserve on merger	Securities premium	Share based payment reserve	Debt redemption reserve	Capital reserve	Statutory reserve	General reserve	Retained earnings	Equity instrument through other comprehensive income		Other Comprehensive Income	Foreign currency translation reserve	Total equity	Non-controlling interests
Non-controlling interests (including movement in current capital of partner)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of share from non-controlling interest (refer note no. 58)	-	-	-	-	-	-	-	-	-	-	-	-	-	(9,187.90)	(9,187.90)
Dividends paid (including dividend distribution tax)	-	-	-	-	-	-	-	-	(2,556.41)	-	-	-	(2,556.41)	-	(2,556.41)
Allotment of shares against share application money received	(18.50)	-	-	-	-	-	-	-	-	-	-	-	(18.50)	-	(18.50)
Premium on issuance of equity shares	-	-	78.94	-	-	-	-	-	-	-	-	-	78.94	-	78.94
Transfer from share based payment reserve on exercise of stock options	-	-	48.38	(48.38)	-	-	-	-	-	-	-	-	-	-	-
Recognition of share based payment (net)	-	-	-	72.20	-	-	-	-	-	-	-	-	72.20	-	72.20
Transfer to and (from) debenture redemption reserve	-	-	-	-	(500.00)	-	-	-	500.00	-	-	-	-	-	-
<b>Balance as at 31st March, 2020</b>	-	<b>3.12</b>	<b>96,549.64</b>	<b>291.86</b>	-	<b>87,560.77</b>	<b>7.21</b>	<b>152.79</b>	<b>105,448.52</b>	<b>(32.85)</b>	<b>(1.35)</b>	<b>630.20</b>	<b>290,609.91</b>	-	<b>290,609.91</b>

The accompanying notes including other explanatory information form an integral part of consolidated financial statements

## As per our attached report of even date

### For LODHA & CO.

Chartered Accountants  
Firm Registration No: 301051E

### R. P. Baradiya

Partner

## For and on behalf of the Board of Directors of Sunteck Realty Limited

### Kamal Khetan

Managing Director  
(DIN: 00017527)

### Kishore Vussonji

Director  
(DIN: 00444408)

### Atul Poopal

Director  
(DIN: 07295878)

### Sandhya Malhotra

Director  
(DIN: 06450511)

### Ramakant Nayak

Director  
(DIN: 00129854)

### Manoj Agarwal

Chief Financial Officer  
(DIN: 01982024)

### Place: Mumbai

Date : 28<sup>th</sup> July, 2020

## Consolidated Statement of Cash Flows

(₹ in Lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before tax</b>	13,849.97	36,930.36
Adjustments for:		
Depreciation and amortisation expenses	357.78	218.64
Gain on fair valuation of Investments (through profit and loss)	(344.78)	(253.51)
Share-based payments to employees	58.32	67.15
Dividend income	(0.05)	(0.16)
Interest income	(1,267.28)	(1,041.15)
Finance costs	4,348.60	4,082.95
Sundry balances/ indirect tax input credit written off (net)	(125.95)	(166.61)
Sundry debt written off	651.07	-
Property, plant and equipment written off (net)	80.61	-
Provision for expected credit loss / warranty cost	327.00	75.00
Loss/ (gain) on sale of property, plant and equipment	(6.10)	0.63
Foreign currency translation reserve	1,056.86	(57.66)
<b>Operating profit before working capital changes</b>	<b>18,986.06</b>	<b>39,855.64</b>
Adjustments for:		
(Increase)/ decrease in inventories	(5,245.76)	2,786.80
(Increase)/ decrease in trade receivables	4,492.37	(2,283.53)
(Increase)/ decrease in other financial assets, other non-current and current assets	(16,997.92)	(26,999.32)
Increase/ (decrease) in trade payables	1,614.80	4,207.91
Increase/ (decrease) in other financial liabilities, provisions and other current and non-current liabilities	(2,202.45)	(6,327.12)
<b>Cash flows generated from operations</b>	<b>647.09</b>	<b>11,240.38</b>
Direct taxes paid (net of refunds)	(4,200.62)	(12,026.65)
<b>Net cash flow used in generated operating activities - [A]</b>	<b>(3,553.52)</b>	<b>(786.27)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant & equipment and intangible assets (net)	(1,922.80)	(429.71)
Sale of property, plant and equipment / investment property	16.50	4.00
Investment in equity shares/ capital (joint ventures) (net)	(1,206.42)	(808.68)
Investment in non-current debentures	-	(2,788.70)
Business (acquisition)/ dilution	-	0.22
Dividend received	0.05	0.16
Interest received	1,379.42	1,099.82
Loans (given)/ repayment received	(4,506.28)	10,150.43
<b>Net cash flow (used in)/ generated from investing activities - [B]</b>	<b>(6,239.54)</b>	<b>7,227.54</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from share application money	-	18.50
Proceeds from issue of equity shares (including securities premium)	109.16	46.76
Proceeds from non-current borrowings	4,439.89	18,397.25

## Consolidated Statement of Cash Flows (Contd.)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Repayment of non-current borrowings	(11,503.96)	(5,381.63)
Increase/ (Decrease) in current borrowings (net)	26,585.72	(6,357.41)
Dividends paid (including tax on dividend)	(2,556.40)	(2,556.27)
Finance cost paid	(8,068.49)	(6,403.86)
<b>Net cash flow (used in)/ generated from financing activities - [C]</b>	<b>9,005.92</b>	<b>(2,236.66)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS - [A+B+C]</b>	<b>(787.14)</b>	<b>4,204.61</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>9,110.53</b>	<b>4,905.92</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>8,323.39</b>	<b>9,110.53</b>

The accompanying notes including other explanatory information form an integral part of consolidated financial statements

**As per our attached report of even date**

**For and on behalf of the Board of Directors of Sunteck Realty Limited**

**For LODHA & CO.**

Chartered Accountants  
Firm Registration No: 301051E

**Kamal Khetan**

Managing Director  
(DIN: 00017527)

**Atul Poopal**

Director  
(DIN: 07295878)

**Ramakant Nayak**

Director  
(DIN: 00129854)

**R. P. Baradiya**

Partner

**Kishore Vussonji**

Director  
(DIN: 00444408)

**Sandhya Malhotra**

Director  
(DIN: 06450511)

**Manoj Agarwal**

Chief Financial Officer  
(DIN: 01982024)

**Place:** Mumbai

**Date :** 28<sup>th</sup> July, 2020

**Rachana Hingarajia**

Director and Company Secretary  
(DIN: 07145358)



# Notes to consolidated financial statements

## Background

Sunteck Realty Limited ('the Parent Company') and its subsidiaries and joint-ventures collectively referred to as "Group". The Group is primarily engaged in the business of real estate/ real estate development and incidental services.

### 1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (hereinafter referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The financial statements have been prepared and presented on accrual basis and under a historical cost basis, except for the following:

- Certain financial assets and liabilities - measured at fair value;
- Share-based payments - measured at fair value;
- Defined benefit plans - plan assets measured at fair value.

#### (b) Use of estimates and judgements

In the application of the Group's accounting policies, the management is required to make judgements, estimates and assumptions that affect the amounts of assets and liabilities, disclosure of contingent liabilities as at the reporting date and the reported amounts of revenue and expenses during the reporting period.

The estimates and underlying assumptions are continuously evaluated and are based on the historical events and experiences that the Group believes to be reasonable under the existing circumstances. Actual results may vary from those estimates. Any revision in the estimates is recognised prospectively in the current and future periods.

#### (c) Principles of consolidation and equity accounting

##### (i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the profit/(loss) for the year and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet.



## Notes to consolidated financial statements (Contd.)

### (ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% to 50% of the voting rights or the Group has the power to participate in the financial or operating policy decisions of the investee. Investments in associates are accounted for using the equity method of accounting (refer note (iv) below), after initially being recognised at cost.

The Group's investment in associates includes goodwill identified on the date of acquisition.

### (iii) Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investment in a joint venture is accounted for using the equity method (refer note (iv) below) from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

### (iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in Statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note (1)(o)(iii) below.

### (v) Changes in ownership interests

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

## Notes to consolidated financial statements (Contd.)

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### (vi) Goodwill on consolidation

The excess of cost of investment in the subsidiaries, over Group's share in the net assets at the date of acquisition of shares / stake in the subsidiaries is recognised as Goodwill in the consolidated financial statements. When the cost of investment is less than the Group's share of net assets, the difference is recognised in the consolidated financial statements as Capital Reserve.

### (d) Foreign currency transactions

#### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Sunteck Realty Limited's functional and presentation currency.

#### (ii) Initial recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss of the year. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs.

#### (iii) Measurement of foreign currency items at the balance sheet date

Foreign currency monetary items of the Group are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item. For example, translation differences on non-monetary liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as Fair Value through Other Comprehensive Income (FVOCI) are recognised in other comprehensive income.

#### (iv) Group companies

The result and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

## Notes to consolidated financial statements (Contd.)

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### (e) Revenue recognition

#### (i) Revenue from real estate development/sale, maintenance services and project management services

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products (residential or commercial completed units) or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

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

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where any one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

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

The Group bills to customers for construction contracts as per agreed terms. The Group adjusts the transaction price for the effects of the significant financing component included in the contract price in the case of contracts involving the sale of property under development, where the Group offers deferred payment schemes to its customers.

The revenue recognition requires forecasts to be made of total budgeted costs with the outcomes of underlying construction contracts, which further require assessments and judgments to be made on changes in work scopes and other payments to the extent they are probable and they are capable of being reliably measured. In case, where the contract cost is estimated to exceed total revenues from the contract, the loss is recognised immediately in the Statement of Profit and Loss. Revenue in excess of billing (unbilled revenue) are classified as contract asset while invoicing in excess of revenues (bill in advance) are classified as contract liabilities.

## Notes to consolidated financial statements (Contd.)

### (ii) Rent

Rental Income is recognised on a time proportion basis as per the contractual obligations agreed with the respective tenant.

### (iii) Interest

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### (iv) Dividend

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

### (v) Profit / loss from partnership firms / limited liability partnerships (LLP)

Share of profit / loss from firms/ LLPs in which the Group is a partner is accounted for in the financial period ending on (or before) the date of the balance sheet on the basis of audited financial statements and as per the terms of the respective partnership deed.

### (f) Cost of revenue - (Cost of Real estate projects)

Cost of project, includes cost of land, cost of development rights/ land under agreements to purchase, liaisoning costs, estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/ construction materials, which is charged to the statement of profit and loss based on the revenue recognised as explained in policy under revenue recognition, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

"Costs to obtain contracts" such as brokerage fees paid for obtaining sales contracts, are recognised as assets when incurred and amortised over the period of time or at the point in time depending upon recognition of revenue from the corresponding property sale contract.

### (g) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognised in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognised in equity or in other comprehensive income (OCI).

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

- (i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets and liabilities are not recognised for:



## Notes to consolidated financial statements (Contd.)

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
  - temporary differences related to investments in associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future
- (ii) Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.
- (iii) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
- (iv) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- (v) Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relate to the same taxable entity and same taxation authority.

### Minimum alternate tax

Minimum alternate tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the consolidated statement of profit and loss. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income-tax during the specified period.

### (h) Basis for current/ non-current classification

The Group represents assets and liabilities in the financial statement based on current and non-current classification as required by Ind AS 1.

The Group's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities, and related approvals. Operating cycle for all completed projects is based on 12 months period. Assets and liabilities have been classified into current and non-current based on their respective operating cycle.

However, deferred tax and current tax assets and liabilities are classified as non-current assets and liabilities.

### (i) Leases

#### As a lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

## Notes to consolidated financial statements (Contd.)

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expense on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

### As a lessee:

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange 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 low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### (j) Business combination

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in Profit & Loss Account as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

## Notes to consolidated financial statements (Contd.)

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as Goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

### (k) Impairment of non - financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the statement of profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely dependent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### (l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

### (m) Inventories

Inventories comprise of Land and development rights, Construction materials, Work-in-progress, completed unsold flats/units. These are valued at lower of the cost and net realisable value.

Land and development rights	Land and development rights (including development cost) are valued at lower of cost and net realisable value. Costs include land acquisition cost and initial development cost.
Construction materials	Construction materials are valued at cost if the completed unsold flats/units in which they will be incorporated are expected to be sold at or above cost, else lower of cost and net realisable value. Cost is determined on a weighted average basis.
Construction Work-in-progress ( Real Estate under development)	Work-in-progress is valued at cost if the completed unsold flats/units are expected to be sold at or above cost otherwise at lower of cost and net realisable value. Cost includes direct expenditure relating to construction activity (including land cost) and indirect expenditure (including borrowing costs) during the construction period to the extent the expenditure is related to construction or is incidental thereto.
Completed unsold flats/ units	Lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion (wherever applicable) and estimated costs necessary to make the sale.

### (n) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

## Notes to consolidated financial statements (Contd.)

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal asset classified as held for sale continue to be recognised.

### (o) Investments and other financial assets

#### (i) Classification

Investment in Joint Venture and Associate entities is recognised at cost.

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments other than joint venture and associate entities, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.



## Notes to consolidated financial statements (Contd.)

- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### Equity instruments

The Group subsequently measures all equity investments at fair value except investment in joint venture and associate entities. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### (iii) Impairment of financial assets

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. Note 47 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### (iv) Derecognition of financial assets

A financial asset is derecognised only when:

- The Group has transferred the rights to receive cash flows from the financial asset or
- The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### (p) Financial liabilities

All Financial liabilities are measured at amortised cost using effective interest method or fair value through profit and loss. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

## Notes to consolidated financial statements (Contd.)

### Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for not-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in Statement of Profit and Loss.

### Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

## Notes to consolidated financial statements (Contd.)

### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

### (q) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### (r) Depreciation

- i) Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.
- ii) Depreciation on tangible fixed assets has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Act, except for furniture and fixtures wherein based on management decision, useful life has been estimated to be different from that prescribed in Schedule II of the Act.

The Estimated useful lives of the assets are as follows:

Asset class	Useful life
Building	60 years
Plant and Machinery	15 years
Furniture and Fixtures	10 years
Furniture and Fixtures (Temporary structure & Porta Cabin)	2 - 3 years
Office Equipment	5 years
Computers & Peripherals	3 years
Vehicles	8 years

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

- iii) Lease improvement costs are amortised over the period of the lease. Leasehold land acquired by the Group, with an option in the lease deed, entitling the Group to purchase on outright basis after a certain period at no additional cost is not amortised.

## Notes to consolidated financial statements (Contd.)

### (s) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

### (t) Intangible assets

#### Goodwill

Goodwill on acquisitions is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

#### Computer software

Computer software costs are capitalised and recognised as Intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year. Costs associated with maintaining software programs are recognised as an expense as incurred.

#### Amortisation method

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The Group amortises computer software using the straight-line method over the period of 5 years.

### (u) Borrowing costs

Borrowing costs relating to acquisition and/or construction of qualifying assets are capitalised to the extent that the funds are borrowed and used for purpose of constructing a qualifying asset until the time all substantial activities necessary to prepare the qualifying assets for their intended use or sale are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs which are not related to acquisition and/or construction activities nor are incidental thereto are charged to the Profit and Loss account.

### (v) Provisions, contingencies and commitments

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.



## Notes to consolidated financial statements (Contd.)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made where there is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (b) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

### (w) Employee benefit

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

#### (ii) Compensated absences

##### 1. Short term

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of the benefit expected to be availed by the employees.

##### 2. Long term

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to statement of profit and loss in the year in which such gains or losses are determined.

#### (iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plan such as gratuity; and
- (b) defined contribution plan such as provident fund.

##### Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

## Notes to consolidated financial statements (Contd.)

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

### **Defined contribution plan**

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### **(iv) Termination benefits**

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates:

- (a) when the Group can no longer withdraw the offer of those benefits; and
- (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

### **(x) Share-based payments**

The fair value of options granted under the Employee Stock Option Plan to the employees of the Group is recognised as an employee benefits expense with a corresponding increase in equity share capital and the fair value options granted under the Employee Stock Option Plan to the employees of subsidiaries is recognised as an investment in respective subsidiaries with a corresponding increase in equity share capital. The total amount to be expensed is determined by reference to the fair value of the options granted. In the case where eligible employees left before or in between the vesting period the share based payment reserve gets reduced by the amount of reserve already created for the employees left with the increase in retained earnings and decrease in investment in subsidiaries accordingly.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

## Notes to consolidated financial statements (Contd.)

### (y) Contributed equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group entity are recognised at the proceeds received, net of direct issue costs.

### (z) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### (aa) Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split.

Diluted earnings per share is computed by dividing the profit/(loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date

### (ab) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Act, unless otherwise stated.

## 2. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates, judgements and assumptions which could result in outcomes that require a material adjustment in the coming financial years.

The areas involving estimates or judgements are:

### (a) Recognition of revenue and related real estate development cost

The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Revenue is recognised only when the Group can measure its progress towards complete satisfaction of performance obligation. The measurement of progress is estimated by reference to the stage of the projects determined based on the proportion of costs incurred to date and the total estimated costs to complete.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.



## Notes to consolidated financial statements (Contd.)

### (b) Estimated fair value of financial instruments

Management applies valuation techniques in estimating the fair value of Group's financial instruments & non-financial assets. In estimating the same the Group takes into account the estimates & assumptions consistent with how market participants would price the instrument/assets and uses market observable data to the extent it is available.

Where the above information is not available, the Group engages third party valuers, to perform the valuation. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### (c) Provision for warranty

The provision for warranty has been recognised based on the possible or present obligation as a result of past events & it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A reliable estimate has been made of the amount of the obligation based on the past experiences & trends.

### (d) Investments in joint venture and associates

The Joint arrangements (Joint Ventures & Investments in Associates) are separately incorporated in the financial statements. The Group has, after considering the structure and form of the arrangement, the terms agreed by the parties in the contractual arrangement and the Group's rights and obligations arising from the arrangement, classified its interests. As a result, it accounts for its investments using the equity method.



## Notes to consolidated financial statements (Contd.)

### NOTE 3 PROPERTY, PLANT AND EQUIPMENT\*

(₹ in Lakhs)

Particulars	Land - Freehold#	Buildings#	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers & Peripherals	Total
<b>Gross carrying amount</b>								
Balance as at 1st April, 2018	201.31	725.69	24.14	505.68	171.42	120.58	52.06	1,800.88
Additions	-	-	68.57	276.28	53.62	54.25	41.33	494.05
Disposals	-	-	(0.37)	(226.94)	(43.35)	(28.85)	(0.12)	(299.63)
Balance as at 31st March, 2019	201.31	725.69	92.34	555.02	181.69	145.98	93.27	1,995.30
Additions	-	-	825.62	1,005.85	-	88.78	34.83	1,955.08
Disposals	-	-	(34.00)	(236.46)	-	-	-	(270.46)
Transferred from investment property	66.93	265.41	-	-	-	-	-	332.34
<b>Balance as at 31st March, 2020</b>	<b>268.24</b>	<b>991.10</b>	<b>883.96</b>	<b>1,324.41</b>	<b>181.69</b>	<b>234.76</b>	<b>128.10</b>	<b>4,012.26</b>
<b>Accumulated depreciation</b>								
Balance as at 1st April, 2018	-	37.47	3.47	298.18	88.75	64.11	36.99	528.97
Expense for the year **	-	12.48	3.07	117.85	18.58	20.38	11.30	183.66
Adjustment on disposals	-	-	(0.11)	(164.14)	(38.72)	(18.74)	(0.09)	(221.80)
Balance as at 31st March, 2019	-	49.95	6.43	251.89	68.61	65.75	48.20	490.83
Expense for the year **	-	14.35	30.81	217.27	23.41	23.06	22.24	331.14
Adjustment on disposals	-	-	(1.15)	(154.45)	-	-	-	(155.60)
Transferred from investment property	-	44.43	-	-	-	-	-	44.43
<b>Balance as at 31st March, 2020</b>	<b>-</b>	<b>108.73</b>	<b>36.09</b>	<b>314.71</b>	<b>92.02</b>	<b>88.81</b>	<b>70.44</b>	<b>710.80</b>
<b>Net carrying amount</b>								
<b>Balance as at 31st March, 2019</b>	<b>201.31</b>	<b>675.74</b>	<b>85.91</b>	<b>303.13</b>	<b>113.08</b>	<b>80.23</b>	<b>45.07</b>	<b>1,504.47</b>
<b>Balance as at 31st March, 2020</b>	<b>268.24</b>	<b>882.37</b>	<b>847.87</b>	<b>1,009.70</b>	<b>89.67</b>	<b>145.95</b>	<b>57.66</b>	<b>3,301.46</b>

\* Refer note no. 44 for information on Property, Plant and Equipment pledged as security by the Group.

\*\* Includes depreciation transferred to construction work in progress of ₹ 16.57 lakhs (Previous Year ₹ 6.48 lakhs)

# Building was constructed as per the Joint Development Agreement with the land owners, which will be transferred in the name of the Company after formation of condominium.

### NOTE 4 INVESTMENT PROPERTY - LAND AND BUILDING

(₹ in Lakhs)

Particulars	Amount
<b>Gross carrying amount</b>	
Balance as at 1st April, 2018	2,678.26
Additions	-
Disposals	-
Balance as at 31st March, 2019	<b>2,678.26</b>
Additions	-
Disposals	(10.89)
Transferred to property, plant and equipment	(332.34)
<b>Balance as at 31st March, 2020</b>	<b>2,335.03</b>

## Notes to consolidated financial statements (Contd.)

(₹ in Lakhs)

Particulars	Amount
<b>Accumulated depreciation</b>	
Balance as at 1st April, 2018	97.35
Expense for the year	37.44
Adjustment on disposals	-
Balance as at 31st March, 2019	<b>134.79</b>
Expense for the year	35.69
Adjustment on disposals	(0.50)
Transferred to property, plant and equipment	(44.43)
<b>Balance as at 31st March, 2020</b>	<b>125.55</b>
<b>Net carrying amount</b>	
Balance as at 31st March, 2019	<b>2,543.47</b>
<b>Balance as at 31st March, 2020</b>	<b>2,209.48</b>

### (i) Amounts recognised in statement of profit and loss for investment properties given on lease

(₹ in Lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Rental and maintenance income	495.67	296.89
Direct operating expenses (including repairs and maintenance and depreciation) arising from investment property that generated rental and maintenance income during the year	185.31	144.78
Direct operating expenses (including repairs and maintenance and depreciation) arising from investment property that did not generate rental and maintenance income during the year	45.93	75.58
<b>Net income from investment properties</b>	<b>264.43</b>	<b>76.53</b>

### (ii) Fair value

(₹ in Lakhs)

Particulars	Amount
As at 31st March, 2019	12,722.35
<b>As at 31st March, 2020</b>	<b>10,017.94</b>

#### Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building.

This valuation is based on valuations performed by an accredited independent valuer. The main inputs used by them are the prevalent market rate. The fair value measurement is categorised in level 3 fair value hierarchy.

Refer note no. 44 for information on investment property pledged as security by the Group.

Refer note no. 40 for information regarding future lease rentals receivable.

## Notes to consolidated financial statements (Contd.)

### NOTE 5 OTHER INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	As at 31st March, 2019
Computer software	
<b>Gross carrying amount</b>	
Balance as at 1st April, 2018	36.46
Additions	8.87
Disposals	(11.36)
Balance as at 31st March, 2019	<b>33.97</b>
Additions	1.96
Disposals	-
<b>Balance as at 31st March, 2020</b>	<b>35.93</b>
<b>Accumulated amortisation</b>	
Balance as at 1st April, 2018	25.35
Expense for the year *	5.12
Adjustment on disposals	(11.36)
Balance as at 31st March, 2019	<b>19.11</b>
Expense for the year *	7.52
Adjustment on disposals	-
<b>Balance as at 31st March, 2020</b>	<b>26.63</b>
<b>Net carrying amount</b>	
Balance as at 31st March, 2019	14.86
<b>Balance as at 31st March, 2020</b>	<b>9.30</b>

\*Includes amortisation transferred to construction work in progress of ₹ Nil (Previous Year- ₹ 1.10 lakhs).

### NOTE 6 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Investment in joint ventures (refer note no. 50)</b>		
<b>A Investment in equity instruments</b>		
Unquoted, fully paid up		
Equity shares		
Piramal Sunteck Realty Private Limited	4,517.04	4,417.37
500,001 (Previous Year 500,001) equity shares of ₹10 each		
GGICO Sunteck Limited	13,863.99	12,810.56
7,050 (Previous Year 7,050) equity shares of AED 10,000 each		
<b>B Investment in partnership firms* (refer note no. 56)</b>		
Kanaka & Associates		
- Fixed Capital	500.00	500.00
- Current Capital	207.54	207.54
<b>C Investments in LLP</b>		
Nariman Infrastructure LLP		
- Fixed Capital	1.12	1.12
- Current Capital	4,443.95	4,438.95
Uniworth Realty LLP		
- Fixed Capital	0.50	0.50
- Current Capital	532.82	523.53
Yukti Infraprojects LLP		
- Fixed Capital	67.50	-
- Current Capital	273.27	-
<b>Total</b>	<b>24,407.73</b>	<b>22,899.57</b>

## Notes to consolidated financial statements (Contd.)

### \*Details of investment in partnership firm

Name of partners	Total Capital	Total Capital
Sunteck Realty Limited (50%)	500.00	500.00
Kanaka & Associates (proprietorship of) (50%)	500.00	500.00
<b>Total capital of firm</b>	<b>1,000.00</b>	<b>1,000.00</b>

### NOTE 7 INVESTMENTS (NON-CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>A Investment in equity instruments (at fair value through other comprehensive income unless otherwise stated)</b>		
Quoted, fully paid up (refer note no. 47 for price risk analysis)		
Punjab Communication Limited	0.11	0.17
1,000 (Previous Year 1,000) equity shares of ₹ 10 each		
MRPL Limited	1.16	3.73
5,000 (Previous Year 5,000) equity shares of ₹ 10 each		
PSL Limited	0.01	0.02
2,000 (Previous Year 2,000) equity shares of ₹ 10 each		
<b>Unquoted, fully paid up</b>		
Essar Steel Limited (at cost)	2.18	2.18
4,500 (Previous Year 4,500) equity shares of ₹10 each		
Samhrutha Habitat Infrastructure Private Limited	21.22	27.72
220,378 (Previous Year 220,378) equity shares of ₹10 each		
Saraswat Co-op. Bank Limited (at cost)	0.01	0.01
70 (Previous Year 150) equity shares of ₹10 each		
SW Capital Private Limited	31.85	48.72
150,000 (Previous Year 150,000) equity shares of ₹10 each		
<b>B Investment in debt instruments (at fair value through profit and loss)</b>		
Unquoted, fully paid up debentures*		
Eskay Infrastructure Development Private Limited	775.44	689.62
62,692 (Previous Year 62,692) 0.1% non-convertible debentures of ₹1,000 each		
Samagra Wealthmax Private Limited	2,011.69	1,789.04
162,638 (Previous Year 162,638) 0.1% non-convertible debentures of ₹ 1,000 each		
Starteck Infraprojects Private Limited	348.58	310.01
28,182 (Previous Year 28,182) 0.1% non-convertible debentures of ₹ 1,000 each		
<b>C Investment in LLP (Fixed Capital)</b>		
V3 Designs LLP	-	# 0.00
Topzone Mercantile Company LLP	-	# 0.00
<b>Total</b>	<b>3,192.25</b>	<b>2,871.22</b>
Aggregate amount of quoted investments		
Market value of the quoted investments	1.28	3.92
Aggregate amount of unquoted investments	1.28	3.92
Aggregate amount of impairment in the value of investments measured at amortised cost	3,190.97	2,867.30

\* The Non-convertible debentures are due for redemption after a period of 3 years from the date of allotment, i.e. 23rd March, 2019.

#Less than ₹ 500



## Notes to consolidated financial statements (Contd.)

### NOTE 8 TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
Unsecured, considered good		
Trade receivables	332.76	3,951.60
<b>Total Loans</b>	<b>332.76</b>	<b>3,951.60</b>

Refer note no. 44 for trade receivables offered as security against borrowings.

Refer note no. 47 for credit terms, ageing analysis and other relevant details related to trade receivables.

### NOTE 9 OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in lakhs)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
Unsecured, Considered good		
Security deposits	39.50	38.48
Deposit with bank with more than 12 months maturity*	60.00	366.05
Unbilled Revenue (contract assets) - refer note no. 49	52.62	46.57
Other receivables	1,884.07	1,538.54
<b>Total</b>	<b>2,036.19</b>	<b>1,989.64</b>

\*Held as lien against credit facility. (refer note no. 44)

### NOTE 10 DEFERRED TAX ASSETS/ (LIABILITIES)

(₹ in lakhs)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
<b>10(a) Deferred tax assets</b>		
<b>The balance comprises temporary differences attributable to:</b>		
Property, plant and equipment, investment property and intangible assets	(59.79)	36.25
Financial assets	(197.16)	1,491.83
Employee benefits expense	88.70	44.47
MAT credit entitlement	1,259.98	39.68
Others	100.49	27.73
<b>Net deferred tax assets</b>	<b>1,192.22</b>	<b>1,639.96</b>
<b>10(b) Deferred tax liabilities</b>		
<b>The balance comprises temporary differences attributable to:</b>		
Property, plant and equipment, investment property and intangible assets	-	76.08
Financial assets	-	63.87
Employee benefits expense	-	(15.22)
Others	-	(3.83)
<b>Net deferred tax liabilities</b>	<b>-</b>	<b>120.90</b>

## Notes to consolidated financial statements (Contd.)

### Movement in deferred tax assets/ (liabilities)

(₹ in lakhs)

Particulars	Property, plant and equipment, investment property and intangible assets	Financial assets	Employee benefits expense	MAT credit entitlement	Others	Total
At 1st April, 2018	9.30	1,556.88	13.47	39.68	(14.38)	1,604.95
(Charged)/credited:			-			
- to profit or loss	(49.13)	(73.18)	(26.38)	-	45.94	(102.75)
- to other comprehensive income	-	(55.74)	72.60	-	-	16.86
At 31st March, 2019	(39.83)	1,427.96	59.69	39.68	31.56	1,519.06
(Charged)/credited:						
- to profit or loss	(19.96)	(1,630.83)	33.82	1,220.30	68.93	(327.74)
- to other comprehensive income	-	5.71	(4.81)	-	-	0.90
<b>At 31st March, 2020</b>	<b>(59.79)</b>	<b>(197.16)</b>	<b>88.70</b>	<b>1,259.98</b>	<b>100.49</b>	<b>1,192.22</b>

### NOTE 11 OTHER NON-CURRENT ASSETS

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital advances	0.50	3.38
Prepaid expenses	5.95	2.56
<b>Total</b>	<b>6.45</b>	<b>5.94</b>

### NOTE 12 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(As certified by management)		
Construction materials	595.21	85.52
Construction work- in- progress	191,724.89	180,250.02
Completed units	79,709.88	82,870.07
<b>Total</b>	<b>272,029.98</b>	<b>263,205.61</b>

Refer note no. 44 for inventories pledged as security against borrowings.

## Notes to consolidated financial statements (Contd.)

### NOTE 13 INVESTMENTS (CURRENT, AT COST)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Investment in LLP (Current Capital)</b>		
Topzone Mercantile Company LLP	-	292.96
<b>Total</b>	<b>-</b>	<b>292.96</b>

Aggregate amount of quoted investments	-	-
Market value of the quoted investments	-	-
Aggregate amount of unquoted investments	-	292.96
Aggregate amount of impairment in the value of investments measured at amortised cost	-	-
# less than ₹ 500		

### NOTE 14 TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured, considered good		
From related parties (refer note no. 45)	3.00	1.38
From others	1.21	11.05
Unsecured, considered good		
From related parties (refer note no. 45)	214.77	274.06
Others parties	35,686.85	36,846.93
<b>Sub-total</b>	<b>35,905.83</b>	<b>37,133.42</b>
Less : Allowance for expected credit loss	(372.00)	(75.00)
<b>Total</b>	<b>35,533.83</b>	<b>37,058.42</b>

Refer note no. 44 for trade receivables offered as security against borrowings.

Refer note no. 47 for credit terms, ageing analysis and other relevant details related to trade receivables.

### NOTE 15 CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks		
In current accounts	7,999.94	6,719.35
Term deposits with original maturity of less than three months *	-	2,077.00
Cash on hand	323.45	314.18
<b>Total</b>	<b>8,323.39</b>	<b>9,110.53</b>

\*Held as lien against credit facility. (refer note no. 44)

## Notes to consolidated financial statements (Contd.)

### NOTE 16 BANK BALANCES OTHER THAN (NOTE NO.15) ABOVE

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deposits with bank less than 12 months maturity*	7,115.79	5,363.94
Fixed deposit held as margin money against credit facility	1,169.34	303.99
Earmarked bank balances		
Unpaid dividend account	13.37	13.20
<b>Total</b>	<b>8,298.50</b>	<b>5,681.13</b>

\*Deposit amounting to ₹ 2,079.25 lakhs (Previous Year ₹ 1,640.25 lakhs) held as lien against credit facility.  
Refer note no. 44 for security pledged against borrowings.

### NOTE 17 LOANS (CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good		
To related parties - joint ventures (refer note no. 45)	4,625.79	4,005.66
To employees	2.11	19.60
To others	5,959.52	2,073.37
<b>Total</b>	<b>10,587.42</b>	<b>6,098.63</b>

Refer note no. 47 for information about credit risk and market risk for loans.

### NOTE 18 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good		
Earnest money and security deposits	12,161.97	10,106.27
Interest accrued on fixed deposit	137.15	141.95
Unbilled revenue (contract assets) - refer note no. 49	25,199.13	15,080.06
Other receivables	1,066.48	257.83
<b>Total</b>	<b>38,564.73</b>	<b>25,586.11</b>

Refer note no. 47 for information about credit risk

### NOTE 19 OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance to vendors	1,414.76	607.70
Advance for property/ development rights	-	94.52
Advance for processing fees	-	260.00
Balance with statutory/ government authority	2,282.78	1,622.90
Prepaid expenses	1,484.18	1,278.98
Other advances	65.35	15.23
<b>Total</b>	<b>5,247.07</b>	<b>3,879.33</b>

## Notes to consolidated financial statements (Contd.)

### NOTE 20 EQUITY SHARE CAPITAL

(₹ in lakhs)

Particulars	As at	
	31st March, 2020	31st March, 2019
<b>Authorised share capital</b>		
188,600,000 (Previous Year 188,600,000) equity shares of ₹ 1 each	1,886.00	1,886.00
1,260,000 (Previous Year 1,260,000) preference shares of ₹ 10 each	126.00	126.00
<b>Total</b>	<b>2,012.00</b>	<b>2,012.00</b>
<b>Issued, subscribed and fully paid up</b>		
146,371,879 (Previous year 146,336,639) equity shares of ₹ 1 each (refer note no. (iii) below)	1,403.72	1,403.37
<b>Total</b>	<b>1,403.72</b>	<b>1,403.37</b>

#### (i) Reconciliation of equity share capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
At the beginning of the period	140,336,639	1,403.37	140,315,027	1,403.15
Issued during the year - ESOP/ ESOS	35,240	0.35	21,612	0.22
<b>Outstanding at the end of the period</b>	<b>140,371,879</b>	<b>1,403.72</b>	<b>140,336,639</b>	<b>1,403.37</b>

#### (ii) Terms and rights attached to equity shares

The Company has only one class of equity share having value of ₹ 1 each with an entitlement of one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the annual general meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (iii) Shares of Holding Company held by subsidiaries

6,000,000 (Previous Year 6,000,000) equity shares of ₹ 1 each fully paid up, are held by subsidiaries companies which have been eliminated for the purpose of consolidation.

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

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	% holding	Number of shares	% holding
Matrabhav Trust	46,569,296	31.82%	44,004,296	30.07%
Paripurna Trust	16,133,908	11.02%	21,548,908	14.73%
Astha Trust	15,424,487	10.54%	18,617,487	12.72%

#### (v) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the last five years:

Particulars	As at	
	31st March, 2020	31st March, 2019
Equity shares allotted pursuant to the scheme of amalgamation on 14th February, 2015	17,727,690	17,727,690



## Notes to consolidated financial statements (Contd.)

### (vi) Shares reserved for issue under options

Information relating to ESOP/ ESOS, including details of options issued, exercised and lapsed during the financial year and options outstanding at end of the reporting period, is set out in note no. 42.

### NOTE 21 OTHER EQUITY

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Share application money pending allotment	-	18.50
Reserves and Surplus		
- Capital reserve on merger	3.12	3.12
- Securities premium	96,549.64	96,422.32
- Share based payment reserve	291.86	268.04
- Debenture redemption reserve	-	500.00
- Capital reserve on consolidation	87,560.77	87,560.77
- Statutory reserve	7.21	7.21
- General reserve	152.79	152.79
- Retained earnings	105,448.52	97,476.54
Other comprehensive income		
- Equity instrument through other comprehensive income	(32.85)	(12.53)
- Remeasurements of net defined benefit plans	(1.35)	(0.70)
- Foreign currency translation reserve	630.20	(426.66)
<b>Total</b>	<b>290,609.91</b>	<b>281,969.40</b>

Note : For movement in other equity refer consolidated statement of changes in equity

### Nature & purpose of other equity and reserves :

#### (a) Share application money pending allotment

Share application money received towards employee stock option scheme 2017.

#### (b) Capital reserve on merger

During merger, the excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of merger.

#### (c) Securities premium

Securities Premium is used to record the premium on issue of financial securities such as equity shares, preference shares, compulsory convertible debentures, employee stock options plan/ employee stock option scheme. The reserve is utilised in accordance with the provision of the of the Companies Act, 2013.

#### (d) Share based payment reserve

Share based payment reserve is used to recognise the fair value of options on the grant date, issued to employees under employee stock option plan.

#### (e) Debenture redemption reserve

The Group creates a debenture redemption reserve out of the profit under Companies Act, 2013 which is available for the purpose of redemption of debentures.

#### (f) Capital reserve on consolidation

Gain on bargain purchase, i.e., excess of fair value of net assets acquired over the fair value of consideration in a business combination is recognised as capital reserve on consolidation.

#### (g) Statutory reserve

The Group creates Statutory reserve out of profits as required by the law and is usually not distributed as dividend to shareholders. The reserve is utilised for meeting the contingencies or to increase its capital.

#### (h) General reserve

General reserves are created out of profits & kept aside for general purpose and financial strengthening of the Group, they don't have any special purpose to fulfill and can be used for any purpose in future.

## Notes to consolidated financial statements (Contd.)

### (i) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

### (j) Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

### NOTE 22 BORROWINGS (NON-CURRENT)

(₹ in lakhs)

Particulars	As at 31st March,2020	As at 31st March,2019
Secured		
Term loans		
From banks	18.19	436.32
From others	15,478.56	12,100.18
<b>Total</b>	<b>15,496.75</b>	<b>12,536.50</b>

Secured borrowings are net of prepaid finance charges.

Refer note no. 47 for liquidity risk borrowings.

Refer note no. 44 for nature of security and terms of repayment for borrowings.

### NOTE 23 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in lakhs)

Particulars	As at 31st March,2020	As at 31st March,2019
Security deposits	299.50	239.14
<b>Total</b>	<b>299.50</b>	<b>239.14</b>

### NOTE 24 PROVISIONS (NON-CURRENT)

(₹ in lakhs)

Particulars	As at 31st March,2020	As at 31st March,2019
Provision for employee benefit		
Gratuity	134.72	94.18
Compensated absences	131.80	68.95
Provision for warranty	145.00	75.00
<b>Total</b>	<b>411.52</b>	<b>238.13</b>

### NOTE 25 OTHER NON-CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31st March,2020	As at 31st March,2019
Unearned rent income	24.57	22.90
<b>Total</b>	<b>24.57</b>	<b>22.90</b>

## Notes to consolidated financial statements (Contd.)

### NOTE 26 BORROWINGS (CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured		
Term loans		
From banks	19,569.90	482.43
From others	23,893.83	17,250.67
Working capital loans (overdrafts facilities)	13,673.47	12,075.98
<b>Unsecured</b>		
Commercial papers	3,918.30	2,445.43
From related parties (refer note no. 45)	102.20	2,317.47
From others	125.00	125.00
<b>Total</b>	<b>61,282.70</b>	<b>34,696.98</b>

Secured borrowings are net of prepaid finance charges.

Refer note no. 47 for liquidity risk borrowings.

Refer note no. 44 for nature of security and terms of repayment for borrowings.

#### Movement in current borrowings

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Balance at the beginning of the year	22,621.00	38,288.49
Addition during the year	67,858.16	41,392.09
Repayment during the year	42,127.27	52,694.38
Balance at the end of the year	47,594.23	22,621.00

Note : Due to multiple withdrawals and repayments during the year movement of working capital loan is not disclosed.

### NOTE 27 TRADE PAYABLES

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
- total outstanding dues of micro enterprises and small enterprises	2,881.63	181.81
- total outstanding dues of creditors other than micro enterprises and small enterprises	13,655.92	14,740.94
<b>Total</b>	<b>16,537.55</b>	<b>14,922.75</b>

Refer note no. 52 for disclosure under micro, small and medium enterprises development Act, 2006.

Refer note no. 47 for information about liquidity risk of trade payables.

## Notes to consolidated financial statements (Contd.)

### NOTE 28 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current maturities of long term borrowings	15,391.91	16,228.33
Interest accrued	220.72	268.95
Security deposits	19.80	19.00
Unpaid dividends	13.37	13.20
Payable for capital goods	321.46	-
Other payables	1,807.77	110.55
<b>Total</b>	<b>17,775.03</b>	<b>16,640.03</b>

Refer note no. 47 for information about liquidity risk of other financial liabilities.

Refer note no. 44 for nature of security and terms of repayment for borrowings.

### NOTE 29 OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory dues	336.34	351.54
Advance received from customers	2,553.60	1,968.52
Advance received towards society maintenance	5,363.64	5,567.32
Unearned rent income	17.61	6.22
Billed in advance (contract liabilities) - refer note no. 49	5,920.71	10,477.35
<b>Total</b>	<b>14,191.90</b>	<b>18,370.95</b>

### NOTE 30 PROVISIONS (CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefit		
Gratuity	13.19	10.88
Compensated absences	21.15	7.52
Provision for project expenses	-	99.03
<b>Total</b>	<b>34.34</b>	<b>117.43</b>

### NOTE 31 REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Sales of residential and commercial units (net)	57,970.55	84,899.96
Sale of services		
Rent from properties	781.01	529.39
Project management and consultancy fees	1.87	-
Maintenance services	1,789.37	89.19
Other services	9.60	-
Other operating revenue	231.05	160.67
<b>Total</b>	<b>60,783.45</b>	<b>85,679.21</b>

Refer note no. 49 for disclosure under Ind AS 115 "Revenue from contracts with customers"

## Notes to consolidated financial statements (Contd.)

### NOTE 32 OTHER INCOME

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Interest income from		
Loans and advances	617.17	354.36
Fixed deposit with banks	485.55	481.73
Non-current investments	2.54	0.03
Others	162.02	205.02
Dividend income from		
Non current investments	0.05	0.16
Sundry balances written back (net)	322.79	439.96
Net gain on sale of investment property	6.10	-
Gain on fair valuation of investments (through profit and loss)	344.78	253.51
Exchange rate difference (net gain)	430.62	1,638.24
Other income	-	59.54
<b>Total</b>	<b>2,371.63</b>	<b>3,432.55</b>

### NOTE 33 OPERATING COST

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>A. Cost of project</b>		
Opening work-in-progress	180,250.02	191,232.91
Opening completed units	82,870.07	72,846.90
<b>Sub-total (a)</b>	<b>263,120.09</b>	<b>264,079.81</b>
<b>Cost of construction materials consumed</b>		
Opening balance	85.52	194.76
Add: Purchase during the year	10,009.52	7,995.33
Less: Closing balance	595.21	85.52
<b>Sub-total (b)</b>	<b>9,499.83</b>	<b>8,104.57</b>
<b>Expenses incurred during the year</b>		
Construction and development cost (including development rights)	27,804.70	30,227.16
Finance cost	3,562.05	1,710.27
<b>Sub-total (c)</b>	<b>31,366.75</b>	<b>31,937.43</b>
Closing work-in-progress	191,724.89	180,250.02
Closing completed units	79,709.88	82,870.07
<b>Sub-total (d)</b>	<b>271,434.77</b>	<b>263,120.09</b>
<b>Total A (a+b+c-d)</b>	<b>32,551.90</b>	<b>41,001.72</b>
<b>B. Operating expenses</b>		
Brokerage & commission	1,113.62	1,136.85
<b>Total B</b>	<b>1,113.62</b>	<b>1,136.85</b>
<b>Total (A+B)</b>	<b>33,665.52</b>	<b>42,138.57</b>



## Notes to consolidated financial statements (Contd.)

### NOTE 34 EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Salaries and wages	2,414.49	1,115.66
Contribution to provident and other funds	54.94	42.03
Staff welfare expenses	60.82	7.11
Share based payment to employees	58.32	67.15
<b>Total</b>	<b>2,588.57</b>	<b>1,231.95</b>

### NOTE 35 FINANCE COSTS

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Interest expenses (including interest paid on duties and taxes ₹ 0.81 lakhs ; Previous Year ₹ 1.79 lakhs)	4,220.09	3,819.28
Other borrowing cost	128.51	263.67
<b>Total</b>	<b>4,348.60</b>	<b>4,082.95</b>

### NOTE 36 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Depreciation of property, plant and equipment (refer note no. 3)	314.57	177.18
Depreciation on investment properties (refer note no. 4)	35.69	37.44
Amortisation on intangible assets (refer note no. 5)	7.52	4.02
<b>Total</b>	<b>357.78</b>	<b>218.64</b>

### NOTE 37 OTHER EXPENSES

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Advertisement and Business promotion expenses (net of directly attributable reimbursement of ₹ 955.98 lakhs; Previous Year ₹ 653.70 lakhs)	2,186.66	1,203.58
Legal and professional fees	1,853.70	976.75
Electricity expenses	430.04	111.61
Bank charges	34.45	23.47
Payment to auditors	31.23	46.07
Commission and brokerage expenses	-	23.62
Director's sitting fees	11.05	9.49
Membership fees and entrance fees	19.66	13.12
Rates and taxes	450.50	455.97
Indirect tax input credit written off	196.84	273.35
Repairs and maintenance		
- to building	195.51	12.12
- to others	78.45	597.87
Telephone and communication expenses	31.35	11.94

## Notes to consolidated financial statements (Contd.)

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Travelling and conveyance expenses	119.36	31.91
Insurance	42.24	24.36
Rent	-	54.90
Donation	-	3.10
Contribution towards CSR activities (refer note no. 51)	87.20	405.86
Sundry debts written off	651.07	-
Property, plant and equipment written off	80.61	-
Loss on sale of property, plant and equipment	-	0.63
Provision for expected credit loss	297.00	75.00
Facility management services	1,129.18	57.10
Miscellaneous expenses	418.54	97.48
<b>Total</b>	<b>8,344.64</b>	<b>4,509.29</b>

### NOTE 38 INCOME TAX

This note provides an analysis of the Group's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>(a) Tax expense recognised in the statement of profit and loss</b>		
Current tax on profits for the year	3,100.93	12,642.96
Adjustments for current tax of prior periods	356.49	97.22
<b>Total current tax expense</b>	<b>3,457.42</b>	<b>12,740.18</b>
Deferred tax charge	1,548.00	102.75
Mat Credit taken	(1,224.07)	-
<b>Total deferred tax expense</b>	<b>323.93</b>	<b>102.75</b>
<b>Income tax expense</b>	<b>3,781.35</b>	<b>12,842.93</b>

### (b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Enacted income tax rate in India applicable	34.94%	34.94%
Profit before income tax expense	13,893.25	36,955.41
<b>Current tax expense on profit before tax expenses at enacted income tax rate in India</b>	<b>4,854.86</b>	<b>12,913.70</b>
<b>Tax effects of :</b>		
Expenses disallowed	33.77	163.20
Exempt income	(0.02)	(0.05)
Deduction under chapter VIA of the Income Tax Act	(2,110.19)	-
Tax on profit/ loss of joint ventures	(15.12)	(4.23)
Deferred tax not recognised on unabsorbed losses	738.69	1,250.81
Difference in tax rates	(1,838.93)	(1,689.13)
Tax in respect of earlier years	356.49	97.22
Other items	1,761.80	111.41
<b>Income tax expense</b>	<b>3,781.35</b>	<b>12,842.93</b>

Consequent to reconciliation items shown above, the effective tax rate is 27.22% (Previous Year : 34.75%).

## Notes to consolidated financial statements (Contd.)

The details of income tax assets are as follows:-

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Income tax assets	26,262.98	22,241.22
Current income tax liabilities	(24,977.08)	(21,060.32)
<b>Net current income tax assets at the end</b>	<b>1,285.90</b>	<b>1,180.90</b>

The details of income tax liabilities are as follows:-

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Current income tax liabilities	3,102.11	12,143.85
Income tax assets	(1,426.93)	(9,826.67)
<b>Net current income tax liabilities at the end</b>	<b>1,675.18</b>	<b>2,317.18</b>

### NOTE 39 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Contingent Liabilities (to the extent not provided for)</b>		
Disputed Income Tax matters	<b>359.85</b>	<b>273.90</b>

**Note :** The Group's pending litigations comprise mainly claims against the Group, property disputes, proceedings pending with tax and other authorities and certain litigation for property acquired by it for construction purposes, through outright purchases, the impact of which is not quantifiable. The group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its consolidated financial statements. The Group does not reasonably expect the outcome of these proceedings to have a material impact on its consolidated financial statements.

### NOTE 40 LEASES

- a. The Group has given offices and other facilities under "non-cancellable operating leases", which are renewable on a periodic basis with escalation as per agreement. All the initial direct income/ payment relating to lease are charged to statement of profit and loss.

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Premises given on operating lease:</b>		
The total future minimum lease rentals receivable at the balance sheet date is as under:		
Not later than one year	504.90	367.86
Later than one year and not later than five years	656.20	905.75
Later than five years	-	-

- c. Lease income recognised (including income in respect of certain cancellable leases) in statement of profit and loss for the year ended 31st March, 2020 is ₹ 781.01 lakhs, (Previous Year ₹ 529.39 lakhs)

## Notes to consolidated financial statements (Contd.)

### NOTE 41 EARNINGS PER SHARE

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>Earning Per Share (EPS) has been computed as under :</b>		
Profit for the year (₹ in lakhs) (A)	10,028.39	22,754.60
Weighted average number of equity shares (considered for calculating basic EPS) (B)	140,358,370	140,322,488
Add : Potential equity shares on account of share application money pending allotment	-	8,222
Add : Potential equity shares on account of employee stock options	208,035	180,365
<b>Weighted average number of equity shares adjusted for the effect of dilution (C)</b>	<b>140,566,405</b>	<b>140,511,075</b>
Basic EPS (Amount in ₹) (A/B) (Face value of ₹ 1 per share; Previous year Re. 1 per share) *	7.14	16.22
Diluted EPS (Amount in ₹) (A/C) (Face value of ₹ 1 per share; Previous year ₹ 1 per share) *	7.13	16.20

### NOTE 42 SHARE-BASED PAYMENTS

#### Employee stock option plan

The establishment of the Sunteck Realty Limited "Employee Stock Option Plan (ESOP 2013)", "Employee Stock Option Scheme (ESOS 2017)" and "Employee Stock Option Scheme (ESOS 2018)" are designed to provide incentives to eligible directors and employees of the Company and its subsidiaries. These are equity settled share based payments. The details of which are given here under :

Particulars	ESOP 2013	ESOS 2017	ESOS 2018
Date of general meeting of shareholder in which scheme was approved	15th March, 2013	26th September, 2017	27th September 2018
No. of options granted	707,702	Series 1: 436,555 ; Series 2 : 48,666	33,846
Grant date	1st October, 2013	Series 1: 5th October 2018 ; Series 2: 28th November, 2018	24th January, 2019
Grant Price (₹ per share)	147.50	Series 1: 225 ; Series 2: 225	325
Graded vesting plan :	Series 1: 25% every year, commencing after one year from the grant date (i.e. 30th September, 2014) Series 2: 25% every year, commencing after two years from the grant date (i.e. 30th September, 2015)	Series 1: 20% every year, commencing after one year from the grant date (i.e. 4th October, 2018) Series 2: First 20% will vest on 1st December, 2019 and balance options will vest 20% equally on 1st October every year over next four years.	First 20% will vest on 1st February, 2020 and balance options will vest 20% equally on 1st October every year over next four years.
Maximum exercise period	7 years from the date of grant	Series 1: 6.5 years from the date of grant Series 2: 5.3 years from the date of grant	5.2 years from the date of grant

## Notes to consolidated financial statements (Contd.)

Options are granted without any consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under each plan:

Particulars	ESOP 2013		ESOS 2017		ESOS 2018	
	Average exercise price per share option (₹)	Number of units	Average exercise price per share option (₹)	Number of units	Average exercise price per share option (₹)	Number of units
Outstanding as at 1st April, 2018	147.50	2,928	225.00	376,557	-	-
Granted during the year	-	-	225.00	48,666	325.00	33,846
Forfeited during the year	-	-	225.00	(101,379)	-	-
Exercised during the year (including pending allotment of shares)*	147.50	(2,414)	225.00	(27,420)	-	-
Expired during the year	147.50	(514)	-	-	-	-
Outstanding as at 31st March, 2019	-	-	<b>225.00</b>	<b>296,424</b>	<b>325.00</b>	<b>33,846</b>
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	225.00	(23,112)	325.00	(19,231)
Exercised during the year	-	-	225.00	(27,018)	-	-
<b>Outstanding as at 31st March, 2020</b>	-	-	<b>225.00</b>	<b>246,294</b>	<b>325.00</b>	<b>14,615</b>

\*Includes 8,222 shares pending for allotment as on 31st March 2019, against which the Company has received ₹ 18.50 lakhs as share application money.

**Closing share prices at the date of exercise are as follows :**

Exercise date	Closing share price at BSE	Exercise date	Closing share price at BSE
Year ended 31st March, 2020		Year ended 31st March, 2019	
16th December, 2019	404.40	20th November, 2018	359.90
17th December, 2019	404.70	21st November, 2018	353.35
		22nd November, 2018	349.70
		26th November, 2018	354.85
		27th November, 2018	358.10
		29th March, 2019	460.65



## Notes to consolidated financial statements (Contd.)

### Other details :

Particulars	ESOP 2013		ESOS 2017		ESOS 2018	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Outstanding options as at the year end (no.)	-	-	246,294	296,424	14,615	33,846
Exercisable options at the year end (no.)	-	-	33,849	28,691	2,923	-
Weighted average remaining contractual life of options outstanding (years)	-	-	3.60	3.34	1.30	3.80

### The Fair Value of options granted under the ESOP Scheme -

Particulars	ESOP 2013 (Series 1)	ESOP 2013 (Series 2)	ESOS 2017 (Series 1)	ESOS 2017 (Series 2)	ESOS 2018
Option Fair Value (in ₹)	117.86	134.96	175.50	197.25	143.25

The fair value at grant date is determined by a valuer using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of each option is estimated on the date of grant based on the following assumptions :

Particulars	ESOP 2013	ESOS 2017 (Series 1)	ESOS 2017 (Series 2)	ESOS 2018
Volatility*	41.70%	38.81%	40.44%	40.12%
Dividend yield	0.05%	0.43%	0.49%	0.49%
Risk - free interest rate	8.00%	6.73%	7.64%	7.31%

\*The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

### Expense arising from share-based payment transactions

Expenses arising from share-based payment transactions (Employee Stock Option Plan) recognised in statement of profit and loss as part of employee benefit expense ₹ 58.32 Lakhs (Previous Year ₹ 67.15 Lakhs).

## Notes to consolidated financial statements (Contd.)

### NOTE 43 EMPLOYEE BENEFIT OBLIGATIONS

(₹ in lakhs)

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absences (i)	21.15	131.80	152.95	7.52	68.95	76.47
Gratuity (ii)	13.19	134.72	147.91	10.88	94.18	105.06
<b>Total</b>	<b>34.34</b>	<b>266.52</b>	<b>300.86</b>	<b>18.40</b>	<b>163.13</b>	<b>181.53</b>

#### (i) Compensated absences

The Compensated absences cover the Group's liability for sick and earned leave.

Out of total provision, the amount of the provision of ₹ 21.15 lakhs (Previous Year ₹ 7.52 lakhs) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

#### (ii) Defined contributions plans

The group also has certain defined contribution plans. The contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. Amount recognised as an expense during the year towards defined contribution plan is ₹ 54.94 lakhs (Previous Year ₹ 42.03 lakhs).

#### (iii) Post-employment obligations (Gratuity)

The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity.

#### Movement in present value of obligation and net assets

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in lakhs)

Particulars	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
<b>As at beginning of the year</b>	<b>105.06</b>	-	<b>105.06</b>	<b>54.66</b>	-	<b>54.66</b>
Current service cost	48.62	-	48.62	7.17	-	7.17
Past service cost	-	-	-	-	-	-
Interest expense	8.21	-	8.21	3.31	-	3.31
<b>Total amount recognised in profit or loss</b>	<b>56.83</b>	-	<b>56.83</b>	<b>10.48</b>	-	<b>10.48</b>
Remeasurements	-	-	-	-	-	-
Return on plan assets, excluding amounts included in interest	-	-	-	-	-	-

## Notes to consolidated financial statements (Contd.)

(₹ in lakhs)

Particulars	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
(Gain)/ loss from change in financial assumptions	11.74	-	11.74	1.46	-	1.46
Experience (gains)/ losses	(17.59)	-	(17.59)	43.08	-	43.08
On account of transfer of employees	-	-	-	-	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>(5.85)</b>	<b>-</b>	<b>(5.85)</b>	<b>44.54</b>	<b>-</b>	<b>44.54</b>
Employer contributions	-	-	-	-	-	-
Benefit payments	(8.13)	-	(8.13)	(4.62)	-	(4.62)
<b>As at end of the year</b>	<b>147.91</b>	<b>-</b>	<b>147.91</b>	<b>105.06</b>	<b>-</b>	<b>105.06</b>

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unfunded plans	147.91	105.06
<b>Deficit of gratuity plan</b>	<b>147.91</b>	<b>105.06</b>

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Discount rate	6.89%	7.79%
Attrition rate	2.00%	2.00%
Salary escalation rate	6.50%	6.50%

### Sensitivity analysis

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Projected benefit obligation on current assumptions	147.91	105.06
Delta effect of +0.5% change in rate of discounting	(7.58)	(5.18)
Delta effect of -0.5% change in rate of discounting	8.24	5.61
Delta effect of +0.5% change in rate of salary increase	7.54	5.16
Delta effect of -0.5% change in rate of salary increase	(7.27)	(4.91)
Delta effect of +0.5% change in rate of employee turnover	(0.18)	0.44
Delta effect of -0.5% change in rate of employee turnover	0.17	(0.48)

## Notes to consolidated financial statements (Contd.)

### Additional Details :

Methodology adopted for assured life mortality (ALM) -	Projected unit credit method
Usefulness and methodology adopted for sensitivity analysis -	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Stress testing of assets -	Not Applicable - as benefit is unfunded
Investment strategy -	Not Applicable - as benefit is unfunded
Comment on quality of assets -	Not Applicable - as benefit is unfunded
Management perspective of future contributions -	Not Applicable - as benefit is unfunded

### Defined benefit liability and employer contribution

The weighted average duration of the defined benefit obligation is 12 years as on 31st March, 2020 (Previous Year 9 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>Defined benefit obligation (gratuity)</b>					
<b>As at 31st March, 2020</b>	<b>13.19</b>	<b>2.96</b>	<b>11.09</b>	<b>339.97</b>	<b>367.21</b>
As at 31st March, 2019	10.88	2.51	8.89	264.52	286.80

### NOTE 44 NATURE OF SECURITY AND TERMS OF REPAYMENT RELATING TO BORROWINGS

(₹ in Lakhs)

S. No.	Particulars & Nature of Security	Terms of Repayment
	<b>Non- Current Borrowings</b>	
	<b>Secured Borrowings</b>	
i)	Term loan other than from bank, balance outstanding amounting to ₹ 6,944.44 lakhs (Previous Year ₹ 10,000.00 lakhs) is secured by registered mortgage (without deposit of title deeds) on certain units of project 'Signature Island' located at Bandra Kurla Complex (Mumbai) and hypothecation of receivables thereagainst.	Repayable in 36 equal principal installments on a monthly basis commencing from May, 2019 to April, 2022. During the year, the rate of interest was in the range of 9.70% - 9.85% p.a. (Previous Year 9.00% - 9.45% p.a.)
ii)	Term loan other than from bank, balance outstanding amounting to ₹ 11628.49 lakhs (Previous Year 10,404.42 lakhs) is secured by :- (a) First and Exclusive charge by way of registered mortgage on leasehold land and identified unsold units constructed/ being constructed thereon, for project called 'Signia Pearl' located at Bandra Kurla Complex, (Mumbai). (b) Balance receivables from locked sales (c) Future FSI, if any (d) Hypothecation of future receivables from the identified unsold units. (e) Lien on fixed deposit amounting to ₹ 265.35 lakhs.	Repayable in 24 equal monthly installments commencing from April, 2019 to March, 2021, subject to certain pre-payment conditions. During the year, the rate of interest was in the range of 10.14% - 10.74% p.a. (Previous Year 9.65% - 10.85% p.a.)

## Notes to consolidated financial statements (Contd.)

(₹ in Lakhs)

S. No.	Particulars & Nature of Security	Terms of Repayment
	<b>Non- Current Borrowings</b>	
	<b>Secured Borrowings</b>	
iii)	Term loan from bank, balance outstanding amounting to ₹ 1,423.88 lakhs (Previous Year - Nil) is secured by registered mortgage on certain unit of project 'Signia Isles' located at Bandra Kurla Complex (Mumbai) and hypothecation of receivables thereagainst.	Repayable in 84 monthly installments commencing from October, 2019 to September, 2026. During the year, the rate of interest was 9.95% p.a. (Previous Year - N.A.)
iv)	Term loan from bank, balance outstanding amounting to ₹ 1545.57 lakhs (Previous Year - Nil) is secured by mortgage over a portion of certain floors of the building 'Sunteck Centre' located at Vile Parle (East), Mumbai and certain units of building 'Corporate Centre' located at Andheri (East), Mumbai, and hypothecation of receivables thereagainst.	Repayable in 132 monthly installments commencing from November, 2019 to October, 2030. During the year, the rate of interest was 9.25% p.a. (Previous Year - N.A.)
v)	Term loan from bank, balance outstanding amounting to ₹ 250.75 lakhs (Previous Year ₹ 922.43) is secured by fixed deposit of ₹ 300.00 lakhs (Previous Year - ₹ 300.00 lakhs) & charge hypothecation on equipment purchased thereagainst.	Repayable in 24 monthly installments commencing from May, 2019 to April, 2021. During the year, the rate of interest was 9.26% p.a. (Previous Year 9.26% p.a.)
vi)	Term loan from bank was fully repaid during the Current year (Previous Year ₹ 6,000.00 lakhs), which was secured by first charge by way of registered mortgage of all pieces and parcel of land used for project 'Signia High' located at Borivali (East), Mumbai including unsold units in the project and hypothecation of project specific receivables.	Repaid in 5 equal quarterly installments commencing from December, 2018 to December, 2019. During the year, the rate of interest was 9.90% p.a. (Previous Year 9.25% - 9.90% p.a.)
vii)	All Non-Convertible Debentures (NCDs) were redeemed during the year (Previous Year 2,000 units of Series "D" NCDs amounting to ₹ 2,000.00 lakhs). These Debentures were secured by - a) First pari passu charge by way of mortgage of certain identified area/ units of building 'Sunteck Centre' located at Vile Parle (East), Mumbai. b) First pari passu charge on escrow of rent receivables (both present and future) from the above mentioned mortgaged units.	The Coupon rate was 11.75% (Previous Year 11.75% p.a). The NCDs are redeemed at par on 13th January, 2020
viii)	Loan from others balance outstanding amounting to ₹ 9187.90 lakhs (Previous Year - Nil) - refer note no. 58 for security pledged	Refer note no. 58 for terms of repayment

### Current Borrowings Secured Borrowings

(₹ in Lakhs)

S. No.	Particulars & Nature of Security	Terms of Repayment
(i)	Term loan other than from bank, balance outstanding amounting to ₹ 1,5000.00 lakhs (Previous Year - Nil) is secured by first charge by way of registered mortgage over the property (i.e. project land and structure thereon of project "Sunteck City " situated at ODC, Goregaon west, Mumbai) and exclusive charge on receivables from the said project.	Repayable in 15 unequal monthly installments commencing from the end of 22nd month i.e. Feb, 2021 to April, 2022, subject to certain pre-payment conditions. During the year, the rate of interest was 10.25% p.a. (Previous Year - N.A.)
(ii)	Term loan from bank, balance outstanding amounting to ₹ 19,645.00 lakhs (Previous Year - Nil) is secured by first charge by way of registered mortgage of all pieces and parcel of land used for project 'Sunteck Westworld 1&2' located at Naigoan (East) including unsold units in the project and hypothecation of project specific receivables.	Repayable in 4 equal quarterly installments commencing from end of 37th month i.e. July 2022 to April 2023, subject to certain prepayment conditions. During the year, the rate of interest was in the range of 9.00% - 9.15% p.a. (Previous Year - N.A.)



## Notes to consolidated financial statements (Contd.)

(₹ in Lakhs)

S. No.	Particulars & Nature of Security	Terms of Repayment
iii)	Term loan from bank, balance outstanding amounting to ₹ 580.92 lakhs (Previous Year - Nil) is secured by fixed deposit of ₹ 300.00 lakhs (Previous Year - Nil) & charge hypothecation on equipment purchased thereagainst.	Repayable in 23 monthly installments commencing from May, 2019 to March, 2021. During the year, the rate of interest was 9.26% p.a. (Previous Year 9.26% p.a.)
iv)	Term loan other than from bank, balance outstanding amounting to ₹ 9,086.03 lakhs (Previous Year ₹ 7,847.25) is secured by first charge by way of registered mortgage over the property (i.e. project land and structure thereon of project "Sunteck City " situated at ODC, Goregaon west, Mumbai) and exclusive charge on receivables from the said project.	Repayable in 9 unequal monthly installments commencing from the end of 40th month i.e. May, 2020 to January 2021, subject to certain pre-payment conditions. During the year, the rate of interest was 10.50% p.a. (Previous Year -11.25% p.a)
v)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 205.95 lakhs (Previous Year ₹ 1,339.18 lakhs) is secured by First & exclusive charge by way of registered mortgage over a portion of 4th floor in the building "Sunteck Centre" located at Vile Parle (East), Mumbai & receivables from sale/ lease/ transfer of said portion of floor.	Repayable on demand. During the year, the rate of interest was in the range of 10.05% - 10.65% p.a. (Previous Year 10.30% - 11.40% p.a.)
vi)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 7,805.47 lakhs (Previous Year ₹ 7251.17 lakhs) is secured by exclusive charge by way of registered mortgage on certain units of project "Signature Island" located at Bandra Kurla Complex, Mumbai & hypothecation of cash flows/ future receivables corresponding to the specified units charged.	Repayable on demand. During the year, the rate of interest was in the range of 8.70% - 9.45% p.a. (Previous Year 9.45% - 10.12% p.a.)
vii)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 3,826.06 lakhs (Previous Year ₹ 3,485.63 lakhs) is secured by exclusive charge by way of registered mortgage on certain units of project "Signature Island" located at Bandra Kurla Complex (Mumbai) and lien on Fixed deposit of ₹ 2,076.95 lakhs (Previous Year ₹ 2076.95).	Repayable on demand. During the year, the rate of interest was in the range of 8.80% - 9.25% p.a. (Previous Year - 9.25% p.a.)
viii)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 1,835.99 lakhs (Previous Year - Nil) is secured by first charge by way of registered mortgage of all pieces and parcel of land used for project 'Sunteck Westworld 1&2' located at Naigoan (East) including unsold units in the project and hypothecation of project specific receivables.	Repayable on demand. During the year, the rate of interest was 9.15% p.a. (Previous Year - N.A.)
ix)	Term loan other than from bank was fully repaid during the Current year (Previous Year ₹ 9,536.10 lakhs) was secured by first charge by way of registered mortgage over the property (i.e. project land and structure thereon of project "Sunteck City" situated at ODC, Goregaon west, Mumbai) and exclusive charge on receivables from the said project.	Repayable in 6 unequal monthly installments commencing from the end of 43rd month i.e. June, 2019 to November, 2019, subject to certain pre-payment conditions. During the year, the rate of interest was 10.50% p.a. (Previous Year 9.75% - 11.25% p.a.)

### Current Borrowings

#### Unsecured Borrowings

i)	Commercial Paper (CP), balance outstanding amounting to ₹ 4,000.00 lakhs (Previous Year ₹ 2,500.00 lakhs) is against unutilised cash credit/working capital limits to the extent of CP amount till the end of respective commercial paper tenure.	Repayable on maturity i.e. 29th June, 2020 and 10th July, 2020. During the year, the rate of interest was 7.80% and 7.95% p.a. (Previous Year 9.25% p.a.)
ii)	Unsecured loans from related parties, balance outstanding amounting to ₹ 102.20 lakhs (Previous Year ₹ 2317.47 lakhs)	Repayable on demand. During the year, the rate of interest was Nil (Previous Year - 10.00% p.a.)
iii)	Unsecured loans from others, balance outstanding amounting to ₹ 125.00 lakhs (Previous Year ₹ 125 lakhs)	Repayable on demand. During the year, the rate of interest was Nil (Previous Year - Nil)

## Notes to consolidated financial statements (Contd.)

### NOTE 45 RELATED PARTY DISCLOSURES UNDER IND AS 24

#### i) List of related parties

#### A Name of related parties where control exists irrespective of whether transaction is entered or not

##### Joint Ventures

GGICO Sunteck Limited  
 Piramal Sunteck Realty Private Limited  
 Uniworth Realty LLP  
 Nariman Infrastructure LLP  
 Kanaka and Associates (Partnership firm)  
 Yukti Infraprojects LLP (from 23rd January, 2020)

#### B List of other related parties with whom transaction has been entered in the ordinary course of business

##### Key Managerial Personnel:

Mr. Kamal Khetan - Chairman & Managing Director  
 Mr. Atul Poopal - Executive Director  
 Mrs. Rachana Hingarajia - Director and Company Secretary  
 Mr. Mahadevan Kalahasthi - Independent Director (up to 8th February, 2019)  
 Mr. Kishore Vussonji - Independent Director  
 Mr. Ramakant Nayak - Independent Director  
 Mrs. Sandhya Malhotra - Independent Director (from 1st April, 2019)  
 Mr. Manoj Agarwal - Chief Financial Officer (from 14th June, 2019)  
 Mr. Mahesh Sheregar - Chief Executive Officer International operations  
 Mr. Sumesh Mishra - Chief Operating Officer (upto 30th June, 2018)  
 Mr. Jitendra Mehta - Chief Financial Officer (up to 2nd April, 2018)

##### Other parties over which Key Managerial Personnel and/ or his relative having significant influence:

Mrs. Manisha Khetan (Spouse of Mr. Kamal Khetan)  
 Mr. Vipul Vallabh Hingaraja (Spouse of Mrs. Rachana Hingarajia)  
 SW Capital Private Limited  
 SW Investment Limited  
 Eskay Infrastructure Development Private Limited  
 Glint Infraprojects Private Limited  
 Starteck Finance Limited  
 Starteck Infraprojects Private Limited  
 Samagra Wealthmax Private Limited  
 Assable Buildcon LLP  
 Pathway Buildcon LLP  
 Niyamit Mercantile and Trading LLP  
 Astha Trust  
 Matrabhav Trust  
 Krupa Family Private Trust  
 Shraddha Trust  
 Kanga and Company

## Notes to consolidated financial statements (Contd.)

### NOTE 45 RELATED PARTY DISCLOSURES UNDER IND AS 24

#### ii) Transactions during the year

(₹ in Lakhs)

Particulars	Associates / Joint Ventures		Key Managerial Personnel / other parties over which key managerial personnel with his relative having significant influence	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
a Sales				
i) Booking of sales during the year	-	-	-	411.69
ii) Revenue recognised on percentage of completion method during the year	-	-	208.20	929.68
b Rent income	-	-	10.44	10.26
c Hire charges expenses	-	-	36.30	264.75
d Other income	-	-	2.72	7.19
e Share of profit/ (loss)	43.28	25.05	-	-
f Interest income on				
Loans and advances	-	23.86	-	-
Non- convertible debentures	-	-	2.54	0.03
g Interest expenses	-	-	-	346.53
h Deputation charges income	109.06	424.48	-	-
i Investment made/ purchased during the year				
Fixed capital in LLP	67.50	-	-	-
Non current investments - non convertible debentures	-	-	-	2,535.15
j Current Investment in LLP - current capital invested/ (withdrawn) (net)	287.78	(0.01)	-	-
k Loans and advances given	219.30	1,291.25	-	-
l Loans taken	-	-	-	2,684.80
m Advance against sale	-	-	0.09	6.48
n Security deposit refund	-	-	-	150.00
o Security deposit given	-	-	-	120.00
p Director sitting fees	-	-	8.70	7.40
q Professional fees	-	-	-	7.20
r Transfer of materials				
Transfer -in	7.19	-	-	-
Transfer - out	0.94	-	-	-
<b>iii) Outstanding balances at the year end</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
a Security deposit payable	-	-	18.00	18.00
b Loans taken	102.20	94.35	-	2,223.12
c Trade receivables	7.68	241.75	210.09	33.69
d Security deposit receivable	-	-	-	120.00
e Reimbursement receivable	3.72	3.72	-	-
f Loans and advances given	4,625.79	4,005.66	-	-
g Trade payable	-	-	-	1.80

Note: For investments refer note no. 7 and 13.

## Notes to consolidated financial statements (Contd.)

### iv) Disclosure in respect of major related parties transactions during the year

(₹ in Lakhs)

Particulars	Associates / Joint Ventures		Key Managerial Personnel / other parties over which key managerial personnel with his relative having significant influence	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>a Sales</b>				
<b>i) Booking of sales during the year</b>				
Krupa Family Private Trust	-	-	-	73.60
Niyamit Mercantile and Trading LLP	-	-	-	53.46
Pathway Buildcon LLP	-	-	-	52.58
Shraddha Trust	-	-	-	98.96
Matrabhav Trust	-	-	-	105.25
Others	-	-	-	27.85
<b>ii) Revenue recognised on percentage of completion method during the year</b>				
Samagra Wealthmax Private Limited	-	-	-	2,300.00
SW Investment Limited	-	-	-	(1,370.33)
Krupa Family Private Trust	-	-	34.23	-
Niyamit Mercantile and Trading LLP	-	-	24.86	-
Pathway Buildcon LLP	-	-	24.45	-
Shraddha Trust	-	-	46.02	-
Matrabhav Trust	-	-	48.94	-
Others	-	-	29.71	-
<b>b Rent income</b>				
Starteck Finance Limited	-	-	3.72	3.63
SW Capital Private Limited	-	-	3.00	3.00
SW Investment Limited	-	-	3.72	3.63
<b>c Hire charges expenses</b>				
Starteck Infraprojects Private Limited	-	-	36.30	264.75
<b>d Other income</b>				
SW Capital Private Limited	-	-	2.72	7.19
<b>e Share of profit/ (loss)</b>				
Piramal Sunteck Realty Private Limited	93.97	73.11	-	-
GGICO Sunteck Limited	(50.49)	(48.05)	-	-
Others	(0.21)	-	-	-
<b>f Interest income on</b>				
<b>(i) Loans and advances</b>				
Piramal Sunteck Realty Private Limited	-	23.86	-	-
<b>(ii) Non- convertible debentures</b>				
Eskay Infrastructure Development Private Limited	-	-	0.63	0.01
Samagra Wealthmax Private Limited	-	-	1.63	0.02
Starteck Infraprojects Private Limited	-	-	0.28	# 0.00
<b>g Interest expenses</b>				
Starteck Finance Limited	-	-	-	346.53
<b>h Deputation charges income</b>				
Piramal Sunteck Realty Private Limited	109.06	424.48	-	-

## Notes to consolidated financial statements (Contd.)

(₹ in Lakhs)

Particulars	Associates / Joint Ventures		Key Managerial Personnel / other parties over which key managerial personnel with his relative having significant influence	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>i Investment made/ purchased during the year</b>				
<b>(i) Fixed capital in LLP</b>				
Yukti Infraprojects LLP	67.50	-	-	-
<b>(ii) Non current Investments - non convertible debentures</b>				
Eskay Infrastructure Development Private Limited	-	-	-	626.93
Samagra Wealthmax Private Limited	-	-	-	1,626.40
Starteck Infraprojects Private Limited	-	-	-	281.82
<b>j Current Investment in LLP-current capital invested/ (withdrawn) (net)</b>				
Nariman Infrastructure LLP	5.15	5.25	-	-
Uniworth Realty LLP	9.33	9.65	-	-
Yukti Infraprojects LLP	273.30	-	-	-
<b>k Loans and advances given</b>				
Kanaka & Associates	217.87	230.32	-	-
Piramal Sunteck Realty Private Limited	1.43	1,060.92	-	-
<b>l Loans taken</b>				
Starteck Finance Limited	-	-	-	2,684.80
<b>m Advance against sale</b>				
Pathway Buildcon LLP	-	-	-	1.08
Niyamit Mercantile and Trading LLP	-	-	-	1.08
Vipul Vallabh Hingaraja	-	-	0.09	-
Matrabhav Trust	-	-	-	1.62
Krupa Family Private Trust	-	-	-	1.08
Shraddha Trust	-	-	-	1.62
<b>n Security deposit refund</b>				
SW Capital Private Limited	-	-	-	150.00
<b>o Security deposit given</b>				
Starteck Infraprojects Private Limited	-	-	-	120.00
<b>p Director sitting fees</b>				
Mahadevan Kalahasthi	-	-	-	2.70
Kishore Vussonji	-	-	2.50	1.50
Ramakant Nayak	-	-	3.40	3.20
Sandhya Malhotra	-	-	2.80	-
<b>q Professional fees</b>				
Kanga and company	-	-	-	7.20
<b>r Transfer of materials</b>				
<b>(i) Transfer -in</b>				
Piramal Sunteck Realty Pvt. Ltd.	7.19	-	-	-
<b>(ii) Transfer - out</b>				
Piramal Sunteck Realty Pvt. Ltd.	0.94	-	-	-

# Less than ₹ 500



## Notes to consolidated financial statements (Contd.)

### v) Disclosure in respect of outstanding balances of major related parties at the year end

(₹ in Lakhs)

Particulars	Associates / Joint Ventures		Key Managerial Personnel / Entities over which key managerial personnel with his relative having significant influence	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
<b>a Security deposit payable</b>				
SW Capital Private Limited	-	-	15.00	15.00
Others	-	-	3.00	3.00
<b>b Loans taken</b>				
GGICO Sunteck Limited	102.20	94.35		-
Starteck Infracore Private Limited	-	-		2,223.12
<b>c Trade receivables</b>				
Piramal Sunteck Realty Private Limited	7.68	241.75	-	-
Pathway Buildcon LLP	-	-	35.38	4.54
Matrabhav Trust	-	-	56.50	6.98
Krupa Family Private Trust	-	-	50.05	6.62
Shraddha Trust	-	-	32.23	8.89
Others	-	-	35.93	6.66
<b>d Security deposit receivable</b>				
Starteck Infracore Private Limited	-	-	-	120.00
<b>e Reimbursement receivable</b>				
Kanaka & Associates (refer note no. 56)	3.72	3.72	-	-
<b>f Loans and advances given</b>				
Kanaka & Associates (refer note no. 56)	686.16	468.29	-	-
GGICO Sunteck Limited	3,938.85	3,537.37	-	-
Others	0.78	-	-	-
<b>g Trade payable</b>				
Kanga and company	-	-	-	1.80

## Notes to consolidated financial statements (Contd.)

### vi) Key managerial personnel compensation

(₹ in Lakhs)

Particulars	Transactions during the year		Outstanding payable balances as at the year end	
	Year ended 31st March, 2020	Year ended 31st March, 2019	31st March, 2020	31st March, 2019
<b>(i) Short-term employee benefits</b>				
<b>Remuneration*</b>				
Kamal Khetan	225.00	380.68	7.50	87.18
Atul Poopal	145.00	145.00	8.76	1.51
Rachana Hingarajia	40.00	33.91	2.02	2.68
Sumesh Mishra	-	26.10	-	-
Jitendra Mehta	-	0.44	-	-
Mahesh Sheregar	92.48	91.07	32.70	15.08
<b>Manoj Agarwal</b>				
Remuneration (exluding reimbursement )	53.48	-	6.06	-
Share base payment	3.99	-	-	-
<b>Total</b>	<b>559.95</b>	<b>677.20</b>	<b>57.04</b>	<b>106.45</b>

\*As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.

#### Notes:

- No balances in respect of the related parties has been provided for/written off / written back.
- Related party relationship is as identified by the management and relied upon by the auditors.
- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

### vii) Disclosure pursuant to Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

(₹ in Lakhs)

Particulars	As at 31st March, 2020	Maximum outstanding during the year ended 31st March, 2020	As at 31st March, 2019	Maximum outstanding during the year ended 31st March, 2019
Piramal Sunteck Realty Private Limited	0.78	0.78	-	5,852.86
GGICO Sunteck Limited	3,938.85	3,938.85	3,537.37	3,537.37

None of the above mentioned parties hold shares of the Parent Company

## Notes to consolidated financial statements (Contd.)

### NOTE 46 FAIR VALUE MEASUREMENTS

#### (i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are valued using the closing price as at the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the use of discounted cash flow for fair value at amortised cost

(₹ in Lakhs)

Financial Assets and Liabilities as at 31st March, 2020	Carrying amounts				Fair Value		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Level 1	Level 3	Total
<b>Financial assets</b>							
Investments							
- Equity instruments							
Quoted	-	1.28	-	1.28	1.28	-	1.28
Unquoted	-	55.26	-	55.26	-	55.26	55.26
- Debentures							
Unquoted	3,135.71	-	-	3,135.71	-	3,135.71	3,135.71
- Others	-	-	-	-	-	-	-
Trade receivables	-	-	35,866.59	35,866.59	-	-	-
Loans	-	-	10,587.42	10,587.42	-	-	-
Cash and cash equivalents	-	-	8,323.39	8,323.39	-	-	-
Other bank balances	-	-	8,298.50	8,298.50	-	-	-
Other financial assets	-	-	40,600.92	40,600.92	-	-	-
<b>Total financial assets</b>	<b>3,135.71</b>	<b>56.54</b>	<b>103,676.82</b>	<b>106,869.07</b>	<b>1.28</b>	<b>3,190.97</b>	<b>3,192.25</b>

## Notes to consolidated financial statements (Contd.)

(₹ in Lakhs)

Financial Assets and Liabilities as at 31st March, 2020	Carrying amounts				Fair Value		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Level 1	Level 3	Total
<b>Financial liabilities</b>							
Borrowings	-	-	76,779.45	76,779.45	-	-	-
Trade payables	-	-	16,537.55	16,537.55	-	-	-
Other financial liabilities	-	-	18,074.53	18,074.53	-	-	-
<b>Total financial liabilities</b>	-	-	<b>111,391.53</b>	<b>111,391.53</b>	-	-	-

(₹ in Lakhs)

Financial Assets and Liabilities as at 31st March, 2019	Carrying amounts				Fair Value		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Level 1	Level 3	Total
Financial assets							
Investments							
- Equity instruments							
Quoted	-	3.92	-	3.92	3.92	-	3.92
Unquoted	-	78.63	-	78.63	-	78.63	78.63
- Debentures							
Unquoted	2,788.67	-	-	2,788.67	-	2,788.67	2,788.67
- Others	-	-	292.96	292.96	-	-	-
Trade receivables	-	-	37,058.42	37,058.42	-	-	-
Loans	-	-	6,098.63	6,098.63	-	-	-
Cash and cash equivalents	-	-	9,110.53	9,110.53	-	-	-
Other bank balances	-	-	5,681.13	5,681.13	-	-	-
Other financial assets	-	-	27,575.75	27,575.75	-	-	-
<b>Total financial assets</b>	<b>2,788.67</b>	<b>82.55</b>	<b>85,817.42</b>	<b>88,688.64</b>	<b>3.92</b>	<b>2,867.30</b>	<b>2,871.22</b>
Financial liabilities							
Borrowings	-	-	47,233.48	47,233.48	-	-	-
Trade payables	-	-	14,922.75	14,922.75	-	-	-
Other financial liabilities	-	-	16,879.17	16,879.17	-	-	-
<b>Total financial liabilities</b>	-	-	<b>79,035.40</b>	<b>79,035.40</b>	-	-	-

Note: There are no financial assets/ liabilities categorised under Level 2

## Notes to consolidated financial statements (Contd.)

### (iii) Fair value measurements using significant unobservable inputs (level 3)

(₹ in Lakhs)

Particulars	Debentures	Equity shares
As at 1st April, 2018	-	83.83
Invested during the year	2,535.13	-
Gains/ (losses) recognised in profit and loss	253.51	-
Gains/ (losses) recognised in other comprehensive income	-	(5.20)
As at 31st March, 2019	<b>2,788.64</b>	<b>78.63</b>
Invested during the year	-	-
Gains/ (losses) recognised in profit and loss	344.78	-
Gains/ (losses) recognised in other comprehensive income	-	(23.37)
<b>As at 31st March, 2020</b>	<b>3,133.42</b>	<b>55.26</b>

### NOTE 47 FINANCIAL RISK MANAGEMENT

The group activities expose it to business risk, interest rate risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, the groups risk management is carried out by a corporate treasury and corporate finance department under policies approved by the board of directors and top management. Groups treasury identifies, evaluates and mitigates financial risks in close cooperation with the Groups operating units. The board provides guidance for overall the risk management, as well as policies covering specific areas.

#### (A) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The group considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk, the group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the group. Where loans or receivables have been written off, the group continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

Credit risk is managed at segment as well as Group level.

For other financial assets, the Group assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a group basis for each class of financial instruments with different characteristics.



## Notes to consolidated financial statements (Contd.)

The group considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale and rental business. The same is due to the fact that in case of its residential sell business it does not handover possession till entire outstanding is received. Similarly in case of rental business, the group keep 3 to 12 months rental as deposit from the occupants.

The Group measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 90 days of Rs. 24,111.08 lakhs, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

### Ageing of Account receivables :

Particulars	(₹ in lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
0-3 months	12,127.51	25,152.49
More than 3 Month	24,111.08	15,932.53
<b>Total</b>	<b>36,238.59</b>	<b>41,085.02</b>

### Reconciliation of loss allowance - Trade Receivables

Particulars	(₹ in lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Opening balance	75.00	-
Allowance made during the year	297.00	75.00
<b>Closing balance</b>	<b>372.00</b>	<b>75.00</b>

### (B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, Group's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the Group's liquidity position (comprising the unused cash and bank balances along with liquid investments) on the basis of expected cash flows. This is generally carried out at Group level in accordance with practice and limits set by the Group. These limits vary to take into account the liquidity of the market in which the Group operates.

#### (i) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

All non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

## Notes to consolidated financial statements (Contd.)

(₹ in lakhs)

Contractual maturities of financial liabilities as at 31st March, 2020	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 year and 5 years	Total
Non-derivatives						
Bank overdraft	13,673.47	-	-	-	-	13,673.47
Borrowings						
Term loans from banks	196.39	200.97	416.09	18.19	19,645.00	20,476.64
Term loans from others	2,278.04	7,816.49	16,192.80	15,874.94	3,466.16	45,628.45
Commercial papers	1,500.00	2,500.00	-	-	-	4,000.00
Loans from related parties	-	-	-	102.20	-	102.20
Loans from others	15.00	-	110.00	-	9,187.90	9,312.90
Trade payables*	15,121.95	-	-	1,415.60	-	16,537.55
Security deposits	19.00	-	-	201.50	143.56	364.06
Unpaid dividend	13.37	-	-	-	-	13.37
Interest accrued	220.72	-	-	-	-	220.72
Payable for capital goods	317.73	-	3.73	-	-	321.46
Other payable	1,807.77	-	-	-	-	1,807.77
<b>Total non-derivative liabilities</b>	<b>35,163.44</b>	<b>10,517.46</b>	<b>16,722.62</b>	<b>17,612.43</b>	<b>32,442.62</b>	<b>112,458.59</b>

(₹ in lakhs)

Contractual maturities of financial liabilities as at 31st March, 2019	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 year and 5 years	Total
Non-derivatives						
Bank overdraft	12,075.98	-	-	-	-	12,075.98
Borrowings:						
Non convertible debentures	-	-	2,000.00	-	-	2,000.00
Term loans from banks	2,088.00	2,132.00	2,262.43	440.00	-	6,922.43
Term loans from others	1,857.56	6,635.33	9,253.53	16,424.69	3,616.67	37,787.78
Commercial papers	2,500.00	-	-	-	-	2,500.00
Loans from related party	2,317.47	-	-	-	-	2,317.47
Loans from others	-	-	125.00	-	-	125.00
Trade payables*	13,995.18	-	-	927.57	-	14,922.75
Security deposits	19.00	-	-	164.41	104.35	287.76
Unpaid dividend	13.20	-	-	-	-	13.20
Interest accrued	268.95	-	-	-	-	268.95
Other payable	110.55	-	-	-	-	110.55
<b>Total non-derivative liabilities</b>	<b>35,245.89</b>	<b>8,767.33</b>	<b>13,640.96</b>	<b>17,956.67</b>	<b>3,721.02</b>	<b>79,331.87</b>

\* Trade payables includes retention money which is payable after one year from the completion of contract

## Notes to consolidated financial statements (Contd.)

### (C) Market risk

#### (i) Price risk

##### - Exposure

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet at "fair value through Other comprehensive income.

##### - Sensitivity

The table below summarises the impact of increase/ decrease of the BSE index on the Group's equity and gain/ loss for the period. The analysis is based on the assumption that the index has increased by 5% or decreased by 5% with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

#### Impact of profit before tax

(₹ in lakhs)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
BSE Sensex 30- Increase 5%	0.06	0.20
BSE Sensex 30- Decrease 5%	(0.06)	(0.20)

#### (ii) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency i.e (₹). The risk is measured through a forecast of highly probable foreign currency cash flows. The Group does not cover foreign currency exposure with any derivative instruments. The Group also imports certain materials which are denominated in USD which exposes it to foreign currency risk.

Particulars	Currency type	As at 31st March, 2020		As at 31st March, 2019	
		Foreign currency (in lakhs)	Indian currency (₹ in lakhs)	Foreign currency (₹ in lakhs)	Indian currency (₹ in lakhs)
<b>Foreign Exchange Currency Exposure not covered by derivatives instrument</b>					
Trade payables	USD	-	-	8.68	601.99

##### - Foreign Currency Sensitivity

A change of 10% in exchange rate would have following impact on profit before tax :

(₹ in lakhs)

Particulars	USD	
	As at 31st March, 2020	As at 31st March, 2019
10% increase would increase the profit before tax by	-	(60.20)
10% decrease would decrease the profit before tax by	-	(60.20)

## Notes to consolidated financial statements (Contd.)

### (iii) Cash flow and fair value interest rate risk

#### - Interest rate risk management:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

#### - Interest rate risk exposure:

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Variable rate borrowings	78,946.90	55,863.76
Fixed rate borrowings	14,144.56	5,547.43
<b>Total borrowings</b>	<b>93,091.46</b>	<b>61,411.19</b>

#### - Interest rate sensitivity

A change of 50 bps in interest rates would have following impact on profit before tax (₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
50 bp increase would decrease the profit before tax by*	394.73	279.32
50 bp decrease would increase the profit before tax by*	394.73	279.32

\* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

## NOTE 48 CAPITAL MANAGEMENT

### (a) Risk management

The Group's objectives when managing capital are to :

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Net debt (Total debt including current maturities - Cash & cash equivalent - Other bank balances)	76,571.78	48,937.01
Total equity	292,013.63	292,475.47
<b>Net debt to equity ratio</b>	<b>26.22%</b>	<b>16.73%</b>

**Loan covenants :** The Group intends to manage optimal gearing ratios.

## Notes to consolidated financial statements (Contd.)

### (b) Dividends

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Dividends not recognised at the end of the reporting period *</b>		
The Board of Directors have recommended the payment of a final dividend of ₹ 1.50 (Previous Year ₹ 1.50) per equity share for non promoter group having face value of ₹ 1 each and ₹ 0.75 (Previous Year ₹ 1.50) per share for promoter and promoter group. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,413.28	2,105.05
Dividend distribution tax on above	-	<b>432.70</b>

\* Calculation is based on the no. of shares outstanding as at year end excluding 6,000,000 (Previous Year 6,000,000) held by subsidiary companies. The actual dividend amount will be dependent of the relevant share capital outstanding as on the record date/ book closure.

### NOTE 49 NOTE ON IND AS 115 REVENUE FROM CONTRACTS WITH CUSTOMERS

#### (i) Reconciliation of revenue recognised with the contracted price is as follows:

##### a. Sale of residential and commercial units (net) :

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Contracted price (net of share of land owners of ₹ 8,740.17 lakhs, previous year - ₹ 2,311.89 lakhs).	59,473.71	85,764.42
Less: Finance element included in the contract price	1,463.14	789.46
Less: Transaction price attributable towards warranty	40.00	75.00
<b>Revenue recognised as per the statement of profit and loss</b>	<b>57,970.55</b>	<b>84,899.96</b>

##### b. In case of, sale of services and other operating income contracted price is equivalent to the amount of revenue recognised (refer note no. 31).

(₹ in lakhs)

#### (ii) Changes in Contract asset are as follows:

	Year ended 31st March, 2020	Year ended 31st March, 2019
Contract assets (unbilled revenue) at the beginning of the year	15,126.63	3,137.83
Bill raised out of the opening	(12,640.63)	(222.09)
Add: Unbilled income against reimbursement	789.70	543.60
Add: Unbilled revenue recognised during the year	21,976.05	11,667.29
<b>Balance at the end of the year</b>	<b>25,251.75</b>	<b>15,126.63</b>

(₹ in lakhs)

#### (iii) Changes in Contract liabilities are as follows:

	Year ended 31st March, 2020	Year ended 31st March, 2019
Contract liabilities (bill in advance) at the beginning of the year	10,477.35	13,432.32
Invoice raised during the year	64,830.53	62,025.20
Revenue recognised during the year (includes ₹ 10,477.35 lakhs, previous year ₹ 13,432.32 lakhs recognised out of opening contract liability)	(62,396.52)	(63,246.61)
Reversal on account of cancellation	(6,990.65)	(1,733.56)
<b>Balance at the end of the year</b>	<b>5,920.71</b>	<b>10,477.35</b>



## Notes to consolidated financial statements (Contd.)

### (iv) The significant Payment Terms :

#### Construction-Linked Plans (CLP) :

Under this plan, the customer can book a unit by paying a booking amount. Further, the balance amount is required to be paid as per the construction milestones as mentioned in the agreement.

#### Subvention Scheme :

Under this scheme, the customer can book a unit by paying an agreed initial amount and balance amount is deferred as per the agreed terms between the Company, the customer and the bank/ financial institution (FI). Further, the customer is required to obtain approval from bank/ FI for the credit facility (loan) and the Company is required to pay the interest to the bank/ FI up to the agreed period, which is being incorporated in the contract price.

### (v) Types of warranties and related obligations

As per the sale agreement entered with buyer/ customer, the developer is obliged for the specified period from the date of handing over possession, for the defect liability.

## NOTE 50 INTEREST IN OTHER ENTITIES

### (a) Subsidiaries

The Group subsidiaries at 31st March, 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
		As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
		%	%	%	%
Starlight Systems Private Limited	India	100	100	-	-
Satguru Infocorp Services Private Limited	India	100	100	-	-
Skystar Buildcon Private Limited	India	100	100	-	-
Sunteck Property Holdings Private Limited	India	100	100	-	-
Sahrish Constructions Private Limited	India	100	100	-	-
Sunteck Realty Holdings Private Limited	India	100	100	-	-
Advait Infraprojects Private Limited	India	100	100	-	-
Satguru Corporate Services Private Limited.	India	100	100	-	-
Sunteck Real Estates Private Limited	India	100	100	-	-
Sunteck Infraprojects Private Limited	India	100	100	-	-
Stardeck Lifestyle Private Limited	India	100	100	-	-
Sunteck Lifestyle International Private Limited	Mauritius	100	100	-	-
Sunteck Lifestyles Limited	UAE	100	100	-	-
Sunteck Lifestyle Management DMCC (formerly known as Sunteck Lifestyle Management JLT)	UAE	100	100	-	-
Starlight Systems (I) LLP (refer note no. 58)	India	100	80	-	20

## Notes to consolidated financial statements (Contd.)

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
		As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
		%	%	%	%
Mithra Buildcon LLP	India	100	100	-	-
Clarissa Facility Management LLP	India	100	100	-	-
Magnate Industries LLP	India	100	-	-	-

During the year, pursuant to the Scheme of Amalgamation as sanctioned by The National Company Law Tribunal, Mumbai vide their order dated 8th August, 2019, Amenity Software Private Limited, Magenta Computer Software Private Limited and Sunteck Fashions and Lifestyle Private Limited, the wholly owned subsidiaries of the Company, were merged with the Company with the appointed date being 1st April, 2018.

### (b) Interests in associates and joint ventures

Set out below are the associates and joint ventures of the group as at 31st March, 2020 which, in the opinion of the directors, are material to the group. The entities listed below have proportionate capital contribution and share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(₹ in lakhs)

Name of entity	Place of business	% of ownership interest	Relationship	Carrying amount	
				As at 31st March, 2020	As at 31st March, 2019
<b>Interest in joint ventures</b>					
Piramal Sunteck Realty Private Limited	India	50%	50%	4,517.04	4,417.37
Nariman Infrastructure LLP	India	50%	50%	4,445.07	4,440.07
Uniworth Realty LLP	India	50%	50%	533.32	524.03
GGICO Sunteck Limited	UAE	50%	50%	13,863.99	12,810.56
Kanaka & Associates	India	50%	50%	707.54	707.54
Yukti Infraprojects LLP (w.e.f. 23rd January, 2020)	India	50%	50%	340.77	-
<b>Total equity accounted investments</b>				<b>24,407.73</b>	<b>22,899.57</b>

### (i) Summarised financial information for associates and joint ventures

The tables below provide summarised financial information for those joint ventures and associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not Sunteck Realty Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

## Notes to consolidated financial statements (Contd.)

Summarised balance sheet	Piramal Sunteck Realty Private Limited		GGICO Sunteck Limited		Nariman Infrastructure LLP		Uniworth Realty LLP		Yukti Infraprojects LLP*	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2020
Current assets										
Cash and cash equivalents	37.02	22.95	2.55	2.36	0.16	0.13	1.68	1.54	1.31	
Other assets	18,820.09	18,282.76	83,653.70	77,227.42	8,889.87	8,879.88	1,071.79	1,053.77	406.99	
<b>Total current assets</b>	<b>18,857.11</b>	<b>18,305.71</b>	<b>83,656.25</b>	<b>77,229.78</b>	<b>8,890.03</b>	<b>8,880.01</b>	<b>1,073.47</b>	<b>1,055.31</b>	<b>408.30</b>	
<b>Total non-current assets</b>	<b>182.35</b>	<b>309.08</b>	<b>404.84</b>	<b>373.74</b>	-	-	<b>0.04</b>	<b>0.06</b>	-	
<b>Current liabilities</b>										
Financial liabilities	8,911.88	8,244.28	1,840.40	1,699.02	0.25	0.26	14.16	14.38	0.05	
Other liabilities	831.99	1,310.88	98.49	90.92	-	-	0.01	0.05	-	
<b>Total current liabilities</b>	<b>9,743.87</b>	<b>9,555.16</b>	<b>1,938.89</b>	<b>1,789.94</b>	<b>0.25</b>	<b>0.26</b>	<b>14.17</b>	<b>14.43</b>	<b>0.05</b>	
Non-current liabilities										
Financial liabilities	14.25	-	54,016.85	49,768.38	-	-	-	-	-	
Other liabilities	49.46	15.71	-	-	-	-	-	-	-	
<b>Total non-current liabilities</b>	<b>63.71</b>	<b>15.71</b>	<b>54,016.85</b>	<b>49,768.38</b>	-	-	-	-	-	
<b>Net assets</b>	<b>9,231.88</b>	<b>9,043.92</b>	<b>28,105.35</b>	<b>26,045.20</b>	<b>8,889.78</b>	<b>8,879.75</b>	<b>1,059.34</b>	<b>1,040.94</b>	<b>408.25</b>	

Summarised statement of profit and loss	Piramal Sunteck Realty Private Limited		GGICO Sunteck Limited		Nariman Infrastructure LLP		Uniworth Realty LLP		Yukti Infraprojects LLP*	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2020
Revenue	3,916.04	3,615.79	-	-	-	-	-	-	-	-
Other income	132.51	69.73	-	-	-	-	-	-	-	-
Cost of revenue	3,329.62	2,927.32	-	-	-	-	-	-	-	-
Depreciation and amortisation	3.12	10.10	-	-	-	-	-	-	-	-
Interest expense	-	0.39	100.97	96.11	-	-	-	-	-	-
Other expense	391.73	579.64	-	-	0.30	-	0.08	-	-	0.05
Income tax expense	133.23	53.11	-	-	-	-	-	-	-	-

## Notes to consolidated financial statements (Contd.)

Summarised statement of profit and loss	Piramal Sunteck Realty Private Limited		GGICO Sunteck Limited		Nariman Infrastructure LLP		Uniworth Realty LLP		Yukti Infraprojects LLP*	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2020
<b>Profit from continuing operations</b>	190.86	114.96	(100.97)	(96.11)	(0.30)	-	(0.08)	-	(0.05)	
Profit from discontinued operations	-	-	-	-	-	-	-	-	-	
<b>Profit for the year</b>	190.86	114.96	(100.97)	(96.11)	(0.30)	-	(0.08)	-	(0.05)	
Other comprehensive income	(2.90)	31.25	-	-	-	-	-	-	-	
<b>Total comprehensive income</b>	187.96	146.21	(100.97)	(96.11)	(0.30)	-	(0.08)	-	(0.05)	
<b>Reconciliation to carrying amounts</b>										
Particulars	Piramal Sunteck Realty Private Limited		GGICO Sunteck Limited		Nariman Infrastructure LLP		Uniworth Realty LLP		Yukti Infraprojects LLP*	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2020
Opening net assets	9,043.92	8,897.71	26,045.20	24,483.58	8,879.75	8,869.35	1,040.94	1,021.90	-	-
Capital contributed during the year	-	-	-	-	10.33	10.40	18.48	19.04	408.30	
Profit/ (loss) for the year	190.86	114.96	(100.97)	(96.11)	(0.30)	-	(0.08)	-	(0.05)	
Other comprehensive income	(2.90)	31.25	-	-	-	-	-	-	-	
Foreign currency translation reserve	-	-	2,161.12	1,657.73	-	-	-	-	-	
<b>Closing net assets</b>	<b>9,231.88</b>	<b>9,043.92</b>	<b>28,105.35</b>	<b>26,045.20</b>	<b>8,889.78</b>	<b>8,879.75</b>	<b>1,059.34</b>	<b>1,040.94</b>	<b>408.25</b>	
Group's share in %	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Group's share in ₹	4,615.94	4,521.96	14,052.68	13,022.60	4,444.90	4,439.88	529.66	520.47	340.79	
Others	(98.90)	(104.59)	(188.69)	(212.04)	0.17	0.19	3.66	3.56	(0.02)	
<b>Carrying amount</b>	<b>4,517.04</b>	<b>4,417.37</b>	<b>13,863.99</b>	<b>12,810.56</b>	<b>4,445.07</b>	<b>4,440.07</b>	<b>533.32</b>	<b>524.03</b>	<b>340.77</b>	

\* The previous year figures are not applicable for comparison as Company is incorporated during the year on 23rd January, 2020

\*\* The carrying amount for Piramal Sunteck Realty Private Limited includes Goodwill worth ₹ 2,795.32 lakhs (Previous Year ₹ 2,795.32 lakhs)

## Notes to consolidated financial statements (Contd.)

### NOTE 51 Details of corporate social responsibility (CSR) expenditure

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Amount required to be spent as per Section 135 of the Companies Act, 2013	310.90	248.63
Amount spent during the year on :		
On purpose other than construction/ acquisition of an asset	<b>87.20</b>	<b>405.86</b>

### NOTE 52 Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at March 31, 2019
The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Group are as under:		
Principal amount due and remaining unpaid	2,881.63	181.81
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Group. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

**NOTE 53** Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Parent Company's Chairman and Managing Director (CMD) is identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators, however the Group is primarily engaged in only one segment viz., 'Real Estate/Real Estate Development and Related Activities' and that most of the operations are in India. Hence, the Group does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

**NOTE 54** The Group's normal operating cycle in respect of operations relating to under construction real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects and other business is based on 12 months period. Assets and liabilities have been classified into current and non-current based on the operating cycle of respective projects.



## Notes to consolidated financial statements (Contd.)

**NOTE 55** The accounts of certain trade receivables, trade payables and loans and advances are, however, subject to formal confirmations/ reconciliations and consequent adjustments, if any. However, there is no indication of dispute on these accounts, other than those mentioned in the financial statements. The management does not expect any material difference affecting the current year's financial statements on such reconciliation/ adjustments.

**NOTE 56** The Parent Company is a joint-venture partner in a partnership firm, Kanaka & Associates, in which the Parent Company has total exposure comprising of capital invested, loans given and other receivables aggregating to ₹ 1,397.42 lakhs (Previous Year ₹ 1,179.55 Lakhs). Since, there is some dispute with the other partner and that the financial statements of the firm are not available, the same has not been consolidated. The management is hopeful of recovering its dues in due course of time, as the Parent Company has received the favourable arbitration award, and hence, no provision is considered necessary at this stage.

**NOTE 57** The Group has overdue trade receivables of ₹ 1,203.50 lakhs (Previous Year ₹ 1,203.50 lakhs ) in respect of which necessary steps for its recovery has been taken including filing of legal case. The management is confident of recovering the said dues and therefore, no provision, in their opinion, is considered necessary at this stage.

**NOTE 58** With effect from 9th March, 2020, Starlight Systems (I) LLP (SSILLP) became a wholly owned subsidiary of the Parent company pursuant to the retirement of PDL Realty Private Limited (Retired Partner). The Retired Partner's balance of current capital and fixed capital in the SSILLP, aggregating to ₹ 9187.90 lakhs have been converted into the loan, which is secured by way of registered mortgaged of certain units of projects Signature Island and Signia Isles, located at Bandra Kurla Complex, Mumbai (security is yet to be created). The said loan will be converted into 1% secured Non-Convertible Debentures (NCDs), after conversion of the said LLP into a Private Limited Company. These NCDs will carry same securities as mentioned for the aforesaid loan and will be redeemed at premium out of the future free cash flow, as per the waterfall mechanism, from the specified projects of the said subsidiary only, subject to maximum of 20 years.

### **NOTE 59 EVENTS OCCURRING AFTER BALANCE SHEET DATE:**

- a) The Board of Directors of the Parent Company have recommended a equity dividend of ₹ 1.50 (Previous Year ₹ 1.50) per equity share of the face value of Re. 1 each to the shareholders other than Promoter/Promoter group and Re. 0.75 (Previous Year ₹ 1.50) per equity share of the face value of Re. 1 each to Promoter/Promoter group for the financial year 2019-20 (refer note no. 48).
- b) The financial statements were approved for issue by the Board of Directors of the Parent Company on 28th July, 2020.

### **NOTE 60 IMPACT OF COVID 19**

The Group is actively monitoring and assessing the impact of the pandemic relating to COVID-19 on the carrying amounts inter alia of its receivables, inventories, investments and other assets & liabilities. To arrive at the assessments, as on the date of these approved consolidated financial statements, the assumptions used by the group factors both internal and external sources of information relating to the possible future economic uncertainties because of this ongoing pandemic. Currently, the Group has concluded that the impact of COVID - 19 is not material based on these estimated assessments. However, due to the uncertain nature of the pandemic, the Group will continue to monitor any material developments to identify future risks, if any.



## Notes to consolidated financial statements (Contd.)

### NOTE 61 RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate affairs (MCA) notifies new standards or amendment to the existing standards. There is no such notification which would have been applicable from April 01, 2020

**NOTE 62** Figures pertaining to Previous Year have been regrouped/ reclassified wherever found necessary to conform to Current year presentation.

Signatures to Notes No 1 to 62

### For and on behalf of the Board of Directors of Sunteck Realty Limited

**Kamal Khetan**

Managing Director  
(DIN: 00017527)

**Atul Poopal**

Director  
(DIN: 07295878)

**Ramakant Nayak**

Director  
(DIN: 00129854)

**Kishore Vussonji**

Director  
(DIN: 00444408)

**Sandhya Malhotra**

Director  
(DIN: 06450511)

**Manoj Agarwal**

Chief Financial Officer  
(DIN: 01982024)

**Rachana Hingarajia**

Director and Company Secretary  
(DIN: 07145358)

**Place:** Mumbai

**Date :** 28<sup>th</sup> July, 2020

**FORM AOC-I**  
**SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013**  
**PART "A" : SUBSIDIARIES**

Sr. No.	Name of the Subsidiary	Reporting currency	Date when subsidiary was acquired	Paid up share capital	Reserves & surplus	Total assets	Total liabilities	Investments	Turnover (including other income)	Profit / (Loss) before Tax	Profit / (Loss) after Tax	Proposed dividend	% of shareholding
1	Satguru Infocorp Services Private Limited	INR	24-Dec-08	37.50	7,182.72	7,221.84	1.62	6,308.30	52.20	47.74	43.78	-	100%
2	Starlight Systems Private Limited	INR	24-Dec-08	40.00	7,868.53	7,910.37	1.84	6,310.06	51.05	50.70	49.37	1,456.00	100%
3	Sunteck Property Holdings Private Limited	INR	31-Dec-10	1.00	154.98	156.53	0.55	154.16	9.51	9.24	9.24	-	100%
4	Satguru Corporate Services Private Limited	INR	15-Dec-11	1.00	86,467.13	136,649.17	50,181.03	-	8,550.00	2,261.05	1,701.10	-	100%
5	Sahriish Constructions Private Limited	INR	10-Jul-12	1.00	(1.99)	4,075.09	4,076.08	-	-	(0.30)	(0.39)	-	100%
6	Sunteck Realty Holdings Private Limited	INR	25-Apr-13	1.00	155.43	156.69	0.26	154.61	9.51	9.28	9.28	-	100%
7	Sunteck Lifestyle International Private Limited	INR	25-Oct-13	14,585.03	10,425.81	25,015.47	4.62	24,935.07	-	(14.91)	(14.91)	-	100%
8	Sunteck Lifestyle Limited	INR	10-Nov-13	24,893.67	(4,499.52)	21,360.56	966.42	14,410.20	100.99	(445.91)	(445.91)	-	100%
9	Sunteck Lifestyle Management DMCC	INR	20-Mar-14	1,679,810.08	(1,111.15)	0.88	(1,678,698.05)	-	-	5.16	5.16	-	100%
10	Advaith Infraprojects Private Limited	INR	01-Oct-14	81.01	(1.65)	1,448.14	1,368.78	2.00	1,564.44	1,564.13	1,564.13	-	100%
11	Stardeck Lifestyle Private Limited	INR	01-Oct-14	1.00	(0.84)	129.14	128.97	-	6.21	6.57	6.57	-	100%
12	Sunteck Infraprojects Private Limited	INR	17-Dec-15	1.00	(1.47)	2.03	2.50	-	-	(0.24)	(0.24)	-	100%
13	Sunteck Real Estates Private Limited	INR	30-Dec-15	1.00	(1.37)	2.08	2.45	-	-	(0.19)	(0.19)	-	100%
14	Skystar Buildcon Private Limited	INR	29-Jan-16	1.00	12,168.49	51,861.61	39,692.12	-	14,547.15	2,170.57	1,624.00	-	100%
15	Starlight Systems (I) LLP	INR	12-Mar-13	1.00	75,583.64	101,196.00	25,611.36	-	8,360.78	1,905.53	925.35	-	100%
16	Clarissa Facility Management LLP	INR	20-Dec-16	1.00	1.78	1,306.37	1,303.60	-	1,802.66	0.47	0.33	-	100%
17	Mithra Buildcon LLP	INR	8-Aug-14	1.00	9,618.74	9,681.27	61.53	-	-	(0.10)	(0.13)	-	100%
18	Magnate Industries LLP	INR	10-Apr-19	0.10	2,499.80	2,500.06	0.16	-	-	(0.20)	(0.20)	-	100%

**Notes:-**

1. Name of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been amalgamated, liquidated or sold during the year: Amenity Software Private Limited, Magenta Computer Software Private Limited and Sunteck Fashions and Lifestyle Private Limited

**PART "B" : JOINT VENTURES****Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sr. No.	Name of Joint Ventures	Piramal Sunteck Realty Private Limited	Nariman Infrastructure LLP	Uniworth Realty LLP	GGICO Sunteck Limited*	Yukti Infraprojects LLP
1	<b>Latest Audited Balance Sheet Date</b>	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020
2	<b>Date on which the Joint Venture was associated or acquired</b>	16-Mar-07	31-Dec-10	31-Dec-10	10-Jun-14	23-Jan-20
3	<b>Shares of Joint Ventures held by the Company on the Year End</b>					
	a) Number	500,001	-	-	70,500,000	-
	b) Amount of Investment in Joint Venture (₹ In lakhs)	50.00	0.50	0.50	12,028.22	67.50
	c) Extent of Holding %	50%	50%	50%	50%	50%
4	<b>Description of how there is significant influence</b>	Due to Shareholding	Due to share in LLP	Due to share in LLP	Due to Shareholding	Due to share in LLP
5	<b>Reason why the Joint Venture is not consolidated</b>	N/A	N/A	N/A	N/A	N/A
6	<b>Networth attributable to Shareholding as per latest audited Balance Sheet (₹ In lakhs)</b>	51.28	4,444.89	533.32	14,052.68	340.77
7	<b>Profit/ Loss for the year</b>					
	i) Considered in Consolidation (₹ In lakhs)	93.97	-	-	(50.49)	-
	ii) Not Considered in Consolidation	-	-	-	-	-

**NOTES :-**

Names of Joint Ventures which are yet to commence operations: None

Names of Joint Ventures which have been liquidated or sold during the year: None

\*GGICO Sunteck Limited (Joint venture) financials certified by the management.

# Independent Auditors' Report

## TO THE MEMBERS OF SUNTECK REALTY LIMITED

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying standalone financial statements of SUNTECK REALTY LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matters

Without qualifying our opinion, we draw your attention to following matters:

- a) In view of COVID-19 pandemic outbreak, we draw your attention to the note no. 61 of the accompanying standalone financial statements regarding the Management's assessment of, inter-alia, recoverability/realisability of Company's assets, based on current indicators of future economic conditions. The Management, apart from considering the internal and external information up to the date of approval of standalone financial statements has also performed sensitivity analysis on the assumptions used. The Management expects to, inter-alia, realise inventories of ₹ 30,725.58 lakhs and projects to be executed (by joint venture companies), having carrying value of ₹ 30,107.96 lakhs, whose commencement have been delayed; and recover trade receivables of ₹ 6,552.18 lakhs (including in respect of what is stated in para "b" below) and contract assets (unbilled debtors) of ₹ 8,580.44 lakhs. The impact of the global health pandemic may be different from the estimated as at the date of approval of standalone financial statements. Considering the continuing uncertainties, the Management will continue to closely monitor any material changes to future economic conditions.
- b) The Company has overdue trade receivable amounting to ₹ 1,203.50 lakhs (Previous Year ₹ 1,203.50 lakhs) from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of legal case and is hopeful of recovering the same in due course of time. In their opinion, therefore, no provision is considered necessary at this stage.
- c) The Company is a partner in a partnership firm, Kanaka & Associates, in which the Company has total exposure comprising of capital invested, loans given and other receivables aggregating to ₹ 1,397.42 lakhs (Previous Year ₹ 1,179.55 lakhs). Since, there is some dispute with the other partner, the financial statements of the firm are not available and therefore, the Company has not accounted for its share of profit or loss for the year from the said firm, which as explained by the management, would be immaterial. The management is hopeful of recovering/realising the aforesaid exposure in due course of time, as the Company has received the favourable arbitration award and a receiver has been appointed by virtue of the said order and hence, in their opinion, no provision is considered necessary at this stage.





## Independent Auditors' Report (Contd.)

### 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.

Key Audit Matters	How the matter was addressed in our audit
<b>Revenue recognition for real estate development contracts:</b>	
<p>Revenue from real-estate contracts is recognised over a period of time (using percentage of completion method), if the necessary conditions/obligations as mentioned in the Ind AS 115 - "Revenue from contracts with customers" are satisfied/met, otherwise, at a 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. 1(d), 2(a) and 48 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 financial statements, as specified in Ind AS 115.</li> </ul>
<b>Impairment assessment of carrying value of investment in/loan to subsidiaries and joint ventures:</b>	
<p>The Company accounts for investments in equity instruments of subsidiaries and joint ventures at cost less accumulated impairment losses, if any.</p> <p>The assessment of recoverable amount of the Company's investment and loans receivable from subsidiaries and joint ventures involves significant judgement in respect of assumptions such as current projects, expected sales, future business plan, upcoming projects and the recoverability of certain receivables/investments.</p> <p>We focused on this area as a key audit matter due to judgement involved in forecasting future cash flows and the selection of assumptions.</p> <p>Refer note no. 6 and 17 to the standalone financial statements.</p>	<p>Our procedures / testing included the following:</p> <ul style="list-style-type: none"> <li>• Tested management's assessment of the provision required for impairment of investments / loans.</li> <li>• Checked the net worth of the subsidiaries/joint ventures and its history of financial performance.</li> </ul> <p>Evaluated appropriateness of key assumptions, including current market rates, used in the cash flow forecasts used in computing recoverable amount of investment and/or loan (including interest accrued).</p>

## Independent Auditors' Report (Contd.)

### Carrying values of Inventories:

<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 note no. 1(k) and 12, particularly in respect of Construction work-in-progress of ₹ 17,114.69 lakhs and Completed units of ₹ 13,373.04 lakhs, to the standalone financial statements.</p>	<p>We assessed the Company'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>
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### Fair valuation of certain investments:

<p>Investments other than investment in subsidiaries and joint ventures are carried at either Fair Value through Profit / Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI) as per fair value hierarchy.</p> <p>In case of investments, whose fair valuation falls under the Level 3 hierarchy, the Company engages third party valuers to perform the valuation. Inputs/assumptions used for valuation are not based on observable market data and therefore significant level of judgement is involved. Hence, we have considered this area as key audit matter.</p> <p>Refer note no. 1(m) and 6 to the standalone financial statements.</p>	<p>Our procedures / testing included the following:</p> <ul style="list-style-type: none"> <li>• Tested the operating effectiveness of controls for the review of assumptions and estimates used in evaluation of inputs for the purpose of fair valuation.</li> <li>• Reviewed the valuation reports obtained by the Company from independent thirdparty valuers for investments recorded at fair value for level 3 fair valuation hierarchy and assessed/challenged the assumptions, methods and competency of the valuer.</li> </ul>
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### 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 Board's Report, Management Discussion and Analysis Report, Corporate Governance Report and Business Responsibility Report, but does not include the standalone financial statements and our auditor's 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 the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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.

### Management's Responsibility 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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



## Independent Auditors' Report (Contd.)

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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 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.

## Independent Auditors' Report (Contd.)

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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity 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 Ind AS prescribed under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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 by the Company to its directors during the year is in accordance with the provisions of the 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note No. 39 to the standalone financial statements.
    - ii. The Company did not have material foreseeable losses on long term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For LODHA & CO.**

Chartered Accountants  
Firm Registration No: 301051E

**R. P. Baradiya**

Partner  
Membership No. 44101  
UDIN : 20044101AAABIQ4576

**Place:** Mumbai

**Date:** 28<sup>th</sup> July, 2020



## "Annexure A"

### **ANNEXURE REFERRED TO IN INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COMPANY ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

- i)
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment (fixed assets).
  - b) According to the information and explanations given to us, during the year, all the property, plant and equipment (fixed assets) have been physically verified by the management, which in our opinion, is reasonable considering the size of the Company and nature of its property, plant and equipment (fixed assets). As explained, no material discrepancies were noticed on such verification.
  - c) As explained, title deed of the immovable property, classified as property, plant and equipment (fixed assets), which was constructed as per the Joint Development Agreement with the land owners, will be transferred in the name of the Company after formation of condominium.
- ii) According to the information and explanations given to us, the inventories have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification. Due to COVID-19 related nationwide lockdown, the management was not able to perform year end physical verification of inventory.
- iii) According to the information and explanations given to us, during the year, the Company has granted unsecured interest-free loans to five subsidiary companies and a joint venture company covered in the register maintained under Section 189 of the Act.
  - a) Considering what is stated in para (iv) below, in respect of non-applicability of Section 186 of the Act relating to loans granted by the Company and as explained by the management, said loans are granted to subsidiary companies for their principal business activities, the terms and conditions of the aforesaid loans are not, prima facie, prejudicial to the interest of the Company.
  - b) As explained by the management, these loans are repayable on demand and as informed, the Company has received the loan amount during the year as and when it was demanded.
  - c) Considering what is stated in para (b) above, there are no amounts overdue from such parties.
- iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. As informed and on the basis of legal opinion obtained by the Company, the provisions of Section 186 of the Act with respect to the loans made, guarantees given and security provided are not applicable to the Company as the Company is engaged in the business of providing infrastructural facilities. In our opinion and according to the information and explanations given to us and based on the aforesaid legal opinion, the Company has complied with the provisions of Section 186 of the Act to the extent applicable, with respect to the investments made.
- v) No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government of India, regarding the maintenance of cost records under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii)
  - a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax (GST), Duty of Customs, Cess and other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.



## "Annexure A" (Contd.)

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Income Tax, GST and Duty of Customs which have not been deposited on account of any dispute except the following:

Statute	Nature of Dues	Forum where the dispute is pending	Amount (₹ in lakhs)	Financial year to which it relates
Income Tax Act, 1961	Income Tax	Income Tax	6.29	2006-07
		Appellate Tribunal	10.36	2008-09
		(Referred back to Assessing Officer for reassessment)	0.21	2010-11
			5.10	2011-12
		Income Tax Appellate Tribunal	0.14	2013-14
		Commissioner of Income Tax (Appeals)	102.28	2012-13
		15.00	2014-15	

- viii) In our opinion and according to the information and explanations given to us, during the year, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and dues to debenture holders. The Company did not have any loans or borrowings from the Government.
- ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and in recent past and based on the information and explanations given to us by the management, term loans have been applied for the purpose for which they were obtained. However, certain funds have been temporarily used for other corporate purpose.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi) According to the information and explanations given to us and based on the examination of the records, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to us, the provisions of Section 177 and 188 of Act, to the extent applicable, in respect of transactions with the related parties have been complied with by the Company and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards in Note No. 44 to the Standalone Financial Statements.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv) According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with him under Section 192 of the Act.
- xvi) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

**For LODHA & CO.**

Chartered Accountants  
Firm Registration No: 301051E

**R. P. Baradiya**

Partner  
Membership No. 44101  
UDIN : 20044101AAABIQ4576

**Place:** Mumbai  
**Date:** 28<sup>th</sup> July, 2020



## “Annexure B”

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

We have audited the internal financial controls over financial reporting of SUNTECK REALTY LIMITED (“the Company”) as of 31st March, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements; and (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the organisation from time to time.

## "Annexure B" (Contd.)

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, considering nature of business, size of operation and organisational structure of the entity, the Company has broadly, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st 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 ICAI.

**Place:** Mumbai  
**Date:** 28<sup>th</sup> July, 2020

### For LODHA & CO.

Chartered Accountants  
Firm Registration No: 301051E

### R. P. Baradiya

Partner  
Membership No. 44101  
UDIN : 20044101AAABIQ4576

## Standalone Balance Sheet

### as at 31st March 2020

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	2,313.11	1,312.79
Investment property	4	2,106.28	2,428.23
Intangible assets	5	1.38	1.75
Financial assets			
(i) Investments in subsidiaries and joint ventures	6(a)	76,952.15	62,197.36
(ii) Other investments	6(b)	3,188.90	2,865.29
(iii) Trade Receivables	7	332.76	-
(iv) Loans	8	-	26.05
(v) Other financial assets	9	1,962.07	1,780.90
Deferred tax assets (net)	10	1,145.23	-
Income tax assets (net)	38	444.40	447.61
Other non-current assets	11	3.32	5.94
<b>Current assets</b>			
Inventories	12	30,725.58	25,894.20
Financial assets			
(i) Investments	13	98,210.82	81,701.12
(ii) Trade receivables	14	6,219.42	14,293.71
(iii) Cash and cash equivalents	15	2,165.14	1,494.91
(iv) Bank balances other than (iii) above	16	3,347.12	2,507.20
(v) Loans	17	20,597.82	35,586.21
(vi) Other financial assets	18	17,101.57	12,163.24
Other current assets	19	2,919.46	1,824.86
<b>Total Assets</b>		<b>269,736.53</b>	<b>246,531.37</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	20	1,463.72	1,463.37
Other equity	21	192,481.28	184,239.84
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	22	6,308.85	12,536.50
(ii) Other financial liabilities	23	229.08	239.14
Provisions	24	177.68	52.75
Deferred tax liabilities (net)	10	-	76.67
Other non-current liabilities	25	23.11	22.90
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	26	37,161.67	15,003.84
(ii) Trade payables	27		
- total outstanding dues of micro enterprises and small enterprises		1,856.23	56.30
- total outstanding dues of creditors other than micro enterprises and small enterprises		7,420.71	4,718.49
(iii) Other financial liabilities	28	17,662.33	16,530.20
Other current liabilities	29	4,359.30	11,480.33
Provisions	30	22.73	111.04
Current Tax Liabilities (Net)	38	569.84	-
<b>Total Equity and Liabilities</b>		<b>269,736.53</b>	<b>246,531.37</b>
<b>Significant Accounting Policies</b>	1 & 2		

The accompanying notes are an integral part of these standalone financial statements

As per our attached report of even date

For and on behalf of the Board of Directors of Sunteck Realty Limited

**For LODHA & CO.**Chartered Accountants  
Firm Registration No: 301051E**Kamal Khetan**Managing Director  
(DIN: 00017527)**Atul Poopal**Director  
(DIN: 07295878)**Ramakant Nayak**Director  
(DIN: 00129854)**R. P. Baradiya**

Partner

**Kishore Vussonji**Director  
(DIN: 00444408)**Sandhya Malhotra**Director  
(DIN: 06450511)**Manoj Agarwal**Chief Financial Officer  
(DIN: 01982024)**Place:** Mumbai**Date :** 28<sup>th</sup> July, 2020**Rachana Hingarajia**Director and Company Secretary  
(DIN: 07145358)

## Standalone Statement of Profit and Loss for the year ended 31st March 2020

(₹ in Lakhs)

Particulars	Notes	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>INCOME</b>			
Revenue from operations	31	29,351.59	23,793.45
Other income	32	3,910.20	7,034.85
<b>Total Income</b>		<b>33,261.79</b>	<b>30,828.30</b>
<b>EXPENSES</b>			
Operating costs	33	16,077.52	4,997.13
Employee benefits expense	34	852.94	824.12
Finance costs	35	3,201.50	3,441.70
Depreciation and amortisation expense	36	244.03	172.28
Other expenses	37	2,513.38	1,855.70
<b>Total Expenses</b>		<b>22,889.37</b>	<b>11,290.93</b>
<b>Profit before tax</b>		<b>10,372.42</b>	<b>19,537.37</b>
<b>Tax expense</b>	38		
Current tax		1,221.41	458.04
Deferred tax		(1,205.54)	44.83
Short taxation of earlier years		4.26	1.43
<b>Profit for the year (A)</b>		<b>10,352.29</b>	<b>19,033.08</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Remeasurments of net defined benefit plans	42	(41.27)	(6.55)
- Equity Instruments through other comprehensive income		(23.45)	(5.24)
- Income tax relating to above items		16.41	2.94
<b>Total Other comprehensive income/ (loss) for the year (B)</b>		<b>(48.31)</b>	<b>(8.85)</b>
<b>Total Comprehensive income for the year (A+B)</b>		<b>10,303.98</b>	<b>19,024.23</b>
<b>Earnings per equity share of face value ₹ 1 each</b>	49		
Basic		7.07	13.01
Diluted		7.06	12.99
<b>Significant accounting policies</b>	1 & 2		

The accompanying notes are an integral part of these standalone financial statements

As per our attached report of even date

For and on behalf of the Board of Directors of Sunteck Realty Limited

**For LODHA & CO.**

Chartered Accountants  
Firm Registration No: 301051E

**Kamal Khetan**

Managing Director  
(DIN: 00017527)

**Atul Poopal**

Director  
(DIN: 07295878)

**Ramakant Nayak**

Director  
(DIN: 00129854)

**R. P. Baradiya**

Partner

**Kishore Vussonji**

Director  
(DIN: 00444408)

**Sandhya Malhotra**

Director  
(DIN: 06450511)

**Manoj Agarwal**

Chief Financial Officer  
(DIN: 01982024)

**Place:** Mumbai

**Date :** 28<sup>th</sup> July, 2020

**Rachana Hingarajia**

Director and Company Secretary  
(DIN: 07145358)



## Standalone Statement of Changes in Equity

Particulars	Other Equity											Total
	Share application money pending allotment	Reserve and Surplus					Other Equity				Remeasurement of net defined benefit plans	
		Capital reserve on merger	Common control transactions capital reserve	Securities premium	Share based payment reserve	Debt redemption reserve	General reserve	Retained earnings	Equity instrument through other comprehensive income	Other Comprehensive Income		
<b>Balance as at 1st April, 2018</b>	-	3.12	-	96,342.09	137.55	750.00	47.67	61,507.92	0.59	11.52	158,800.46	
Addition on account of merger (refer note no. 59)	-	7,732.80	320.54	-	-	-	64.59	278.03	-	-	8,395.96	
<b>Revised opening balance</b>	-	<b>7,735.92</b>	<b>320.54</b>	<b>96,342.09</b>	<b>137.55</b>	<b>750.00</b>	<b>112.26</b>	<b>61,785.95</b>	<b>0.59</b>	<b>11.52</b>	<b>167,196.42</b>	
Profit for the year	-	-	-	-	-	-	-	19,033.08	-	-	19,033.08	
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	(4.21)	(4.64)	(8.85)	
<b>Total Comprehensive income for the year</b>	-	-	-	-	-	-	-	<b>19,033.08</b>	<b>(4.21)</b>	<b>(4.64)</b>	<b>19,024.23</b>	
Allotment of shares against share application money received	-	-	-	-	-	-	-	-	-	-	-	
Premium on issuance of equity shares	-	-	-	46.54	-	-	-	-	-	-	46.54	
Transfer from share based payment reserve on exercise/lapse of stock options	-	-	-	33.69	(33.69)	-	-	-	-	-	-	
Share application money received (refer note no. 41)	18.50	-	-	-	-	-	-	-	-	-	18.50	
Recognition of share based payment (net)	-	-	-	-	164.18	-	-	-	-	-	164.18	
Transfer (to) and from debenture redemption reserve	-	-	-	-	-	(250.00)	-	250.00	-	-	-	
Dividends paid (including dividend distribution tax)	-	-	-	-	-	-	-	(2,210.03)	-	-	(2,210.03)	
<b>Balance as at 31st March, 2019</b>	18.50	7,735.92	320.54	96,422.32	268.04	500.00	112.26	78,859.00	(3.62)	6.88	184,239.84	

	Amount
<b>A. Equity Share Capital (refer note no. 20)</b>	<b>1,463.15</b>
Changes in equity share capital during the year	0.22
<b>As at 31st March, 2019</b>	<b>1,463.37</b>
Changes in equity share capital during the year	0.35
<b>As at 31st March, 2020</b>	<b>1,463.72</b>

<b>B. Other equity (refer note no. 21)</b>	
	(₹ in Lakhs)

# Standalone Statement of Changes in Equity (Contd.)

(₹ in Lakhs)

Particulars	Other Equity										Total
	Share application money pending allotment	Capital reserve on merger	Common control transactions on capital reserve	Securities premium	Share based payment reserve	Debt redemption reserve	General reserve	Retained earnings	Other Comprehensive Income through other comprehensive income	Remeasurement of net defined benefit plans	
Profit for the year	-	-	-	-	-	-	10,352.29	-	-	-	10,352.29
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	-	-	-	(19.06)	(29.25)	(48.31)	
<b>Total Comprehensive income for the year</b>	-	-	-	-	-	-	<b>10,352.29</b>	<b>(19.06)</b>	<b>(29.25)</b>	<b>10,303.98</b>	
Allotment of shares against share application money received	(18.50)	-	-	-	-	-	-	-	-	(18.50)	
Premium on issuance of equity shares	-	-	-	78.94	-	-	-	-	-	78.94	
Transfer from share based payment reserve on exercise of stock options	-	-	-	48.37	(48.37)	-	-	-	-	-	
Recognition of share based payment (net)	-	-	-	-	72.20	-	-	-	-	72.20	
Transfer to and (from) debenture redemption reserve	-	-	-	-	-	(500.00)	500.00	-	-	-	
Dividends paid (including dividend distribution tax)	-	-	-	-	-	-	(2,195.18)	-	-	(2,195.18)	
<b>Balance as at 31st March, 2020</b>	-	<b>7,735.92</b>	<b>320.54</b>	<b>96,549.63</b>	<b>291.87</b>	-	<b>112.26</b>	<b>(22.68)</b>	<b>(22.37)</b>	<b>192,481.28</b>	

The accompanying notes are an integral part of these standalone financial statements

**As per our attached report of even date**

**For and on behalf of the Board of Directors of Sunteck Realty Limited**

**For LODHA & CO.**

Chartered Accountants  
Firm Registration No: 301051E

**R. P. Baradiya**

Partner

**Kamal Khetan**

Managing Director  
(DIN: 00017527)

**Kishore Vussonji**

Director  
(DIN: 00444408)

**Rachana Hingarajia**

Director and Company Secretary  
(DIN: 07145358)

**Atul Poopal**

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(DIN: 06450511)

**Ramakant Nayak**

Director  
(DIN: 00129854)

**Manoj Agarwal**

Chief Financial Officer  
(DIN: 01982024)

## Standalone Statement of Cash Flows

(₹ in Lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before tax</b>	10,372.42	19,537.37
Adjustments for:		
Depreciation and amortisation expenses	244.03	172.28
Gain on fair valuation of Investments (through profit and loss)	(344.78)	(253.51)
Share-based payments to employees	41.86	55.58
Dividend income	(2,195.17)	(2,120.22)
Interest income	(896.81)	(2,432.49)
Finance costs	3,201.50	3,441.70
Sundry balances/ indirect tax input credit written off (net)	(51.24)	(426.04)
Sundry debt written off	72.88	-
Property, plant and equipment written off (net)	80.61	-
Provision for expected credit loss/ warranty cost	94.00	12.50
<b>Operating profit before working capital changes</b>	<b>10,619.30</b>	<b>17,987.17</b>
Adjustments for:		
(Increase)/ decrease in inventories	(3,904.77)	(3,566.64)
(Increase)/ decrease in trade receivables	7,668.66	(8,799.16)
(Increase)/ decrease in other financial assets, other non-current and current assets	(8,047.78)	(6,274.44)
Increase/ (decrease) in trade payables	4,502.16	3,548.83
Increase/ (decrease) in other financial liabilities, provisions and other current and non-current liabilities	(5,197.36)	9,566.58
<b>Cash flows generated from operations</b>	<b>5,640.21</b>	<b>12,462.34</b>
Direct taxes paid (net of refunds)	(652.58)	(635.65)
<b>Net cash flow generated from operating activities - [A]</b>	<b>4,987.63</b>	<b>11,826.69</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant & equipment and intangible assets (net)	(1,018.71)	(401.14)
Investment in equity shares/ capital (subsidiaries, associates, joint venture, including LLP and partnership firms) (net)	(31,282.52)	(29,808.59)
Sale of Investment in a subsidiary and an associate (LLP)	0.01	-
Investment in non-current debentures	-	(2,535.15)
Dividend received	2,195.17	2,120.22
Interest received	2,000.66	1,484.13
Decrease in loans to subsidiaries	15,014.45	12,580.35
<b>Net cash flow used in investing activities - [B]</b>	<b>(13,090.94)</b>	<b>(16,560.18)</b>

## Standalone Statement of Cash Flows (Contd.)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from share application money	-	18.50
Proceeds from issue of equity shares (including securities premium)	109.16	80.45
Proceeds from non-current borrowings	4,475.57	18,397.25
Repayment of non-current borrowings	(11,503.96)	(5,381.63)
Increase/ (Decrease) in current borrowings (net)	22,157.83	(2,066.30)
Dividends paid (including tax on dividend)	(2,195.18)	(2,210.04)
Finance cost paid	(4,269.88)	(4,067.34)
<b>Net cash flow generated from financing activities - [C]</b>	<b>8,773.54</b>	<b>4,770.89</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS - [A+B+C]</b>	<b>670.23</b>	<b>37.40</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,494.91</b>	<b>1,457.51</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,165.14</b>	<b>1,494.91</b>

Note : For increase and decrease in current borrowings refer note no. 26

As per our attached report of even date

For and on behalf of the Board of Directors of Sunteck Realty Limited

**For LODHA & CO.**

Chartered Accountants  
Firm Registration No: 301051E

**Kamal Khetan**

Managing Director  
(DIN: 00017527)

**Atul Poopal**

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(DIN: 07295878)

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**Sandhya Malhotra**

Director  
(DIN: 06450511)

**Manoj Agarwal**

Chief Financial Officer  
(DIN: 01982024)

**Place:** Mumbai

**Date :** 28<sup>th</sup> July, 2020

**Rachana Hingarajia**

Director and Company Secretary  
(DIN: 07145358)

# Notes to standalone financial statement

## Background

Sunteck Realty Limited ('the Company') is primarily engaged in the business of real estate/ real estate development and incidental services

### 1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

The standalone financial statements comply in all material aspects with Indian Accounting Standards (hereinafter referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The financial statements have been prepared and presented on accrual basis and under a historical cost basis, except for the following:

- Certain financial assets and liabilities - measured at fair value;
- Share-based payments - measured at fair value;
- Defined benefit plans - plan assets measured at fair value.

#### (b) Use of estimates and judgements

In the application of the Company's accounting policies, the management is required to make judgements, estimates and assumptions that affect the amounts of assets and liabilities, disclosure of contingent liabilities as at the reporting date and the reported amounts of revenue and expenses during the reporting period.

The estimates and underlying assumptions are continuously evaluated and are based on the historical events and experiences that the Company believes to be reasonable under the existing circumstances. Actual results may vary from those estimates. Any revision in the estimates is recognised prospectively in the current and future periods.

#### (c) Foreign currency transactions

##### (i) Functional and presentation currency

The Standalone financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency. Functional Currency is the currency of a primary economic environment in which the Company operates.

##### (ii) Initial recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs.

##### (iii) Measurement of foreign currency items at the balance sheet date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

##### (iv) Foreign operations

The result and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:



## Notes to standalone financial statement (Contd.)

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

### (d) Revenue recognition

#### (i) Revenue from real estate development/sale, maintenance services and project management services

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products (residential or commercial completed units) or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

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

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where any one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

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

The Company bills to customers for construction contracts as per agreed terms. The Company adjusts the transaction price for the effects of the significant financing component included in the contract price in the case of contracts involving the sale of property under development, where the Company offers deferred payment schemes to its customers.

The revenue recognition requires forecasts to be made of total budgeted costs with the outcomes of underlying construction contracts, which further require assessments and judgments to be made on changes in work scopes and other payments to the extent they are probable and they are capable of being reliably measured. In case, where the contract cost is estimated to exceed total revenues from the contract, the loss is recognised immediately in the Statement of Profit and Loss. Revenue in excess of billing (unbilled revenue) are classified as contract asset while invoicing in excess of revenues (bill in advance) are classified as contract liabilities.

#### (ii) Rent

Rental Income is recognised on a time proportion basis as per the contractual obligations agreed with the respective tenant.

#### (iii) Interest

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## Notes to standalone financial statement (Contd.)

### (iv) Dividend

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

### (v) Profit /Loss from Partnership Firms / Limited Liability Partnerships (LLP)

Share of profit / loss from firms/ LLPs in which the entity is a partner is accounted for in the financial period ending on (or before) the date of the balance sheet on the basis of audited financial statements and as per the terms of the respective partnership deed.

### (e) Cost of revenue

#### Cost of real estate projects

Cost of project, includes cost of land (cost of development rights/ land under agreements to purchase) liaisoning costs, estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/ construction materials, which is charged to the statement of profit and loss based on the revenue recognised as explained in policy under revenue recognition, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

"Costs to obtain contracts" such as brokerage fees paid for obtaining sales contracts, are recognised as assets when incurred and amortised over the period of time or at the point in time depending upon recognition of revenue from the corresponding property sale contract.

### (f) Income tax

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

- (i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are not recognised for:
- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
  - temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
- (ii) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
- (iii) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

#### Minimum alternate tax

Minimum alternate tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying

## Notes to standalone financial statement (Contd.)

amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

### g) Basis for current/ non-current classification

The Company represents assets and liabilities in the financial statement based on current and non-current classification as required by Ind AS 1.

The Company's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities, and related approvals. Operating cycle for all completed projects is based on 12 months period. Assets and liabilities have been classified into current and non-current based on their respective operating cycle.

However, deferred tax and current tax assets and liabilities are classified as non-current assets and liabilities.

### (h) Leases

#### As a lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expense on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

#### As a lessee:

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange 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 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 low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

## Notes to standalone financial statement (Contd.)

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### (i) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the statement of profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely dependent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### (j) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### (k) Inventories

Inventories comprise of Land and development rights, Construction materials, Work-in-progress, completed unsold flats/units. These are valued at lower of the cost and net realisable value.

Land and development rights	Land and development rights (including development cost) are valued at lower of cost and net realisable value. Costs include land acquisition cost and initial development cost.
Construction materials	Construction materials are valued at cost if the completed unsold flats/units in which they will be incorporated are expected to be sold at or above cost, else lower of cost and net realisable value. Cost is determined on a weighted average basis.
Work-in-progress (Land/Real Estate under development)	Work-in-progress is valued at cost if the completed unsold flats/units are expected to be sold at or above cost otherwise at lower of cost and net realisable value. Cost includes direct expenditure relating to construction activity (including land cost) and indirect expenditure (including borrowing costs) during the construction period to the extent the expenditure is related to construction or is incidental thereto.
Completed unsold flats/units	Lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion (wherever applicable) and estimated costs necessary to make the sale.

### (l) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are

## Notes to standalone financial statement (Contd.)

specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal asset classified as held for sale continue to be recognised.

### m) Investments and other financial assets

#### (i) Classification

Investment in Subsidiary, Joint Venture and Associate entities is recognised at cost.

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of both:

- (a) The entity's business model for managing the financial assets and
- (b) The contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments other than investment in subsidiary, joint venture and associate entities, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.



## Notes to standalone financial statement (Contd.)

### Equity instruments

The Company subsequently measures all equity investments at fair value except investment in subsidiary, joint venture and associate entities. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### (iii) Impairment of financial assets

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. Note 46 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### (iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### (n) Financial liabilities

All Financial liabilities are measured at amortised cost using effective interest method or fair value through profit and loss. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

#### Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

## Notes to standalone financial statement (Contd.)

- it is a derivative that is not designated and effective as a hedging instrument

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for not-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in Statement of Profit and Loss.

### Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

### (o) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its

## Notes to standalone financial statement (Contd.)

intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### (p) Depreciation

- (i) Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.
- (ii) Depreciation on tangible fixed assets has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for furniture and fixtures wherein based on management decision, useful life has been estimated to be different from that prescribed in Schedule II of the Act.

The Estimated useful lives of the assets are as follows:

Asset class	Useful life
Building	60 years
Plant and Equipment	15 years
Furniture and Fixtures	10 years
Furniture and Fixtures (Temporary structure & Porta Cabin)	2 - 3 years
Office Equipment	5 years
Air Conditioner (classified as Office Equipment)	10 years
Computers & Peripherals	3 years
Vehicles	8 years

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

- (iii) Lease improvement costs are amortised over the period of the lease. Leasehold land acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortised.

### q) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

### (r) Intangible assets

#### Computer software

Computer software costs are capitalised and recognised as Intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year. Costs associated with maintaining software programs are recognised as an expense as incurred.

## Notes to standalone financial statement (Contd.)

### Amortisation method

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The Company amortises computer software using the straight-line method over the period of 5 years.

### (s) Borrowing costs

Borrowing costs relating to acquisition and/or construction of qualifying assets are capitalised to the extent that the funds are borrowed and used for purpose of constructing a qualifying asset until the time all substantial activities necessary to prepare the qualifying assets for their intended use or sale are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs which are not related to acquisition and/or construction activities nor are incidental thereto are charged to the Statement of Profit and Loss.

### (t) Provisions, contingencies and commitments

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made where there is:

- (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (ii) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

### (u) Employee benefit:-

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

#### (ii) Compensated absences

##### 1. Short term

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of the benefit expected to be availed by the employees.

## Notes to standalone financial statement (Contd.)

### 2. Long Term

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to statement of profit and loss in the year in which such gains or losses are determined.

#### (iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plan such as gratuity; and
- (b) defined contribution plan such as provident fund.

#### Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

#### Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### (iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates:

- (a) When the Company can no longer withdraw the offer of those benefits; and
- (b) When the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

#### (v) Share-based payments

The fair value of options granted under the Employee Stock Option Plan to the employees of the Company is recognised as an employee benefits expense with a corresponding increase in equity share capital and the fair value options granted under the Employee Stock Option Plan to the employees of subsidiaries is recognised as an investment in respective subsidiaries with a corresponding increase in equity share capital.



## Notes to standalone financial statement (Contd.)

The total amount to be expensed is determined by reference to the fair value of the options granted. In the case where eligible employees left before or in between the vesting period the share based payment reserve gets reduced by the amount of reserve already created for the employees left with the increase in retained earnings and decrease in investment in subsidiaries accordingly.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the share options at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

### (v) Contributed equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

### (w) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### (x) Earnings per share

Basic earnings per share is computed by dividing the profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, and bonus element in a rights issue to existing shareholders, share split and reverse share split.

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date

### (y) Business combination

Business combinations, other than common control business combinations, are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by the Company. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

Common Control business combinations, i.e. business combinations involving entities or businesses under common control, are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately as Common Control Transactions Capital reserve.

## Notes to standalone financial statement (Contd.)

### (z) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Companies Act, 2013 unless otherwise stated.

### 2. Accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates, judgements and assumptions which could result in outcomes that require a material adjustment in the coming financial years. The areas involving estimates or judgements are:

#### (a) Recognition of revenue and related real estate development cost

The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Revenue is recognised only when the Company can measure its progress towards complete satisfaction of performance obligation. The measurement of progress is estimated by reference to the stage of the projects determined based on the proportion of costs incurred to date and the total estimated costs to complete.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

#### (b) Estimated fair value of financial instruments

Management applies valuation techniques in estimating the fair value of Company's financial instruments & non-financial assets. In estimating the same, the Company takes into account the estimates & assumptions consistent with how market participants would price the instrument/assets and uses market observable data to the extent it is available.

Where the above information is not available, the Company engages third party valuers, to perform the valuation. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

#### (c) Provision for warranty

The provision for warranty has been recognised based on the possible or present obligation as a result of past events & it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A reliable estimate has been made of the amount of the obligation based on the past experiences & trends.

## Notes to standalone financial statement (Contd.)

### NOTE 3 PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Land - Freehold*	Buildings*	Plant & Equipment	Furniture & Fixtures	Office Equipment	Computers & Peripherals	Total
<b>Gross carrying amount</b>							
Balance as at 1st April, 2018	201.31	725.69	3.35	240.89	66.60	8.07	1,245.91
Additions	-	-	68.58	267.11	47.71	10.99	394.39
Disposals	-	-	-	-	-	-	-
Balance as at 31st March, 2019	201.31	725.69	71.93	508.00	114.31	19.06	1,640.30
Additions	-	-	358.30	633.02	42.12	19.53	1,052.97
Disposals	-	-	(34.00)	(236.46)	-	-	(270.46)
Transferred from investment property	66.93	265.41	-	-	-	-	332.34
<b>Balance as at 31st March, 2020</b>	<b>268.24</b>	<b>991.10</b>	<b>396.23</b>	<b>904.56</b>	<b>156.43</b>	<b>38.59</b>	<b>2,755.15</b>
<b>Accumulated depreciation</b>							
Balance as at 1st April, 2018	-	37.47	0.50	114.59	33.11	6.37	192.04
Expense for the year **	-	12.48	1.80	105.79	13.40	2.00	135.47
Adjustment on disposals	-	-	-	-	-	-	-
Balance as at 31st March, 2019	-	49.95	2.30	220.38	46.51	8.37	327.51
Expense for the year **	-	14.35	15.06	171.62	16.92	7.75	225.70
Adjustment on disposals	-	-	(1.15)	(154.45)	-	-	(155.60)
Transferred from investment property	-	44.43	-	-	-	-	44.43
<b>Balance as at 31st March, 2020</b>	<b>-</b>	<b>108.73</b>	<b>16.21</b>	<b>237.55</b>	<b>63.43</b>	<b>16.12</b>	<b>442.04</b>
<b>Net carrying amount</b>							
Balance as at 31st March, 2019	201.31	675.74	69.63	287.62	67.80	10.69	1,312.79
<b>Balance as at 31st March, 2020</b>	<b>268.24</b>	<b>882.37</b>	<b>380.02</b>	<b>667.01</b>	<b>93.00</b>	<b>22.47</b>	<b>2,313.11</b>

\* Building was constructed as per the Joint Development Agreement with the land owners, which will be transferred in the name of the Company after formation of condominium.

\*\* Includes depreciation transferred to construction work in progress of ₹ 16.08 lakhs (Previous Year ₹ 0.40 lakhs).

## Notes to standalone financial statement (Contd.)

### NOTE 4 INVESTMENT PROPERTY

(₹ in lakhs)	
Particulars	Total
Land and building	
Gross carrying amount	
Balance as at 1st April, 2018	2,193.06
Additions on account of merger (refer note no. 59)	366.60
Revised opening balance	2,559.66
Additions	-
Disposals	-
Balance as at 31st March, 2019	2,559.66
Additions	-
Disposals	-
Transferred to property, plant and equipment	(332.34)
<b>Balance as at 31st March, 2020</b>	<b>2,227.32</b>
<b>Accumulated depreciation</b>	
Balance as at 1st April, 2018	89.87
Additions on account of merger (refer note no. 59)	5.80
Revised opening balance	95.67
Expense for the year	35.76
Adjustment on disposals	-
Balance as at 31st March, 2019	<b>131.43</b>
Expense for the year	34.04
Adjustment on disposals	-
Transferred to property, plant and equipment	<b>(44.43)</b>
<b>Balance as at 31st March, 2020</b>	<b>121.04</b>
<b>Net carrying amount</b>	
Balance as at 31st March, 2019	2,428.23
<b>Balance as at 31st March, 2020</b>	<b>2,106.28</b>

#### (i) Amounts recognised in statement of profit and loss for investment properties given on lease

(₹ in lakhs)		
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Rental and Maintenance income	495.67	296.89
Direct operating expenses (including repairs and maintenance and depreciation) arising from investment property that generated rental and maintenance income during the year	185.31	150.39
Direct operating expenses (including repairs and maintenance and depreciation) arising from investment property that did not generate rental and maintenance income during the year	45.93	75.77
<b>Net income from investment properties</b>	<b>264.43</b>	<b>70.73</b>

#### (ii) Fair value

(₹ in lakhs)		
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Investment property	9,908.92	12,571.83

#### Estimation of fair value :

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building.

This valuation is based on valuations performed by an accredited independent valuer. The main inputs used by them are the prevalent market rate. The fair value measurement is categorised in level 3 fair value hierarchy.

Refer note no. 43 for information on investment property pledged as security by the Company.

Refer note no. 40 for information regarding future lease rentals receivable.

## Notes to standalone financial statement (Contd.)

### NOTE 5 INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Amount
Computer software	
<b>Gross carrying amount</b>	
Balance as at 1st April, 2018	11.36
Additions	1.82
Disposals	(11.36)
Balance as at 31st March, 2019	<b>1.82</b>
Additions	-
Disposals	-
<b>Balance as at 31st March, 2020</b>	<b>1.82</b>
<b>Accumulated amortisation</b>	
Balance as at 1st April, 2018	10.00
Expense for the year	1.44
Adjustment on disposals	(11.36)
Balance as at 31st March, 2019	<b>0.07</b>
Expense for the year	0.37
Adjustment on disposals	-
<b>Balance as at 31st March, 2020</b>	<b>0.44</b>
<b>Net carrying amount</b>	
Balance as at 31st March, 2019	<b>1.75</b>
<b>Balance as at 31st March, 2020</b>	<b>1.38</b>

### NOTE 6 INVESTMENTS (NON-CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>6(a) Investment in subsidiaries and joint ventures</b>		
<b>A Investment in equity instruments (at cost)</b>		
<b>i Investment in subsidiaries</b>		
Equity shares (fully paid up)		
Advaith Infraprojects Private Limited	86.11	84.42
810,100 (Previous Year 810,100) equity shares of ₹10 each		
Sahrish Construction Private Limited	1.00	1.00
10,000 (Previous Year 10,000) equity shares of ₹10 each		
Satguru Infocorp Services Private Limited	1,043.84	1,043.84
375,000 (Previous Year 375,000) equity shares of ₹10 each		
Starlight Systems Private Limited	3,993.66	3,993.66
400,000 (Previous Year 400,000) equity shares of ₹10 each		
Starteck Lifestyles Private Limited	1.00	4.43
10,000 (Previous Year 10,000) equity shares of ₹10 each		
Sunteck Infraprojects Private Limited	1.00	1.00
10,000 (Previous Year 10,000) equity shares of ₹10 each		
Sunteck Lifestyle International Private Limited, Mauritius	25,129.56	10,469.47
20,653,221 (Previous Year 8,673,470) equity shares of USD 1 each		
Sunteck Lifestyles Limited, U.A.E	0.17	0.17
1,000 (Previous Year 1,000) equity shares of AED 1 each		
Sunteck Property Holdings Private Limited	1.00	1.00
10,000 (Previous Year 10,000) equity shares of ₹10 each		
Sunteck Real Estates Private Limited	1.00	1.00



## Notes to standalone financial statement (Contd.)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
10,000 (Previous Year 10,000) equity shares of ₹10 each Sunteck Realty Holdings Private Limited	1.00	1.00
10,000 (Previous Year 10,000) equity shares of ₹10 each Debentures (classified as equity instruments) fully paid up Satguru Corporate Services Private Limited 4,936 (Previous Year 4,936) 0% compulsorily convertible debentures of ₹ 872,400 each	43,066.05	43,061.66
<b>ii Investment in joint venture</b>		
Equity shares Piramal Sunteck Realty Private Limited	2,845.32	2,845.32
500,001 (Previous Year 500,001) equity shares of ₹10 each		
<b>B Investment in partnership firms (fixed capital)* - joint venture (refer note no. 56)</b>		
Kanaka & Associates	500.00	500.00
<b>C Investments in LLP (fixed capital)</b>		
<b>i Investment in subsidiaries</b>		
Starlight Systems (I) LLP	206.87	181.16
Magnate Industries LLP	0.10	-
Mithra Buildcon LLP	0.99	1.00
Clarissa Facility Management LLP	4.36	5.61
<b>ii Investment in joint venture</b>		
Nariman Infrastructure LLP	1.12	1.12
Uniworth Realty LLP	0.50	0.50
Yukti Infraprojects LLP	67.50	-
<b>Total</b>	<b>76,952.15</b>	<b>62,197.36</b>

### \* Details of investment in partnership firm

(₹ in lakhs)

Name of Partners	Total Capital	Total Capital
Sunteck Realty Limited (50%)	500.00	500.00
Kanaka & Associates (proprietorship of) (50%)	500.00	500.00
<b>Total capital of firm</b>	<b>1,000.00</b>	<b>1,000.00</b>

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>6(b) Other investments</b>		
<b>A Investment in equity instruments (At fair value through other comprehensive income unless otherwise stated)</b>		
Quoted, fully paid up (refer note no. 46 for price risk analysis) Punjab Communication Limited	0.11	0.17
1,000 (Previous Year 1,000) equity shares of ₹10 each Unquoted, fully paid up Samhrutha Habitat Infrastructure Private Limited	21.22	27.72
220,378 (Previous Year 220,378) equity shares of ₹10 each Saraswat Co-op. Bank Limited (at cost)	0.01	0.01
70 (Previous Year 70) equity shares of ₹10 each SW Capital Private Limited	31.85	48.72
150,000 (Previous Year 150,000) equity shares of ₹10 each		

## Notes to standalone financial statement (Contd.)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>B Investment in debt instruments (At fair value through profit and loss)</b>		
Unquoted, fully paid up debentures**		
Eskey Infrastructure Development Private Limited	775.44	689.62
62,692 (Previous Year 62,692) 0.1% non-convertible debentures of ₹ 1,000 each		
Samagra Wealthmax Private Limited	2,011.69	1,789.04
162,638 (Previous Year 162,638) 0.1% non-convertible debentures of ₹ 1,000 each		
Stardeck Infraprojects Private Limited	348.58	310.01
28,182 (Previous Year 28,182) 0.1% non-convertible debentures of ₹ 1,000 each		
<b>C In LLP</b>		
V3 Designs LLP	-	# 0.00
Topzone Mercantile Company LLP	-	# 0.00
<b>Total</b>	<b>3,188.90</b>	<b>2,865.29</b>
<b>Gross total (6a+6b)</b>	<b>80,141.05</b>	<b>65,062.65</b>
Aggregate amount of quoted investments	0.11	0.17
Market value of the quoted investments	0.11	0.17
Aggregate amount of unquoted investments	80,140.94	65,062.48
Aggregate amount of impairment in the value of investments measured at amortised cost	-	-

\* Refer note no. 45 for fair value analysis

\*\* The Non-convertible debentures are due for redemption after a period of 3 years from the date of allotment, i.e. 23rd March, 2019.

# Less than ₹ 500

### NOTE 7 TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good		
Trade receivables	332.76	-
<b>Total</b>	<b>332.76</b>	<b>-</b>

Refer note no. 43 for trade receivables offered as security against borrowings.

Refer note no. 46 for credit terms, ageing analysis and other relevant details related to trade receivables.

### NOTE 8 LOANS (NON-CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good		
To related parties (refer note no. 44)	-	26.05
<b>Total</b>	<b>-</b>	<b>26.05</b>

## Notes to standalone financial statement (Contd.)

### NOTE 9 OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
Security deposits	25.38	25.43
Deposits with bank with more than 12 months maturity *	-	170.35
Unbilled revenue (contract assets) - Refer note no. 48	52.62	46.57
Other receivables	1,884.07	1,538.55
<b>Total</b>	<b>1,962.07</b>	<b>1,780.90</b>

\*Held as lien against credit facility. (refer note no. 43)

### NOTE 10 DEFERRED TAX ASSETS/ (LIABILITIES)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
The balance comprises temporary differences attributable to:		
Property, plant and equipment, investment property and intangible assets	(85.64)	(73.67)
Financial assets	(87.94)	(63.87)
Employee benefit expenses	44.53	15.22
MAT credit entitlement	1,259.98	35.91
Others	14.30	9.74
<b>Net deferred tax assets/ (liabilities)</b>	<b>1,145.23</b>	<b>(76.67)</b>

#### Movement in deferred tax assets/ (liabilities) :

(₹ in lakhs)

Particulars	Property, plant and equipment, investment property and intangible assets	Financial assets	Employee benefit expenses	MAT credit entitlement	Others	Total
At 1st April, 2018	(63.48)	(9.15)	14.82		(14.37)	(72.18)
Adjustment on account of merger (refer note no. 59)	1.49			35.91		37.40
Revised opening balances	(61.99)	(9.15)	14.82	35.91	(14.37)	(34.78)
(Charged) / credited:						-
- to profit or loss	(11.68)	(55.75)	(1.51)	-	24.11	(44.83)
- to other comprehensive income	-	1.03	1.91	-	-	2.94
- Others	-	-	-	-	-	-
At 31st March, 2019	(73.67)	(63.87)	15.22	35.91	9.74	(76.67)
(Charged) / credited:						
- to profit or loss	(11.97)	(28.46)	17.29	1,224.07	4.56	1,205.54
- to other comprehensive income	-	4.39	12.02		-	16.41
<b>At 31st March, 2020</b>	<b>(85.64)</b>	<b>(87.94)</b>	<b>44.53</b>	<b>1,259.98</b>	<b>14.30</b>	<b>1,145.23</b>

## Notes to standalone financial statement (Contd.)

### NOTE 11 OTHER NON-CURRENT ASSETS

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital advances	0.50	3.38
Prepaid expenses	2.82	2.56
<b>Total</b>	<b>3.32</b>	<b>5.94</b>

### NOTE 12 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(As certified by management)		
Construction materials	237.86	16.41
Construction work-in-progress	17,114.69	11,890.57
Completed units	13,373.04	13,987.22
<b>Total</b>	<b>30,725.58</b>	<b>25,894.20</b>

Refer note no. 43 for inventories pledged as security against borrowings.

### NOTE 13 INVESTMENTS (CURRENT, AT COST)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>A Investment in partnership firms (fixed capital) - joint venture</b>		
Kanaka & Associates (refer note no. 56)	207.54	207.54
<b>B Investment in LLP (current capital)</b>		
<b>i Subsidiaries</b>		
Starlight Systems (I) LLP	80,632.91	72,124.13
Clarrisa Facility Management LLP	1.78	29.35
Magnate Industries LLP	2,499.80	-
Mithra Buildcon LLP	9,618.74	4,084.66
<b>ii Joint ventures</b>		
Nariman Infrastructure LLP	4,443.95	4,438.95
Uniworth Realty LLP	532.82	523.53
Yukti Infraprojects LLP	273.28	-
<b>iii Others</b>		
Topzone Mercantile Company LLP	-	292.96
<b>Total</b>	<b>98,210.82</b>	<b>81,701.12</b>
Aggregate amount of quoted investments	-	-
Market value of the quoted investments	-	-
Aggregate amount of unquoted investments	98,210.81	81,701.12
Aggregate amount of impairment in the value of investments measured at amortised cost	-	-

## Notes to standalone financial statement (Contd.)

### NOTE 14 TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured, considered good		
From related parties (refer note no. 44)	3.00	1.38
From others	1.21	11.05
Unsecured, considered good		
From related parties (refer note no. 44)	207.09	1,099.39
From others	6,099.62	13,194.39
<b>Sub-total</b>	<b>6,310.92</b>	<b>14,306.21</b>
Less : Allowance for expected credit loss	(91.50)	(12.50)
<b>Total</b>	<b>6,219.42</b>	<b>14,293.71</b>

Refer note no. 43 for trade receivables offered as security against borrowings.

Refer note no. 46 for credit terms, ageing analysis and other relevant details related to trade receivables.

### NOTE 15 CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks		
In current accounts	2,155.58	883.30
In term deposits with original maturity of less than three months *	-	606.00
Cash on hand	9.56	5.61
<b>Total</b>	<b>2,165.14</b>	<b>1,494.91</b>

\*Held as lien against credit facility. (refer note no. 43).

### NOTE 16 BANK BALANCES OTHER THAN (NOTE NO.15) ABOVE

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deposits with bank less than 12 months maturity	2,563.40	2,494.00
Fixed deposit held as margin money against credit facility	770.35	-
Earmarked bank balances		
Unpaid dividend account	13.37	13.20
<b>Total</b>	<b>3,347.12</b>	<b>2,507.20</b>

Refer note no. 43 for security pledged against borrowings.

### NOTE 17 LOANS (CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good		
To related parties - subsidiaries and joint ventures (refer note no. 44)	15,843.79	35,586.21
To others	4,754.03	-
<b>Total</b>	<b>20,597.82</b>	<b>35,586.21</b>

Refer note no. 46 for information about credit risk and market risk for loans.



## Notes to standalone financial statement (Contd.)

### NOTE 18 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in lakhs)

Particulars	As at	
	31st March, 2020	31st March, 2019
Unsecured, considered good		
Earnest money and security deposits	7,196.81	9,354.37
Interest accrued on fixed deposit	39.79	41.18
Interest accrued on loan a related party	770.90	1,766.02
Unbilled revenue (contract assets) - refer note no. 48	8,527.82	832.58
Other receivables	566.25	169.09
<b>Total</b>	<b>17,101.57</b>	<b>12,163.24</b>

Refer note no. 46 for information about credit risk

### NOTE 19 OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at	
	31st March, 2020	31st March, 2019
Advance to vendors	801.28	142.01
Advances for development rights	-	94.52
Advance for processing fees	-	260.00
Balance with statutory/ government authority	1,198.16	422.69
Prepaid expenses	903.93	905.41
Other advances	16.09	0.23
<b>Total</b>	<b>2,919.46</b>	<b>1,824.86</b>

### NOTE 20 EQUITY SHARE CAPITAL

(₹ in lakhs)

Particulars	As at	
	31st March, 2020	31st March, 2019
<b>Authorised share capital</b>		
188,600,000 (Previous Year 188,600,000) equity shares of Re. 1 each	1,886.00	1,886.00
1,260,000 (Previous Year 1,260,000) preference shares of ₹ 10 each	126.00	126.00
<b>Total</b>	<b>2,012.00</b>	<b>2,012.00</b>
<b>Issued, subscribed and fully paid up</b>		
146,371,879 (Previous Year 146,336,639) equity shares of Re. 1 each	1,463.72	1,463.37
<b>Total</b>	<b>1,463.72</b>	<b>1,463.37</b>

#### (i) Reconciliation of equity share capital

(₹ in lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
At the beginning of the period	14,63,36,639	1,463.37	14,63,15,027	1,463.15
Issued during the year - ESOP/ ESOS	35,240	0.35	21,612	0.22
<b>Outstanding at the end of the period</b>	<b>14,63,71,879</b>	<b>1,463.72</b>	<b>14,63,36,639</b>	<b>1,463.37</b>

## Notes to standalone financial statement (Contd.)

### (ii) Terms and rights attached to equity shares

The Company has only one class of equity share having value of Re. 1 each with an entitlement of one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the annual general meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (iii) Shares held by subsidiaries

6,000,000 (Previous Year 6,000,000) equity shares of ₹ 1 each fully paid up out of issued, subscribed and paid up share capital are held by subsidiary companies.

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

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	% holding	Number of shares	% holding
Matrabhav Trust	4,65,69,296	31.82%	4,40,04,296	30.07%
Paripurna Trust	1,61,33,908	11.02%	2,15,48,908	14.73%
Astha Trust	1,54,24,487	10.54%	1,86,17,487	12.72%

### (v) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the last five years:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Equity shares allotted pursuant to the scheme of amalgamation on 14th February, 2015	1,77,27,690	1,77,27,690

### (vi) Shares reserved for issue under options

Information relating to ESOP/ ESOS, including details of options issued, exercised and lapsed during the financial year and options outstanding at end of the reporting period, is set out in note no. 41.

## NOTE 21 OTHER EQUITY

Particulars	As at 31st March, 2020	As at 31st March, 2019
Share application money pending allotment	-	18.50
Reserves and Surplus		
- Capital reserve on merger	7,735.92	7,735.92
- Common control transactions capital reserve	320.54	320.54
- Securities premium	96,549.63	96,422.32
- Share based payment reserve	291.87	268.04
- Debenture redemption reserve	-	500.00
- General reserve	112.26	112.26
- Retained earnings	87,516.11	78,859.00
Other comprehensive income		
- Equity instrument through other comprehensive income	(22.68)	(3.62)
- Remeasurements of net defined benefit plans	(22.37)	6.88
<b>Total</b>	<b>1,92,481.28</b>	<b>1,84,239.84</b>

Note : For movement in other equity refer standalone statement of changes in equity

### Nature & purpose of other equity and reserves :

#### (a) Share application money pending allotment

Share application money received towards employee stock option scheme 2017.

#### (b) Capital reserve on merger

During merger, the excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of merger.

## Notes to standalone financial statement (Contd.)

### (c) Common control transactions capital reserve

During merger of entities having common control, the excess of net assets taken over the net liabilities is treated as Common control transactions capital reserve. Common control transactions capital reserve is usually not distributed as dividends to shareholders.

### (d) Securities premium :

Securities premium is used to record the premium on issue of financial securities such as equity shares, preference shares, compulsory convertible debentures, employee stock options plan/ employee stock option scheme. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

### (e) Share based payment reserve:

Share based payment reserve is used to recognise the fair value of options on the grant date, issued to employees under employee stock option plan.

### (f) Debenture redemption reserve:

The Company creates a debenture redemption reserve out of the profit under Companies Act, 2013 which is available for the purpose of redemption of debentures.

### (g) General reserve:

General Reserves are created out of profits and kept aside for general purpose and financial strengthening of the company, they don't have any special purpose to fulfill and can be used for any purpose in future.

### (h) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

## NOTE 22 BORROWINGS (NON-CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Secured</b>		
Term loans		
From banks	18.19	436.32
From others	6,290.66	12,100.18
<b>Total</b>	<b>6,308.85</b>	<b>12,536.50</b>

Borrowings are net of prepaid finance charges.

Refer note no. 46 for liquidity risk borrowing.

Refer note no. 43 for nature of security and terms of repayment for borrowings.

## NOTE 23 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security deposits	229.08	239.14
<b>Total</b>	<b>229.08</b>	<b>239.14</b>

## NOTE 24 PROVISIONS (NON-CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Provision for employee benefit</b>		
Gratuity	69.25	25.07
Compensated absences	60.93	15.18
Provision for warranty	47.50	12.50
<b>Total</b>	<b>177.68</b>	<b>52.75</b>

## Notes to standalone financial statement (Contd.)

### NOTE 25 OTHER NON-CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unearned rent income	23.11	22.90
<b>Total</b>	<b>23.11</b>	<b>22.90</b>

### NOTE 26 BORROWINGS (CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Secured</b>		
From banks		
Term loans	19,569.90	482.43
Working capital loans (overdrafts facilities)	13,673.47	12,075.98
<b>Unsecured</b>		
Commercial papers	3,918.30	2,445.43
<b>Total</b>	<b>37,161.67</b>	<b>15,003.84</b>

Borrowings are net of prepaid finance charges.

Refer note no. 46 for liquidity risk borrowing.

Refer note no. 43 for nature of security and terms of repayment for borrowings.

#### Movement in current borrowings

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Balance at the beginning of the year	2,927.86	9,172.83
Addition during the year	36,225.92	18,986.11
Repayment during the year	14,982.43	20,998.56
Balance at the end of the year	23,488.20	2,927.86

Note : Due to multiple withdrawals and repayments during the year movement of working capital loan is not disclosed

### NOTE 27 TRADE PAYABLES

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
- total outstanding dues of micro enterprises and small enterprises	1,856.23	56.30
- total outstanding dues of creditors other than micro enterprises and small enterprises	7,420.71	4,718.49
<b>Total</b>	<b>9,276.94</b>	<b>4,774.79</b>

Refer note no. 52 for disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Refer note no. 46 for information about liquidity risk of trade payables.

### NOTE 28 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current maturities of long term borrowings	15,427.59	16,228.33
Interest accrued	220.72	268.95
Security deposits	19.00	19.00
Unpaid dividends	13.37	13.20
Payable for capital goods	173.88	-
Other payable	1,807.77	0.72
<b>Total</b>	<b>17,662.33</b>	<b>16,530.20</b>

Refer note no. 46 for information about liquidity risk of other financial liabilities.

Refer note no. 43 for nature of security and terms of repayment for borrowings.

## Notes to standalone financial statement (Contd.)

### NOTE 29 OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory dues	204.21	157.67
Advance received from customers	938.31	579.22
Advance received towards society maintenance	169.80	262.61
Unearned rent income	8.89	6.22
Billed in advance (contract liabilities) - refer note no. 48	3,038.09	10,474.61
<b>Total</b>	<b>4,359.30</b>	<b>11,480.33</b>

### NOTE 30 PROVISIONS (CURRENT)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefit		
Gratuity	12.08	9.55
Compensated absences	10.65	2.45
Provision for project expenses	-	99.04
<b>Total</b>	<b>22.73</b>	<b>111.04</b>

### NOTE 31 REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Sales of residential and commercial units (net)	27,873.21	6,726.41
Sale of services		
Rent from properties	427.14	241.34
Project management and consultancy fees	1.87	727.74
Maintenance services	73.03	59.55
Other Services	5.00	-
Other operating revenue		
Share of profit from LLPs/ partnership firm	854.01	15,971.39
Others	117.33	67.02
<b>Total</b>	<b>29,351.59</b>	<b>23,793.45</b>

Refer note no. 48 for disclosure under Ind AS 115 "Revenue from contracts with customers"

### NOTE 32 OTHER INCOME

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Interest income from		
Loans and advances	750.89	2,141.93
Fixed deposit with banks	133.64	145.18
Non-current investments	2.54	0.03
Others	9.74	145.35
Dividend income from		
Investment in subsidiaries	2,195.17	2,120.22
Sundry balances written back (net)	69.86	529.56
Gain on fair valuation of Investments (through profit and loss)	344.78	253.51
Exchange rate difference (net gain)	388.58	1,681.34
Other income	15.00	17.73
<b>Total</b>	<b>3,910.20</b>	<b>7,034.85</b>



## Notes to standalone financial statement (Contd.)

### NOTE 33 OPERATING COST

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>A. Cost of project</b>		
Opening work-in-progress	11,890.57	7,211.48
Opening completed units	13,987.22	14,625.93
<b>Sub-total (a)</b>	<b>25,877.79</b>	<b>21,837.41</b>
<b>Cost of construction materials consumed</b>		
Opening balance	16.41	-
Add: Purchase during the year	7,187.77	3,341.26
Less: Closing balance	237.86	16.41
<b>Sub-total (b)</b>	<b>6,966.32</b>	<b>3,324.85</b>
<b>Expenses incurred during the year</b>		
Construction and development cost (including development rights)	12,292.27	5,061.84
Finance cost	910.54	489.77
<b>Sub-total (c)</b>	<b>13,202.81</b>	<b>5,551.61</b>
Closing work-in-progress	17,114.69	11,890.57
Closing completed units	13,373.04	13,987.22
<b>Sub-total (d)</b>	<b>30,487.73</b>	<b>25,877.79</b>
<b>Total A (a+b+c-d)</b>	<b>15,559.19</b>	<b>4,836.08</b>
<b>B. Operating expenses</b>		
Brokerage & commission	<b>518.33</b>	<b>161.05</b>
<b>Total B</b>	<b>518.33</b>	<b>161.05</b>
<b>Total (A+B)</b>	<b>16,077.52</b>	<b>4,997.13</b>

### NOTE 34 EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Salaries and wages	773.22	732.96
Contribution to provident and other funds	32.65	35.02
Staff welfare expenses	5.21	0.56
Share based payment to employees	41.86	55.58
<b>Total</b>	<b>852.94</b>	<b>824.12</b>

## Notes to standalone financial statement (Contd.)

### NOTE 35 FINANCE COSTS

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Interest expenses (including interest paid on duties and taxes ₹ 0.71 lakhs; Previous Year ₹ 1.70 lakhs )	3,111.29	3,292.67
Other borrowing cost	90.21	149.03
<b>Total</b>	<b>3,201.50</b>	<b>3,441.70</b>

### NOTE 36 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Depreciation on property, plant and equipment (refer note no. 3)	209.62	135.08
Depreciation on investment properties (refer note no. 4)	34.04	35.76
Amortisation on intangible assets (refer note no. 5)	0.37	1.44
<b>Total</b>	<b>244.03</b>	<b>172.28</b>

### NOTE 37 OTHER EXPENSES

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Advertisement and business promotion expenses (net of directly attributable reimbursement of ₹ 955.98 lakhs; Previous Year ₹ 653.70 lakhs)	504.21	445.01
Legal and professional fees	893.53	316.60
Electricity expenses	73.27	78.01
Bank charges	18.78	15.59
Payment to auditors (refer note no. 50)	20.50	37.81
Commission and brokerage expenses	-	23.62
Directors' sitting fees	8.70	7.40
Membership fees and entrance fees	11.81	13.12
Rates and taxes	187.37	139.20
Indirect tax input credit written off	18.62	103.52
Repairs and maintenance		
- to building	34.06	12.12
- to others	155.96	134.91
Telephone and communication expenses	21.82	11.45
Travelling and conveyance expenses	49.04	13.13
Insurance	25.67	23.25
Donation	-	0.60
Contribution towards CSR activities (refer note no. 51)	87.20	355.86
Sundry debts written off	72.88	-
Property, plant and equipment written off	80.61	-
Provision for expected credit loss	79.00	12.50
Facility management services	76.24	50.37
Miscellaneous expenses	94.11	61.63
<b>Total</b>	<b>2,513.38</b>	<b>1,855.70</b>

## Notes to standalone financial statement (Contd.)

### NOTE 38 INCOME TAX

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>(a) Tax expense recognised in the statement of profit and loss</b>		
Current tax on profits for the year	1,221.41	458.04
Adjustments for current tax of prior periods	4.26	1.43
<b>Total current tax expense</b>	<b>1,225.67</b>	<b>459.47</b>
Deferred tax charge	18.53	44.83
Mat Credit taken	(1,224.07)	-
<b>Total deferred tax expense</b>	<b>(1,205.54)</b>	<b>44.83</b>
<b>Income tax expense</b>	<b>20.13</b>	<b>504.30</b>

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Enacted income tax rate in India applicable to the Company	29.12%	29.12%
Profit before income tax expense	10,372.42	19,537.37
<b>Current tax expense on profit before tax expenses at enacted income tax rate in India</b>	<b>3,020.45</b>	<b>5,689.29</b>
<b>Tax effects of :</b>		
Expenses disallowed	40.09	120.40
Exempt income	(887.92)	(5,268.28)
Deduction under chapter VIA of the Income Tax Act	(2,110.18)	-
Deduction allowed under section 24 of the Income Tax Act	(33.26)	(17.06)
Tax in respect of earlier years	4.26	1.43
Other items	(13.29)	(21.48)
<b>Income tax expense</b>	<b>20.13</b>	<b>504.30</b>

Consequent to reconciliation items shown above, the effective tax rate is 0.19% (Previous Year : 2.58%).

#### The details of Income tax assets are as follows:-

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Income tax assets	3,043.24	3,043.52
Current income tax liabilities	(2,598.84)	(2,595.91)
<b>Net current income tax assets at the end</b>	<b>444.40</b>	<b>447.61</b>

#### The details of Income tax liabilities are as follows:-

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current income tax liabilities	1,222.74	-
Income tax assets	(652.90)	-
<b>Net current income tax liabilities at the end</b>	<b>569.84</b>	<b>-</b>

## Notes to standalone financial statement (Contd.)

### NOTE 39 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Contingent liabilities (to the extent not provided for)</b>		
Disputed Income Tax matters	347.81	261.86

**Note :** The Company's pending litigations comprise mainly claims against the Company, property disputes, proceedings pending with tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

### NOTE 40 LEASES (COMPANY AS A LESSOR)

- Initial direct cost such as legal cost, brokerage cost etc. are charged immediately to statement of profit and loss.
- The total future minimum lease rentals receivable for non-cancellable operating leases at balance sheet date are as under:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Premises given on operating lease</b>		
Not later than one year	163.20	163.20
Later than one year and not later than five years	490.30	653.50
Later than five years	-	-
<b>Total</b>	<b>653.50</b>	<b>816.70</b>

- Lease income recognised (including income in respect of certain cancellable leases) in statement of profit and loss for the year ended 31st March, 2020 is ₹ 427.14 lakhs (Previous Year ₹ 241.34 lakhs).

### NOTE 41 SHARE-BASED PAYMENTS

#### Employee stock option plan

The establishment of the Sunteck Realty Limited "Employee Stock Option Plan (ESOP 2013)", "Employee Stock Option Scheme (ESOS 2017)" and "Employee Stock Option Scheme (ESOS 2018)" are designed to provide incentives to eligible directors and employees of the Company and its subsidiaries. These are equity settled share based payments. The details of which are given here under :

Particulars	ESOP 2013	ESOS 2017	ESOS 2018
Date of general meeting of shareholder in which scheme was approved	15th March, 2013	26th September, 2017	27th September 2018
No. of options granted	707,702	Series 1: 436,555 ; Series 2 : 48,666	33,846
Grant date	1st October, 2013	Series 1: 5th October 2018; Series 2: 28th November, 2018	24th January, 2019
Grant Price (₹ per share)	147.50	Series 1: 225 ; Series 2: 225	325

## Notes to standalone financial statement (Contd.)

Particulars	ESOP 2013	ESOS 2017	ESOS 2018
Graded vesting plan :	Series 1: 25% every year, commencing after one year from the grant date (i.e. 30th September, 2014)	Series 1: 20% every year, commencing after one year from the grant date (i.e. 4th October, 2018)	First 20% will vest on 1st February, 2020 and balance options will vest 20% equally on 1st October every year over next four years.
	Series 2: 25% every year, commencing after two years from the grant date (i.e. 30th September, 2015)	Series 2: First 20% will vest on 1st December, 2019 and balance options will vest 20% equally on 1st October every year over next four years.	
Maximum exercise period	7 years from the date of grant	Series 1: 6.5 years from the date of grant	5.2 years from the date of grant
		Series 2: 5.3 years from the date of grant	

Options are granted without any consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under each plan:

Particulars	ESOP 2013		ESOS 2017		ESOS 2018	
	Average exercise price per share option (₹)	Number of units	Average exercise price per share option (₹)	Number of units	Average exercise price per share option (₹)	Number of units
Outstanding as at 1st April, 2018	147.50	2,928	225.00	3,76,557	-	-
Granted during the year	-	-	225.00	48,666	325.00	33,846
Forfeited during the year	-	-	225.00	(1,01,379)	-	-
Exercised during the year (including pending allotment of shares)*	147.50	(2,414)	225.00	(27,420)	-	-
Expired during the year	147.50	(514)	-	-	-	-
Outstanding as at 31st March, 2019	-	-	225.00	2,96,424	325.00	33,846
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	225.00	(23,112)	325.00	(19,231)
Exercised during the year	-	-	225.00	(27,018)	-	-
Expired during the year	-	-	-	-	-	-
<b>Outstanding as at 31st March, 2020</b>	-	-	225.00	2,46,294	325.00	14,615

\*Includes 8,222 shares pending for allotment as on 31st March 2019, against which the Company has received ₹ 18.50 lakhs as share application money.

## Notes to standalone financial statement (Contd.)

Closing share prices at the date of exercise are as follows :

Exercise date	Closing share price at BSE	Exercise date	Closing share price at BSE
<b>Year ended 31st March, 2020</b>		<b>Year ended 31st March, 2019</b>	
16th December, 2019	404.40	20th November, 2018	359.90
17th December, 2019	404.70	21st November, 2018	353.35
		22nd November, 2018	349.70
		26th November, 2018	354.85
		27th November, 2018	358.10
		29th March, 2019	460.65

Other details :

(₹ in lakhs)

Particulars	ESOP 2013		ESOS 2017		ESOS 2018	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Outstanding options as at the year end (no.)	-	-	2,46,294	2,96,424	14,615	33,846
Exercisable options at the year end (no.)	-	-	33,849	28,691	2,923	-
Weighted average remaining contractual life of options outstanding (years)	-	-	3.60	3.34	1.30	3.80

The Fair Value of options granted under the ESOP Scheme -

Particulars	ESOP 2013 (Series 1)	ESOP 2013 (Series 2)	ESOS 2017 (Series 1)	ESOS 2017 (Series 2)	ESOS 2018
Option Fair Value (in ₹)	117.86	134.96	175.50	197.25	143.25

The fair value at grant date is determined by a valuer using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of each option is estimated on the date of grant based on the following assumptions :

Particulars	ESOP 2013	ESOS 2017 (Series 1)	ESOS 2017 (Series 2)	ESOS 2018
Volatility*	41.70%	38.81%	40.44%	40.12%
Dividend yield	0.05%	0.43%	0.49%	0.49%
Risk - free interest rate	8.00%	6.73%	7.64%	7.31%

\*The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

### Expense arising from share-based payment transactions

Expenses arising from share-based payment transactions (Employee Stock Option Plan) recognised in statement of profit and loss as part of employee benefit expense ₹ 41.86 lakhs (Previous Year ₹ 55.58 lakhs).

Share based payment expense amounting to ₹ 30.36 lakhs (Previous year - ₹ 162.78 lakhs) relating to employees of subsidiary companies is added in value of investment.



## Notes to standalone financial statement (Contd.)

### NOTE 42 EMPLOYEE BENEFIT OBLIGATIONS

(₹ in lakhs)

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absences (i)	10.65	60.93	71.58	2.45	15.18	17.63
Gratuity (ii)	12.08	69.25	81.33	9.55	25.07	34.62
<b>Total</b>	<b>22.73</b>	<b>130.18</b>	<b>152.91</b>	<b>12.00</b>	<b>40.25</b>	<b>52.25</b>

#### (i) Compensated absences

The Compensated absences cover the Company's liability for sick and earned leave.

Out of total provision, the amount of the provision of ₹ 10.65 lakhs (Previous Year ₹ 2.45 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

#### (ii) Defined contributions plans

The Company also has certain defined contribution plans. The contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. Amount recognised as an expense during the year towards defined contribution plan is ₹ 32.65 lakhs (Previous Year ₹ 35.02 lakhs).

#### (iii) Post-employment obligations (Gratuity)

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity.

#### Movement in present value of obligation and net assets

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in lakhs)

Particulars	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
<b>As at beginning of the year</b>	34.62	-	34.62	25.83	-	25.83
Current service cost	2.72	-	2.72	0.91	-	0.91
Past service cost	-	-	-	-	-	-
Interest expense	2.72	-	2.72	1.33	-	1.33
<b>Total amount recognised in profit or loss</b>	<b>5.44</b>	<b>-</b>	<b>5.44</b>	<b>2.24</b>	<b>-</b>	<b>2.24</b>
Remeasurements	-	-	-	-	-	-
Return on plan assets, excluding amounts included in interest	-	-	-	-	-	-
(Gain)/ loss from change in financial assumptions	6.81	-	6.81	0.88	-	0.88
Experience (gains)/ losses	34.46	-	34.46	5.67	-	5.67
<b>Total amount recognised in other comprehensive income</b>	<b>41.27</b>	<b>-</b>	<b>41.27</b>	<b>6.55</b>	<b>-</b>	<b>6.55</b>
Employer contributions	-	-	-	-	-	-
Benefit payments	-	-	-	-	-	-
<b>As at end of the year</b>	<b>81.33</b>	<b>-</b>	<b>81.33</b>	<b>34.62</b>	<b>-</b>	<b>34.62</b>

## Notes to standalone financial statement (Contd.)

The net liability disclosed above relates to funded and unfunded plans are as follows:

(₹ in lakhs)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
Unfunded plans	81.33	34.62
<b>Deficit of gratuity plan</b>	<b>81.33</b>	<b>34.62</b>

The significant actuarial assumptions were as follows:

(₹ in lakhs)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
Discount rate	6.89%	7.79%
Attrition rate	2.00%	2.00%
Salary escalation rate	6.50%	6.50%

Sensitivity analysis:

(₹ in lakhs)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
Projected benefit obligation on current assumptions	81.33	34.62
Delta effect of +0.5% change in rate of discounting	(3.91)	(1.21)
Delta effect of -0.5% change in rate of discounting	4.24	1.30
Delta effect of +0.5% change in rate of salary increase	3.54	0.82
Delta effect of -0.5% change in rate of salary increase	(3.57)	(0.88)
Delta effect of +0.5% change in rate of employee turnover	0.04	0.24
Delta effect of -0.5% change in rate of employee turnover	(0.05)	(0.24)

Additional Details :

Methodology adopted for assured life mortality (ALM) -	Projected unit credit method
Usefulness and methodology adopted for sensitivity analysis -	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Stress testing of assets -	Not Applicable - as benefit is unfunded
Investment strategy -	Not Applicable - as benefit is unfunded
Comment on quality of assets -	Not Applicable - as benefit is unfunded
Management perspective of future contributions -	Not Applicable - as benefit is unfunded

**Defined benefit liability and employer contribution**

The weighted average duration of the defined benefit obligation is 12 years as on 31st March, 2020 (Previous Year 9 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
	Defined benefit obligation (gratuity)				
<b>31st March, 2020</b>	<b>12.08</b>	<b>1.68</b>	<b>5.88</b>	<b>171.46</b>	<b>191.10</b>
31st March, 2019	9.55	0.85	2.68	59.75	72.83

## Notes to standalone financial statement (Contd.)

### NOTE 43 NATURE OF SECURITY AND TERMS OF REPAYMENT

S. No.	Particulars & Nature of Security	Terms of Repayment
	<b>Non- Current Borrowings</b>	
	<b>Secured Borrowings</b>	
i)	Term loan other than from bank, balance outstanding amounting to ₹11,628.49 lakhs (Previous Year 10,404.42 lakhs) is secured by lien on fixed deposit amounting to ₹ 170.35 lakhs, also additional securities as stated below are given by the group company :- (a) First and Exclusive charge by way of registered mortgage on leasehold land and identified unsold units constructed/ being constructed thereon, for project called 'Signia Pearl' located at Bandra Kurla Complex, (Mumbai). (b) Balance receivables from locked sales (c) Future FSI, if any (d) Hypothecation of future receivables from the identified unsold units. (e) Lien on fixed deposit amounting to ₹ 95.00 lakhs.	Repayable in 24 equal monthly installments commencing from April, 2019 to March, 2021, subject to certain pre-payment conditions. During the year, the rate of interest was in the range of 10.14% - 10.74% p.a. (Previous Year 9.65% - 10.85% p.a.)
ii)	Term loan from bank, balance outstanding amounting to ₹ 1,423.88 lakhs (Previous Year - Nil) is secured by registered mortgage on certain unit of project 'Signia Isles' (executed by the group Company), located at Bandra Kurla Complex (Mumbai) and hypothecation of receivables thereagainst.	Repayable in 84 monthly installments commencing from October, 2019 to September, 2026. During the year, the rate of interest was 9.95% p.a. (Previous Year - N.A.)
iii)	Term loan from bank, balance outstanding amounting to ₹ 1,545.57 lakhs (Previous Year - Nil) is secured by mortgage over a portion of certain floors of the building 'Sunteck Centre' located at Vile Parle (East), Mumbai and certain units of building 'Corporate Centre' located at Andheri (East), Mumbai, and hypothecation of receivables thereagainst.	Repayable in 132 monthly installments commencing from November, 2019 to October, 2030. During the year, the rate of interest was 9.25% p.a. (Previous Year - N.A.)
iv)	Term loan from bank, balance outstanding amounting to ₹ 250.75 lakhs (Previous Year Rs. 922.43) is secured by fixed deposit of ₹ 300.00 lakhs (Previous Year - Rs.300.00 lakhs) & charge hypothecation on equipment purchased thereagainst.	Repayable in 24 monthly installments commencing from May, 2019 to April, 2021. During the year, the rate of interest was 9.26% p.a. (Previous Year 9.26% p.a.)
v)	Term loan other than from bank, balance outstanding amounting to ₹ 6,944.44 lakhs (Previous Year ₹ 10,000.00 lakhs) is secured by registered mortgage (without deposit of title deeds) on certain units of project 'Signature Island' (executed by the group Company), located at Bandra Kurla Complex (Mumbai) and hypothecation of receivables thereagainst.	Repayable in 36 equal principal installments on a monthly basis commencing from May, 2019 to April, 2022. During the year, the rate of interest was in the range of 9.70% - 9.85% p.a. (Previous Year 9.00% - 9.45% p.a.)
vi)	Term loan from bank was fully repaid during the Current year (Previous Year ₹ 6,000.00 lakhs), which was secured by first charge by way of registered mortgage of all pieces and parcel of land used for project 'Signia High' located at Borivali (East), Mumbai including unsold units in the project and hypothecation of project specific receivables.	Repaid in 5 equal quarterly installments commencing from December, 2018 to December, 2019. During the year, the rate of interest was 9.90% p.a. (Previous Year 9.25% - 9.90% p.a.)
vii)	All Non-Convertible Debentures (NCDs) were redeemed during the year (Previous Year 2,000 units of Series "D" NCDs amounting to ₹ 2,000.00 lakhs). These Debentures were secured by - a) First pari passu charge by way of mortgage of certain identified area/ units of building 'Sunteck Centre' located at Vile Parle (East), Mumbai. b) First pari passu charge on escrow of rent receivables (both present and future) from the above mentioned mortgaged units.	The Coupon rate was 11.75% (Previous Year 11.75% p.a). The NCDs are redeemed at par on 13th January, 2020

## Notes to standalone financial statement (Contd.)

S. No.	Particulars & Nature of Security	Terms of Repayment
<b>Current Borrowings</b>		
<b>Secured Borrowings</b>		
i)	Term loan from bank, balance outstanding amounting to ₹ 19,645.00 lakhs (Previous Year - Nil) is secured by first charge by way of registered mortgage of all pieces and parcel of land used for project 'Sunteck Westworld 1&2' located at Naigoan (East) including unsold units in the project and hypothecation of project specific receivables.	Repayable in 4 equal quarterly installments commencing from end of 37th month i.e. July 2022 to April 2023, subject to certain prepayment conditions. During the year, the rate of interest was in the range of 9.00% - 9.15% p.a. (Previous Year - N.A.)
ii)	Term loan from bank, balance outstanding amounting to ₹ 580.92 lakhs (Previous Year - Nil) is secured by fixed deposit of ₹ 300.00 lakhs (Previous Year - Nil) & charge hypothecation on equipment purchased thereagainst.	Repayable in 23 monthly installments commencing from May, 2019 to March, 2021. During the year, the rate of interest was 9.26% p.a. (Previous Year 9.26% p.a.)
iii)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 205.95 lakhs (Previous Year ₹ 1,339.18 lakhs) is secured by First & exclusive charge by way of registered mortgage over a portion of 4th floor in the building "Sunteck Centre" located at Vile Parle (East), Mumbai & receivables from sale/ lease/ transfer of said portion of floor.	Repayable on demand. During the year, the rate of interest was in the range of 10.05% - 10.65% p.a. (Previous Year 10.30% - 11.40% p.a.)
iv)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 7,805.47 lakhs (Previous Year ₹ 7251.17 lakhs) is secured by exclusive charge by way of registered mortgage on certain units of project "Signature Island" (executed by the group Company), located at Bandra Kurla complex, Mumbai & hypothecation of cash flows/ future receivables corresponding to the specified units charged.	Repayable on demand. During the year, the rate of interest was in the range of 8.70% - 9.45% p.a. (Previous Year 9.45% - 10.12% p.a.)
v)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 3,826.06 lakhs (Previous Year ₹ 3,485.63 lakhs) is secured by exclusive charge by way of registered mortgage on certain units of project "Signature Island" (executed by the group Company), located at Bandra Kurla Complex (Mumbai) and lien on Fixed deposit of ₹ 2,076.95 lakhs (Previous Year ₹ 2,076.95).	Repayable on demand. During the year, the rate of interest was in the range of 8.80% - 9.25% p.a. (Previous Year - 9.25% p.a.)
vi)	Working capital loan (Bank Overdraft), balance outstanding amounting to ₹ 1,835.99 lakhs (Previous Year - Nil) is secured by first charge by way of registered mortgage of all pieces and parcel of land used for project 'Sunteck Westworld 1&2' located at Naigoan (East) including unsold units in the project and hypothecation of project specific receivables.	Repayable on demand. During the year, the rate of interest was 9.15% p.a. (Previous Year - N.A.)
<b>Unsecured Borrowings</b>		
vii)	Commercial Paper (CP), balance outstanding amounting to ₹ 4,000.00 lakhs (Previous Year ₹ 2,500.00 lakhs) is against unutilised cash credit/working capital limits to the extent of CP amount till the end of respective commercial paper tenure.	Repayable on maturity i.e. 29th June, 2020 and 10th July, 2020. During the year, the rate of interest was 7.80% and 7.95% p.a. (Previous Year 9.25% p.a.)

## Notes to standalone financial statement (Contd.)

### NOTE 44 RELATED PARTY DISCLOSURES AS PER IND AS

i) List of related parties	
A	Name of related parties where control exists irrespective of whether transaction is entered or not
	<b>Subsidiaries</b>
	Advaith Infraprojects Private Limited
	Clarissa Facility Management LLP
	Mithra Buildcon LLP
	Magnate Industries LLP (from 10th April, 2019)
	Sahrish Construction Private Limited
	Satguru Infocorp Services Private Limited
	Starlight Systems (I) LLP
	Starlight Systems Private Limited
	Starteck Lifestyle Private Limited
	Sunteck Infraprojects Private Limited
	Sunteck Lifestyle International Private Limited
	Sunteck Property Holdings Private Limited
	Sunteck Real Estates Private Limited
	Sunteck Realty Holdings Private Limited
	Satguru Corporate Services Private Limited (Stepdown Subsidiary)
	Skystar Buildcon Private Limited (Stepdown Subsidiary)
	Sunteck Lifestyle Management DMCC (formerly known as Sunteck Lifestyle Management JLT) (Stepdown Subsidiary)
	Sunteck Lifestyle Limited (Stepdown Subsidiary)
	Refer note no. 59 for subsidiaries merged with the Company
	<b>Joint venture</b>
	GGICO Sunteck Limited
	Kanaka & Associates (Partnership Firm) (refer note no. 56)
	Nariman Infrastructure LLP
	Piramal Sunteck Realty Private Limited
	Uniworth Realty LLP
	Yukti Infraprojects LLP (from 23rd January, 2020)
B	<b>List of other related parties with whom transaction has been entered into in the ordinary course of business</b>
	<b>Key managerial personnel</b>
	Mr. Kamal Khetan - Chairman & Managing Director
	Mr. Atul Poopal - Executive Director
	Mrs. Rachana Hingarajia - Director and Company Secretary
	Mr. Kishore Vussonji - Independent Director
	Mr. Ramakant Nayak - Independent Director
	Mrs. Sandhya Malhotra - Independent Director (from 1st April, 2019)
	Mr. Mahadevan Kalahasthi - Independent Director (up to 8th February, 2019)
	Mr. Manoj Agarwal - Chief Financial Officer (from 14th June, 2019)
	Mr. Sumesh Mishra - Chief Operating Officer (up to 30th June, 2018)
	Mr. Jitendra Mehta - Chief Financial Officer (up to 2nd April, 2018)

## Notes to standalone financial statement (Contd.)

<b>Other parties over which Key Managerial Personnel and/ or his relative having significant influence:</b>
Mrs. Manisha Khetan (Spouse of Mr. Kamal Khetan)
Mr. Vipul Vallabh Hingaraja (Spouse of Mrs. Rachana Hingarajia)
SW Capital Private Limited
SW Investment Limited
Eskay Infrastructure Development Private Limited
Glint Infraprojects Private Limited
Samagra Wealthmax Private Limited
Starteck Finance Limited
Starteck Infraprojects Private Limited
Assable Buildcon LLP
Pathway Buildcon LLP
Niyamit Mercantile and Trading LLP
Astha Trust
Matrabhav Trust
Krupa Family Private Trust
Shraddha Trust
Kanga and Company

### ii) Transactions during the year

(₹ in lakhs)

Particulars	Subsidiaries and other parties where control exist		Associates / Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
a Sales						
i) Booking of sales during the year	-	-	-	-	-	411.69
ii) Revenue recognised on percentage of completion method during the year	-	-	-	-	208.20	(1,370.33)
b Rent income	-	-	-	-	10.44	10.26
c Management fees	-	756.04	-	-	-	-
d Other income	15.00	-	-	-	2.72	7.19
e Share of profit/ (loss) from LLP/ Partnership firm/ Associates	854.22	15,971.39	(0.21)	-	-	-
f Interest income on						
Loans and advances	1,232.76	2,396.73	-	23.86	-	-
Non- convertible debentures	-	-	-	-	2.54	0.03
g Dividend income	2,195.17	2,120.22	-	-	-	-
h Interest expenses	-	-	-	-	-	346.53



## Notes to standalone financial statement (Contd.)

(₹ in lakhs)

	Particulars	Subsidiaries and other parties where control exist		Associates / Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
		Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
i	Amount paid by the Company on behalf of	0.14	4,210.11	-	-	-	-
j	Reimbursement of expenses incurred on behalf of the Company by	5.60	5.53	-	-	-	-
k	Investment made/ purchased during the year						
	Equity shares	14,660.09	10,361.49	-	-	-	-
	Fixed capital in LLP	0.30	0.01	67.50	-	-	-
	Non current investments - non convertible debentures	-	-	-	-	-	2,535.15
l	Current investment in LLP - current capital invested/ (withdrawn) (net)	15,660.86	(614.42)	287.78	14.90	-	-
m	Sale of share in LLP	0.01	-	-	-	-	-
n	Loans and advances given	39,418.25	26,499.38	219.30	1,288.59	-	-
o	Loans and advances taken	-	-	-	-	-	2,684.80
p	Advance against sale	-	-	-	-	0.09	6.48
q	Security deposit refund	-	-	-	-	-	150.00
r	Society management fees	158.78	104.01	-	-	-	-
s	Director sitting fees	-	-	-	-	8.70	7.40
t	Professional fees	-	-	-	-	-	7.20
u	Transfer of materials/ property, plant and equipment						
	Transfer -in	3.15	-	0.54	-	-	-
	Transfer - out	34.36	-	0.79	-	-	-
iii)	<b>Outstanding Balances as at the year</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
a	Security deposit payable	-	-	-	-	18.00	18.00
b	Trade receivables	-	1,067.08	-	-	210.09	33.69
c	Trade payables	38.63	100.92	-	-	-	1.80
d	Reimbursement receivable	0.06	-	3.72	3.72	-	-
e	Loans and advances given	15,156.85	26,085.88	686.94	468.29	-	-
f	Interest receivable	770.90	1,766.02	-	-	-	-
g	Other receivable	0.01	-	-	-	-	-

Note: For investments refer note no. 6 and 13.

## Notes to standalone financial statement (Contd.)

### iv) Disclosure in respect of major related parties transactions during the year

(₹ in lakhs)

Particulars	Subsidiaries and other parties where control exist		Associates / Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>a Sales</b>						
<b>i) Booking of sales during the year</b>						
Krupa Family Private Trust	-	-	-	-	-	73.60
Niyamit Mercantile and Trading LLP	-	-	-	-	-	53.46
Pathway Buildcon LLP	-	-	-	-	-	52.58
Shraddha Trust	-	-	-	-	-	98.96
Matrabhav Trust	-	-	-	-	-	105.25
Others	-	-	-	-	-	27.85
<b>ii) Revenue recognised on percentage of completion method during the year</b>						
SW Investment Limited	-	-	-	-	-	(1,370.33)
Krupa Family Private Trust	-	-	-	-	34.23	-
Niyamit Mercantile and Trading LLP	-	-	-	-	24.86	-
Pathway Buildcon LLP	-	-	-	-	24.45	-
Shraddha Trust	-	-	-	-	46.02	-
Matrabhav Trust	-	-	-	-	48.94	-
Others	-	-	-	-	29.71	-
<b>b Rent income</b>						
Starteck Finance Limited	-	-	-	-	3.72	3.63
SW Capital Private Limited	-	-	-	-	3.00	3.00
SW Investment Limited	-	-	-	-	3.72	3.63
<b>c Management fees</b>						
Skystar Buildcon Private Limited	-	756.04	-	-	-	-
<b>d Other income</b>						
SW Capital Private Limited	-	-	-	-	2.72	7.19
Clarisa Facility Management LLP	15.00	-	-	-	-	-

## Notes to standalone financial statement (Contd.)

(₹ in lakhs)

Particulars	Subsidiaries and other parties where control exist		Associates / Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>e Share of profit/ (loss) from LLP/ Partnership firm/ Associates</b>						
Starlight Systems (I) LLP	854.23	15,944.98	-	-	-	-
Nariman Infrastructure LLP	-	-	(0.15)	-	-	-
Others	(0.01)	26.41	(0.06)	-	-	-
<b>f Interest income on</b>						
<b>i) Loans and advances</b>						
Piramal Sunteck Realty Private Limited	-	-	-	23.86	-	-
Sunteck Lifestyle Limited	244.20	917.42	-	-	-	-
Starlight Systems (I) LLP	988.56	1,479.31	-	-	-	-
<b>ii) Non- convertible debentures</b>						
Eskay Infrastructure Development Private Limited	-	-	-	-	0.63	0.01
Samagra Wealthmax Private Limited	-	-	-	-	1.63	0.02
Starteck Infraprojects Private Limited	-	-	-	-	0.28	# 0.00
<b>g Dividend income</b>						
Satguru Infocorp Services Private Limited	101.91	50.35	-	-	-	-
Starlight Systems Private Limited	176.35	250.49	-	-	-	-
Sunteck Realty Holdings Private Limited	176.24	122.92	-	-	-	-
Sunteck Property Holdings Private Limited	176.22	122.92	-	-	-	-
Advait Infraprojects Private Limited	1,564.44	1,573.53	-	-	-	-
<b>h Interest expenses</b>						
Starteck Finance Limited	-	-	-	-	-	346.53

# Less than ₹ 500

## Notes to standalone financial statement (Contd.)

(₹ in lakhs)

Particulars	Subsidiaries and other parties where control exist		Associates / Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>i Amount paid by the Company on behalf of</b>						
Satguru Inforcorp Services Private Limited	0.08	0.06	-	-	-	-
Starlight Systems (I) LLP	-	141.25	-	-	-	-
Starlight Systems Private Limited	0.04	11.77	-	-	-	-
Sunteck Realty Holding Private Limited	0.03	0.03	-	-	-	-
Mithra Buildcon LLP	-	4,038.04	-	-	-	-
Others	-	18.98	-	-	-	-
<b>j Reimbursement of expenses incurred on behalf of the Company by</b>						
Skystar Buildcon Private Limited	5.60	-	-	-	-	-
Clarissa Facility Management LLP	-	5.53	-	-	-	-
<b>k Investment made/ purchased during the year</b>						
<b>(i) Equity shares</b>						
Sunteck Lifestyle International Private Limited	14,660.09	10,361.49	-	-	-	-
<b>(ii) Fixed capital in LLP</b>						
Starlight Systems (I) LLP	0.20	-	-	-	-	-
Mithra Buildcon LLP	-	0.01	-	-	-	-
Magnate Industries LLP	0.10	-	-	-	-	-
Yukti Infraprojects LLP	-	-	67.50	-	-	-
<b>(iii) Non current investments - Non convertible debentures</b>						
Eskay Infrastructure Development Private Limited	-	-	-	-	-	626.93
Samagra Wealthmax Private Limited	-	-	-	-	-	1,626.40
Starteck Infraprojects Private Limited	-	-	-	-	-	281.82

## Notes to standalone financial statement (Contd.)

(₹ in lakhs)

Particulars	Subsidiaries and other parties where control exist		Associates / Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>I Current investment in LLP - current capital invested/ (withdrawn) (net)</b>						
Nariman Infrastructure LLP	-	-	5.15	5.25	-	-
Starlight Systems (I) LLP	7,654.55	(663.87)	-	-	-	-
Uniworth Realty LLP	-	-	9.33	9.65	-	-
Mithra Buildcon LLP	5,534.08	46.96	-	-	-	-
Magnate Industries LLP	2,499.80	-	-	-	-	-
Yukti Infraprojects LLP	-	-	273.30	-	-	-
Others	(27.57)	2.50	-	-	-	-
<b>m Sale of share in LLP</b>						
Satguru Infocorp Services Private Limited	0.01	-	-	-	-	-
Starlight Systems Private Limited	0.01	-	-	-	-	-
<b>n Loans and advances given</b>						
Piramal Sunteck Realty Private Limited	-	-	1.43	1,058.27	-	-
Kanaka & Associates	-	-	217.87	230.32	-	-
Skystar Buildcon Private Limited	32,325.58	23,090.59	-	-	-	-
Others	7,092.67	3,408.79	-	-	-	-
<b>o Loans and advances taken</b>						
Starteck Finance Limited	-	-	-	-	-	2,684.80
<b>p Advance against sale</b>						
Pathway Buildcon LLP	-	-	-	-	-	1.08
Niyamit Mercantile and Trading LLP	-	-	-	-	-	1.08
Matrabhav Trust	-	-	-	-	-	1.62
Krupa Family Private Trust	-	-	-	-	-	1.08
Shraddha Trust	-	-	-	-	-	1.62
Vipul Vallabh Hingaraja	-	-	-	-	0.09	-

## Notes to standalone financial statement (Contd.)

(₹ in lakhs)

Particulars	Subsidiaries and other parties where control exist		Associates / Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>q Security deposit refund</b>						
SW Capital Private Limited	-	-	-	-		150.00
<b>r Society management fees</b>						
Clarissa Facility Management LLP	158.78	104.01	-	-	-	-
<b>s Director sitting fees</b>						
Mahadevan Kalahasthi	-	-	-	-	-	2.70
Kishore Vussonji	-	-	-	-	2.50	1.50
Ramakant Nayak	-	-	-	-	3.40	3.20
Sandhya Malhotra	-	-	-	-	2.80	-
<b>t Professional fees</b>						
Kanga and company	-	-	-	-	-	7.20
<b>u Transfer of materials/ property, plant and equipment</b>						
<b>(i) Transfer -in</b>						
Piramal Sunteck Realty Private Limited	-	-	0.54	-	-	-
Skystar Buildcon Private Limited	1.67	-	-	-	-	-
Sahrish Constructions Private Limited	1.48	-	-	-	-	-
<b>(ii) Transfer - out</b>						
Starlight Systems (I) LLP	0.11	-	-	-	-	-
Piramal Sunteck Realty Private Limited	-	-	0.79	-	-	-
Satguru Corporate Services Private Limited	1.40	-	-	-	-	-
Skystar Buildcon Private Limited	32.85	-	-	-	-	-



## Notes to standalone financial statement (Contd.)

### v) Disclosure in respect outstanding balances of major related parties at the year end

(₹ in lakhs)

	Particulars	Subsidiaries and other parties where control exist		Associates / Joint Ventures		Key Managerial Personnel / other parties over which Key Managerial Personnel with his relative having significant influence	
		As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
<b>a</b>	<b>Security deposit payable</b>						
	SW Capital Private Limited	-	-	-	-	15.00	15.00
	Others	-	-	-	-	3.00	3.00
<b>b</b>	<b>Trade receivables</b>						
	Sunteck Lifestyle Limited	-	996.05	-	-	-	-
	Skystar Buildcon Private Limited	-	71.03	-	-	-	-
	Pathway Buildcon LLP	-	-	-	-	35.38	4.54
	Matrabhav Trust	-	-	-	-	56.50	6.98
	Krupa Family Private Trust	-	-	-	-	50.05	6.62
	Shraddha Trust	-	-	-	-	32.23	8.89
	Others	-	-	-	-	35.93	6.66
<b>c</b>	<b>Trade payables</b>						
	Kanga and Company	-	-	-	-	-	1.80
	Skystar Buildcon Private Limited	7.26	-	-	-	-	-
	Clarissa Facility Management LLP	31.38	100.92	-	-	-	-
<b>d</b>	<b>Reimbursement receivable</b>						
	Kanaka & Associates (refer note no. 56)	-	-	3.72	3.72	-	-
	Satguru Infocorp Service Private Limited	0.05	-	-	-	-	-
	Starlight Systems Private Limited	0.01	-	-	-	-	-
<b>e</b>	<b>Loans and advances given</b>						
	Kanaka & Associates (refer note no. 56)	-	-	686.16	468.29	-	-
	Sunteck Lifestyle Limited	-	11,396.95	-	-	-	-
	Skystar Buildcon Private Limited	8,629.07	10,977.52	-	-	-	-
	Sahrish Constructions Private Limited	3,826.31	2,266.05	-	-	-	-
	Others	2,701.47	1,445.36	0.78	-	-	-
<b>f</b>	<b>Interest Receivable</b>						
	Sunteck Lifestyle Limited	770.90	1,766.02	-	-	-	-
<b>g</b>	<b>Other receivable</b>						
	Mithra Buildcon LLP	0.01	-	-	-	-	-

Note: For investments refer note no. 6 and 13.

## Notes to standalone financial statement (Contd.)

### vi) Key managerial personnel compensation

(₹ in lakhs)

Particulars	Transactions during the year		Outstanding balances as at the year end	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>(i) Short-term employee benefits</b>				
<b>Remuneration*</b>				
Kamal Khetan	225.00	380.68	7.50	87.18
Atul Poopal	145.00	145.00	8.76	1.51
Rachana Hingarajia	40.00	33.91	2.02	2.68
Sumesh Mishra	-	26.10	-	-
Jitendra Mehta	-	0.44	-	-
<b>Total</b>	<b>410.00</b>	<b>586.13</b>	<b>18.27</b>	<b>91.36</b>

\*As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.

#### Notes:

- No balances in respect of the related parties has been provided for/written off / written back.
- Related party relationship is as identified by the management and relied upon by the auditors.
- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

### vii) Disclosure pursuant to Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

(₹ in lakhs)

Particulars	As at 31st March, 2020	Maximum outstanding during the year ended 31st March, 2020	As at 31st March, 2019	Maximum outstanding during the year ended 31st March, 2019
<b>Subsidiaries</b>				
Advait Infraprojects Private Limited	1,368.50	1,368.50	1,370.00	1,370.00
Sunteck Lifestyle Limited	-	11,396.95	11,396.95	20,200.49
Sunteck Fashions & Lifestyles Private Limited	-	-	-	112.50
Sahrish Construction Private Limited	3,826.31	4,651.73	2,266.05	2,266.05
Satguru Corporate Services Private Limited	1,199.42	2,103.76	42.91	1,435.92
Starteck Lifestyle Private Limited	128.75	257.27	27.20	27.21
Sunteck Property Holdings Private Limited	-	-	0.75	1.28
Sunteck Infraprojects Private Limited	2.25	2.25	2.25	4.25
Sunteck Real Estates Private Limited	2.25	2.25	2.25	4.25
Skystar Buildcon Private Limited	8,629.07	19,490.70	10,977.52	14,779.51
<b>Joint Venture</b>				
Piramal Sunteck Realty Private Limited	0.78	0.78	-	5,852.86

#### Notes :

- None of the above mentioned parties hold shares of the Company
- For investments refer note no. 6 and 13.

## Notes to standalone financial statement (Contd.)

### NOTE 45 FAIR VALUE MEASUREMENTS

#### (i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the use of discounted cash flow for fair value at amortised cost.

(₹ in lakhs)

Financial Assets and Liabilities as at 31st March, 2020	Carrying amounts				Fair Value		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Level 1	Level 3	Total
<b>Financial assets</b>							
Investments							
- Equity instruments							
Quoted	-	0.11	-	0.11	0.11	-	0.11
Unquoted	-	53.08	-	53.08	-	53.08	53.08
- Debentures							
Unquoted	3,135.71	-	-	3,135.71	-	3,135.71	3,135.71
Trade receivables	-	-	6,552.18	6,552.18	-	-	-
Loans	-	-	20,597.82	20,597.82	-	-	-
Cash and cash equivalents	-	-	2,165.14	2,165.14	-	-	-
Other bank balances	-	-	3,347.12	3,347.12	-	-	-
Other financial assets	-	-	19,063.64	19,063.64	-	-	-
<b>Total financial assets</b>	<b>3,135.71</b>	<b>53.19</b>	<b>51,725.90</b>	<b>54,914.80</b>	<b>0.11</b>	<b>3,188.79</b>	<b>3,188.90</b>
<b>Financial liabilities</b>							
Borrowings	-	-	43,470.52	43,470.52	-	-	-
Trade payables	-	-	9,276.94	9,276.94	-	-	-
Other financial liabilities	-	-	17,891.41	17,891.41	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>70,638.87</b>	<b>70,638.87</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to standalone financial statement (Contd.)

Financial Assets and Liabilities as at 31st March, 2019	Carrying amounts				Fair Value		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Fair Value		
					Level 1	Level 3	Total
							(₹ in lakhs)
<b>Financial assets</b>							
Investments							
- Equity instruments							
Quoted	-	0.17	-	0.17	0.17	-	0.17
Unquoted	-	76.45	-	76.45	-	76.45	76.45
- Debentures							
Unquoted	2,788.67	-	-	2,788.67	-	2,788.67	2,788.67
Trade receivables	-	-	14,293.71	14,293.71	-	-	-
Loans	-	-	35,612.26	35,612.26	-	-	-
Cash and cash equivalents	-	-	1,494.91	1,494.91	-	-	-
Other bank balances	-	-	2,507.20	2,507.20	-	-	-
Other financial assets	-	-	13,944.14	13,944.14	-	-	-
<b>Total financial assets</b>	<b>2,788.67</b>	<b>76.62</b>	<b>67,852.22</b>	<b>70,717.51</b>	<b>0.17</b>	<b>2,865.12</b>	<b>2,865.29</b>
<b>Financial liabilities</b>							
Borrowings	-	-	27,540.34	27,540.34	-	-	-
Trade payables	-	-	4,774.79	4,774.79	-	-	-
Other financial liabilities	-	-	16,769.34	16,769.34	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>49,084.47</b>	<b>49,084.47</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: There are no financial assets / liabilities categorised under Level 2

### (iii) Fair value measurements using significant unobservable inputs (level 3)

Particulars	Fair Value Measurements	
	Debt Instruments	Equity Instruments
		(₹ in lakhs)
As at 1st April, 2018	-	<b>81.51</b>
Issued during the year	2,535.13	-
Gains/ (losses) recognised in profit and loss	253.51	-
Gains/ (losses) recognised in other comprehensive income	-	(5.06)
As at 31st March, 2019	2,788.64	76.45
Invested during the year	-	-
Gains/ (losses) recognised in profit and loss	344.78	-
Gains/ (losses) recognised in other comprehensive income	-	(23.37)
<b>As at 31st March, 2020</b>	<b>3,133.42</b>	<b>53.08</b>

## NOTE 46 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to business risk, interest rate risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, the Company's risk management is carried out by a corporate treasury and corporate finance department under policies approved by the board of directors and top management. Company's treasury identifies, evaluates and mitigates financial risks in close cooperation with the Company's operating units. The board provides the guidance for the overall risk management, as well as policies covering specific areas.

### (A) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

## Notes to standalone financial statement (Contd.)

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit & loss.

Credit risk is managed at Company level.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale and rental business. The same is due to the fact that in case of its residential sell business it does not handover possession till entire outstanding is received. Similarly in case of rental business, the group keep 3 to 12 months rental as deposit from the occupants.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 90 days of ₹ 3608.77 lakhs, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

### Ageing of Account receivables :

Particulars	(₹ in lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
0-3 months	3,034.91	8,399.09
More than 3 months	3,608.77	5,907.12
<b>Total</b>	<b>6,643.68</b>	<b>14,306.21</b>

## Notes to standalone financial statement (Contd.)

### Reconciliation of loss allowance - Trade Receivables

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening balance	12.50	-
Allowance made during the year	79.00	12.50
<b>Closing balance</b>	<b>91.50</b>	<b>12.50</b>

### (B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the Company's liquidity position (comprising the unused cash and bank balances along with liquid investments) on the basis of expected cash flows. This is generally carried out at Company level in accordance with practice and limits set by the Company. These limits vary to take into account the liquidity of the market in which the Company operates.

### (i) Maturities of financial liabilities

The tables below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities for :

All non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in lakhs)

Contractual maturities of financial liabilities as at 31st March, 2020	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivatives						
Bank overdraft	13,673.47	-	-	-	-	13,673.47
Borrowings						
Term loans from banks	196.39	200.97	416.09	18.19	19,645.00	20,476.64
Term loan from others	891.04	4,517.46	9,792.80	3,874.94	2,466.16	21,542.40
Commercial paper	1,500.00	2,500.00	-	-	-	4,000.00
Trade payables*	8,763.64	-	-	513.30	-	9,276.94
Security deposits	19.00	-	-	119.70	143.56	282.26
Unpaid dividend	13.37	-	-	-	-	13.37
Interest accrued	220.72	-	-	-	-	220.72
Payable for capital goods	173.88	-	-	-	-	173.88
Other payable	1,807.77	-	-	-	-	1,807.77
<b>Total non-derivative liabilities</b>	<b>27,259.28</b>	<b>7,218.43</b>	<b>10,208.89</b>	<b>4,526.13</b>	<b>22,254.72</b>	<b>71,467.45</b>



## Notes to standalone financial statement (Contd.)

(₹ in lakhs)

Contractual maturities of financial liabilities as at 31st March, 2019	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivatives						
Bank overdraft	12,075.98	-	-	-	-	12,075.98
Borrowings:						
Term loan from banks	2,088.00	2,132.00	2,262.43	440.00	-	6,922.43
Term loan from others	1,857.56	2,135.33	4,253.53	8,541.33	3,616.67	20,404.42
Commercial paper	2,500.00	-	-	-	-	2,500.00
Non convertible debentures	-	-	2,000.00	-	-	2,000.00
Trade payables*	4,507.27	-	-	267.52	-	4,774.79
Security deposits	19.00	-	-	164.41	57.12	240.53
Unpaid dividend	13.20	-	-	-	-	13.20
Interest accrued	268.95	-	-	-	-	268.95
Other payable	0.72	-	-	-	-	0.72
<b>Total non-derivative liabilities</b>	<b>23,330.68</b>	<b>4,267.33</b>	<b>8,515.96</b>	<b>9,413.26</b>	<b>3,673.79</b>	<b>49,201.02</b>

\* Trade payables includes retention money which is payable after one year from the completion of contract

### (C) Market risk

#### (i) Price risk

##### - Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at "fair value through Other Comprehensive Income."

##### - Sensitivity

The table below summarizes the impact of increases/ decreases of the BSE index on the Company's equity and gain/ loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

##### Impact of profit before tax

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
BSE Sensex 30- Increase 5%	0.01	0.01
BSE Sensex 30- Decrease 5%	(0.01)	(0.01)

#### (ii) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (Rs.). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company does not cover foreign currency exposure with any derivative instruments. The Company also imports certain materials which are denominated in USD which exposes it to foreign currency risk.

## Notes to standalone financial statement (Contd.)

(₹ in lakhs)

Particulars	Currency Type	As at 31st March, 2020		As at 31st March, 2019	
		Foreign currency (in lakhs)	Indian currency (₹ in lakhs)	Foreign Currency (in lakhs)	Indian currency (₹ in lakhs)
<b>Foreign exchange currency exposure not covered by derivatives instrument</b>					
Loans and advances receivable	USD	10.26	770.90	189.88	13,162.97
Trade payables	USD	-	-	8.68	601.99
Trade receivables	USD	-	-	14.37	996.05

### - Foreign Currency Sensitivity

A change of 10% in exchange rate would have following impact on profit before tax:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
10% increase would increase the profit before tax by	77.09	1,355.70
10% decrease would decrease the profit before tax by	77.09	1,355.70

### (iii) Cash flow and fair value interest rate risk

#### - Interest rate risk management:

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

#### - Interest rate risk exposure:

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Variable rate borrowings	51,891.43	38,480.40
Fixed rate borrowings	7,801.09	5,422.43
<b>Total borrowings</b>	<b>59,692.52</b>	<b>43,902.83</b>

#### - Interest rate sensitivity

A change of 50 bps in interest rates would have following impact on profit before tax :

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
50 bp increase would decrease the profit before tax by*	259.46	192.40
50 bp decrease would increase the profit before tax by*	259.46	192.40

\* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates would be utilised for the whole financial year.

## Notes to standalone financial statement (Contd.)

### NOTE 47 CAPITAL MANAGEMENT

#### (a) Risk management

The Company's objectives when managing capital are to :

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

Particulars	(₹ in lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Net debt (Total debt including current maturities - Cash & cash equivalent - Other bank balances)	54,180.25	39,900.72
Total equity	1,93,945.00	1,85,703.21
<b>Net debt to equity ratio</b>	<b>27.94%</b>	<b>21.49%</b>

**Loan covenants :** The Company intends to manage optimal gearing ratios.

#### (b) Dividends

Particulars	(₹ in lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
<b>Dividends not recognised at the end of the reporting period *</b>		
The Board of Directors have recommended the payment of a final dividend of ₹ 1.50 (Previous Year ₹ 1.50) per share for non promoter group having face value of Re. 1 each and ₹ 0.75 (Previous Year ₹ 1.50) per share for promoter and promoter group. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,458.28	2,195.05
Dividend distribution tax on above	-	451.20

\* Calculation is based on the no. of shares outstanding as at year end. The actual dividend amount will be dependent of the relevant share capital outstanding as on the record date/ book closure.

### NOTE 48 NOTE ON IND AS 115 REVENUE FROM CONTRACTS WITH CUSTOMERS

#### (i) Reconciliation of revenue recognised with the contracted price is as follows:

##### a. Sale of residential and commercial units (net) :

Particulars	(₹ in lakhs)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Contracted price (net of share of land owners of Rs. 8,740.17 lakhs; Previous Year - Rs. 2,311.89 lakhs)	28,778.21	7,005.50
Less: Finance element included in the contract price	885.00	266.59
Less: Transaction price attributable towards warranty	20.00	12.50
<b>Revenue recognised as per the statement of profit and loss</b>	<b>27,873.21</b>	<b>6,726.41</b>

- In case of sale of services and other operating income contracted price is equivalent to the amount of revenue recognised (refer note no. 31).

## Notes to standalone financial statement (Contd.)

(₹ in lakhs)

(ii) Changes in Contract asset are as follows:	Year ended 31st March, 2020	Year ended 31st March, 2019
Contract assets (unbilled revenue) at the beginning of the year	879.15	1,293.40
Bill raised out of the opening	(973.38)	(1,094.13)
Add: Unbilled income against reimbursement	789.69	543.60
Add: Unbilled revenue recognised during the year	7,884.98	136.28
<b>Balance at the end of the year</b>	<b>8,580.44</b>	<b>879.15</b>

(₹ in lakhs)

(iii) Changes in Contract liabilities are as follows:	Year ended 31st March, 2020	Year ended 31st March, 2019
Contract liabilities (bill in advance) at the beginning of the year	10,474.60	303.27
Invoice raised during the year	30,909.56	19,969.13
Revenue recognised during the year (includes ₹ 10,474.60 lakhs; Previous year - ₹ 303.27 lakhs recognised out of opening contract liability)	(35,777.94)	(9,660.84)
Reversal on account of cancellation	(2,568.13)	(136.96)
<b>Balance at the end of the year</b>	<b>3,038.09</b>	<b>10,474.60</b>

### (iv) The significant Payment Terms :

#### Construction-Linked Plans (CLP) :

Under this plan, the customer can book a unit by paying a booking amount. Further, the balance amount is required to be paid as per the construction milestones as mentioned in the agreement.

#### Subvention Scheme :

Under this scheme, the customer can book a unit by paying an agreed initial amount and balance amount is deferred as per the agreed terms between the Company, the customer and the bank/ financial institution (FI). Further, the customer is required to obtain approval from bank/FI for the credit facility (loan) and the Company is required to pay the interest to the bank/ FI up to the agreed period, which is being incorporated in the contract price.

### (v) Types of warranties and related obligations.

As per the sale agreement entered with buyer/ customer the developer is obliged for the specified period from the date of handing over possession, for the defect liability.

## NOTE 49 EARNINGS PER SHARE

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>Earnings Per Share (EPS) has been computed as under :</b>		
Profit for the year (₹ in lakhs) (A)	10,352.29	19,033.08
Weighted average number of equity shares (considered for calculating basic EPS) (B)	146,358,370.00	146,322,487.58
Add : Potential equity shares on account of share application money pending allotment	-	8,222.00
Add : Potential equity shares on account of employee stock options	208,035.18	180,365.20
<b>Weighted average number of equity shares adjusted for the effect of dilution (C)</b>	<b>146,566,405.18</b>	<b>146,511,074.78</b>
Basic EPS (Amount in ₹) (A/B) (Face value of ₹ 1 per share; Previous Year ₹ 1 per share)	7.07	13.01
Diluted EPS (Amount in Rs.) (A/C) (Face value of ₹ 1 per share; Previous Year ₹ 1 per share)	7.06	12.99

## Notes to standalone financial statement (Contd.)

### NOTE 50 DETAILS OF PAYMENTS TO AUDITORS

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>As auditor:</b>		
Audit fee (including limited review fee)	13.63	13.63
<b>In other capacities</b>		
Certification fees	6.57	5.45
Other Services	-	16.65
Re-imburement of expense	0.30	2.08
<b>Total payments to auditors</b>	<b>20.50</b>	<b>37.81</b>

### NOTE 51 DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Amount required to be spent as per Section 135 of the Companies Act, 2013	310.90	171.19
Amount spent during the year on:		
On purpose other than construction/ acquisition of an asset	87.20	355.86

### NOTE 52 DISCLOSURE IN ACCORDANCE WITH SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company are as under:		
Principal amount due and remaining unpaid	1,856.23	56.30
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

## Notes to standalone financial statement (Contd.)

**NOTE 53** Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Company's Chairman and Managing director (CMD) is identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however, the Company is primarily engaged in only one segment viz., 'Real Estate/Real Estate Development and Related Activities' and that most of the operations are in India. Hence, the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

**NOTE 54** The Company's normal operating cycle in respect of operations relating to under construction real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects and other business is based on 12 months period. Assets and liabilities have been classified into current and non-current based on the operating cycle of respective projects.

**NOTE 55** The accounts of certain trade receivables, trade payables and loans and advances are, however, subject to formal confirmations or reconciliations and consequent adjustments, if any. However, there is no indication of dispute on these accounts, other than those mentioned in the financial statements. The management does not expect any material difference affecting the current year's financial statements on such reconciliation/ adjustments.

**NOTE 56** The Company is a partner in a partnership firm, Kanaka & Associates, in which the Company has total exposure comprising of capital invested, loans given and other receivables aggregating to ₹ 1397.42 lakhs (Previous Year ₹ 1179.55 lakhs). Since, there is some dispute with the other partner, the financial statements of the firm are not available and therefore, the Company has not accounted for its share of profit or loss for the year from the said firm. The management is hopeful of recovering/ realising the aforesaid exposure in due course of time, as the Company has received the favourable arbitration award and hence, no provision is considered necessary at this stage.

**NOTE 57** The Company has overdue trade receivables of ₹ 1,203.50 Lakhs (Previous Year ₹ 1,203.50 Lakhs) in respect of which necessary steps for its recovery has been taken including filing of legal case. The management is confident of recovering the said due and therefore no provision, in their opinion, is considered necessary at this stage.

**NOTE 58** As the Company is engaged in the business of providing infrastructure facilities, the provisions (including disclosure requirements) of Section 186 of the Companies Act, 2013 with respect to loans made, guarantee given or security provided, are not applicable to the Company.

### **NOTE 59 COMMON CONTROL MERGER**

The Hon'ble National Company Law Tribunal (NCLT), vide its order dated 8th August, 2019, approved the Scheme of Amalgamation/Arrangement (the "Scheme") for the merger of wholly owned subsidiaries, Amenity Software Private Limited, Magenta Computer Software Private Limited and Sunteck Fashions & Lifestyles Private Limited (hereinafter collectively referred to as the "Transferor companies") with the Company (hereinafter referred to as the "Transferee company"). As per the said scheme, the appointed date is 1st April, 2018. The Scheme became effective upon filing of NCLT order with the Registrar of Companies.

Pursuant to the said Scheme, all assets and liabilities of Transferor companies were transferred to and vested in the Transferee company from the appointed date, however, in this financial statements, amalgamation has been accounted for, using the pooling of interest method, effective from the beginning of the preceding period, i.e. 1st April, 2018, as specified under the Appendix C of the Ind AS 103 - "Business Combinations". The assets and liabilities of the Transferor companies are recorded at their carrying amounts and balance of post-acquisition retained earning has been





## Notes to standalone financial statement (Contd.)

transferred to general reserves. Investment of the Transferee company in the equity shares of Transferor companies has been cancelled. The difference between the amount of investments cancelled by the Transferee company and aggregate amount of share capital and pre-acquisition reserves of the Transferor companies has been recorded as Common control transactions capital reserve. Formal transfer, in statutory records, of immovable property in the name of the Company will be done in the due course.

### NOTE 60 EVENTS OCCURRING AFTER BALANCE SHEET DATE:

- a) The Board of Directors have recommended a equity dividend of ₹ 1.50 (Previous Year ₹ 1.50) per equity share of the face value of ₹ 1 each to the shareholders other than Promoter/Promoter group and ₹ 0.75 (Previous Year ₹ 1.50) per equity share of the face value of ₹ 1 each to Promoter/Promoter group for the financial year 2019-20. (refer note no. 47).
- b) The standalone financial statements were approved for issue by the Board of Directors on 28th July, 2020.

### NOTE 61 IMPACT OF COVID 19

The Company is actively monitoring and assessing the impact of the pandemic relating to COVID-19 on the carrying amounts of interalia its receivables, inventories, investments and other assets & liabilities. To arrive at the assessments, as on the date of these approved standalone financial statements, the assumptions used by the Company factors both internal and external sources of information relating to the possible future economic uncertainties because of this ongoing pandemic. Currently, the Company has concluded that the impact of COVID - 19 is not material based on these estimated assessments. However, due to the uncertain nature of the pandemic, the Company will continue to monitor any material developments to identify future risks, if any.

### NOTE 62 RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate affairs (MCA) notifies new standards or amendment to the existing standards. There is no such notification which would have been applicable from April 01, 2020

**NOTE 63** Figures pertaining to previous year have been regrouped/ reclassified wherever found necessary to conform to current year's presentation.

Signatures to Notes No 1 to 63

### For and on behalf of the Board of Directors of Sunteck Realty Limited

#### Kamal Khetan

Managing Director  
(DIN: 00017527)

#### Atul Poopal

Director  
(DIN: 07295878)

#### Ramakant Nayak

Director  
(DIN: 00129854)

#### Kishore Vussonji

Director  
(DIN: 00444408)

#### Sandhya Malhotra

Director  
(DIN: 06450511)

#### Manoj Agarwal

Chief Financial Officer  
(DIN: 01982024)

#### Rachana Hingarajia

Director and Company Secretary  
(DIN: 07145358)

**Place:** Mumbai

**Date :** 28<sup>th</sup> July, 2020





**Corporate Office:**

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