

# SUMIT WOODS LIMITED

CIN:L36101MH1997PLC152192

**Registered Off:** - B-Wing, Office No-1101, Opp. Reliance Office, Express Zone, W.E.Highway,  
Malad-East Mumbai 400097 **Tel.:** 022- 2874 9966 177 **Fax:**022-2874 3377 **Email:**

[contact@sumitwoods.com](mailto:contact@sumitwoods.com) Web: [www.sumitwoods.com](http://www.sumitwoods.com)

**September 7, 2020**

To,  
The Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C/1,  
G-Block, Bandra Kurla Complex,  
Mumbai-400051

Dear Sir/ Madam,

**Ref:** Sumit Woods Limited  
**Symbol:** SUMIT

## **Sub: Annual Report for the Financial Year 2019-20**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2019-20 as per provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

The above is also uploaded on the Company's website viz. [www.sumitwoods.com](http://www.sumitwoods.com) and the portal of the stock exchange, where the securities of the Company are listed.

Thanking You,

Yours Faithfully

**For SUMIT WOODS LIMITED**  
**(formerly known as Sumit Woods Private Limited)**

**BHUSHAN**  
**NEMLEKA**  
**R AUTH**

Digitally signed by BHUSHAN  
NEMLEKAR AUTH  
DN: c=IN, cn=BHUSHAN  
NEMLEKAR AUTH,  
o=MITASU,  
email=bhushannemlekar@su  
mitwoods.com  
Date: 2020.09.07 12:19:17  
+05'30'

**Bhushan Nemlekar**  
**Whole-Time Director**  
**DIN: 00043824**

# ANNUAL REPORT 2019-2020



# SUMIT WOODS LIMITED



# AR ENCIEL

MULUND WEST

A Project by,  
SUMIT SHREEJI GROUP

Site Address.:

CTS No. 698A/A, Raghavendra  
Swami Road, Off Goregaon  
Mulund Link Road, Near  
Sarvodaya Nagar, Mulund  
West. Mum 80

Project MahaRERA Registered with number : P51800021946 and available at <http://maharera.mahaonline.gov.in> under registered projects.



❖ Corporate Information	1
❖ Message from Executive Directors	3
❖ Notice	5
❖ Route Map	10
❖ Directors' Report	11
❖ Management Discussion & Analysis	17
❖ Corporate Governance Report	22
❖ Auditors' Certificate on Corporate Governance	38
❖ Standalone Financial Statements	40
❖ Form AOC-1	84
❖ Consolidated Financial Statements	86
❖ Annexures to Directors' Report	126
❖ Extract of Financial Statements of Subsidiaries	135
❖ Proxy Form	137
❖ Attendance Slip	139



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

<b>Mr. Gurunath Malvankar</b>	Chairman Non-Executive and Independent Director
<b>Mr. Mitaram Jangid</b>	Managing Director
<b>Mr. Bhushan Nemlekar</b>	Whole-Time Director
<b>Mrs. Pooja Chogle</b>	Non-Executive and Independent Director
<b>Mr. Subodh Nemlekar</b>	Non-Executive Director



G.Malvankar



M.Jangid



B.Nemlekar



P.Chogle



S.Nemlekar

### Management Committee

Mr. Bhushan Nemlekar- Chairman  
Mr. Mitaram Jangid- Member  
Mr. Subodh Nemlekar- Member

### Audit Committee

Mr. Gurunath Malvankar- Chairman  
Mrs. Pooja Chogle- Member  
Mr. Bhushan Nemlekar- Member

### Nomination and Remuneration Committee

Mrs. Pooja Chogle - Chairman  
Mr. Gurunath Malvankar - Member  
Mr. Subodh Nemlekar - Member

### Stakeholders' Relationship Committee

Mr. Gurunath Malvankar- Chairman  
Mr. Mitaram Jangid- Member  
Mrs. Pooja Chogle- Member

### Corporate Social Responsibility Committee

Mr. Bhushan Nemlekar- Chairman  
Mr. Mitaram Jangid- Member  
Mr. Gurunath Malvankar - Member

### Banker

ICICI Bank

### Statutory Auditor

M/s. SSRV & Associates

### Secretarial Auditor

M/s. SCP & Co.

### Internal Auditor

M/s. Arunkumar Shah & Co.

## **Company Secretary and Compliance Officer**

Ms. Sayli Munj (Resigned w.e.f. March 26, 2020)

Ms. Pujadevi R. Chaurasia (Appointed w.e.f July 9, 2020)

## **Chief Financial Officer**

Mrs. Priyanka Waghela

## **Registered and Corporate Office**

B -1101, Express Zone, Diagonally Opp. To Oberoi Mall, W.E. Highway,, Malad (East), Mumbai- 400097

Email : [cs@sumitwoods.com](mailto:cs@sumitwoods.com) Website :

[www.sumitwoods.com](http://www.sumitwoods.com)

## **Registrar and Share Transfer Agents**

M/s. Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East),  
Mumbai - 400059, Maharashtra.

Email: [marketing@bigshareonline.com](mailto:marketing@bigshareonline.com)

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

## Letter to Shareholders

### Message from Executive Directors

We hope that you, your families, and loved ones are safe and doing well. We write to you amidst uncertain times. The global spread of COVID 19 and India's lockdown have created an economic environment filled with uncertainty and risk.

**“We believe that Real Estate is a local business. The Government is talking about Vocal for Local. We have been following this for years”.**

We have seen the unprecedented time in last 3 months where the whole world has come to a standstill and across the world by virus COVID 19. All across communities, cities, countries came to a pause and stand still. Due to the coronavirus pandemic, one cannot think of a business that has not been impacted. The pandemic has hit the markets very hard as most parts of the India are shut down to contain the spread of the deadly virus and Real estate is one of the worst affected sectors.

Once in a century event happened. May be the biggest PANDAMIC of 21st century. MUMBAI has been in the hot spot for the pandemic and we all Mumbaikar and fighting it together. Being from real estate industry I feel by providing home to more than 5000 esteem customer. We at Sumit Group made 5000 families feel safe in there homes in this times. This crisis will change the way we go about our life in future lot of new models of Business will emerge. With “Real Estate hi Real hain” we at Sumit Group will be looking at projects with more details in future

Amid the nation-wide lockdown and Coronavirus cases, Goa was the first state declared as green Zone. Due to the lockdown announced both, construction and sales activity had come to a complete halt in Goa. The MHA's decision to allow migrant workers to leave the state will impact on construction activities in Goa in the days to come. Availability of workforce after monsoon is going to be a key aspect. I am looking forward to more enthusiasm from our dear employee strength and management as well, taking well into consideration our progressive responsible roles amid such challenging times.

We at Sumit Group believe in value rather than validation. Developers are running against time to finish already delayed projects and face cost escalation besides likely heavy penalties in case of further delays. But that seems inevitable now. The scenario implies that the construction work will be slow, pushing costs upward given the interest and debt servicing needed for that extra period.

We need to place new strategies or review the existing ones to overcome the impact of the pandemic on the construction industry; I feel it will be too early to predict the solution to the difficult and stagnant market as we are still in a fire fighting mode to the whole situation. We have to totally overhaul the system to find an adaptable environment where people can start living with Covid 19 Virus.

We are doubtful about the number of workforce returning to the sites after the monsoon which will affect the pace of our projects. Activity may slow down, no doubt, but it won't stop. Sales is also affected as many people have postpone their purchases due to uncertainty in the market and financial factors but those who can afford and are looking out for a property

with a price correction will be at an advantage. Also, few buyers showed a strong affinity towards ready to move in flats. Few buyers who were in the market looking to buy a Flat before the pandemic are still planning to buy their homes within a year. We feel that that real estate is still the best option to invest followed by fixed deposit, gold and the stock market.

The Government and RBI are both looking at reviewing the economy. With reduction in home loan being the lowest in last 15 years, this is the best time to buy your dream home. We will see Real Estate activities picking up pace once the economy re-opens. We at Sumit Woods Ltd wish to change as per time and we will thrive in that direction. In this tough times we want to thank all our employees, suppliers, shareholders, contractors and customers for maintaining trust on Sumit Group. We are starting after pause and will jump higher than before!

The State Government has provided concession rates in stamp duty for the next two quarters. This will prove to be beneficial to us as well as the buyers.

**Mitaram Jangid**  
Managing Director

**Bhushan Nemlekar**  
Whole-Time Director





# ANNUAL REPORT 2019-2020

## SUMIT WOODS LIMITED

CIN: L36101MH1997PLC152192

**Registered Office:** B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East),  
Mumbai – 400097

**Tel. No.:** +91-022 2874 9966 / 77 | **Fax No.:** +91-022 2874 3377

**E-mail:** cs@sumitwoods.com **Website:** www.sumitwoods.com

To,

The Members,

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Members of Sumit Woods Limited will be held at the registered office of the Company at B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097 on Tuesday, the 29th day of September 2020 at 04:00 P.M for the purpose of transacting the following business:

### ORDINARY BUSINESS

1. To consider and adopt:

a) The Audited Standalone Financial Statement of the Company for the Financial Year ended 31st March, 2020, together with the Reports of the Board of Directors and the Statutory Auditors thereon; and

b) The Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2020, together with the Report of the Statutory Auditors thereon.

2. To appoint a Director in place of Mr. Bhushan Subodh Nemlekar, (DIN: 00043824), who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board of Directors for

Sumit Woods Limited  
(formerly known as Sumit Woods Private Limited)

Sd/-  
Bhushan Nemlekar  
Whole-Time Director  
DIN:00043824

Date: September 05, 2020

Place: Mumbai

Regd. Office:

B - 1101, Express Zone,  
Diagonally Opp. to Oberoi Mall,  
W.E. Highway, Malad (East),  
Mumbai – 400097

### Notes:

a) No Special business is proposed to be transacted at the Annual General Meeting and thus the Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, is not provided thereto.

**b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

In order that the appointment of a proxy is effective, the instrument appointing a proxy must be received at the Registered Office of the Company not later than forty-eight hours before the commencement of the Meeting.

c) A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other Member.

d) Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with the specimen signature(s) of their representative(s) who are authorized to attend and vote on their behalf at the Meeting.

e) Members, Proxies and Authorized Representatives are requested to bring to the Meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DPID and Client ID/Folio No.

f) In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.

g) Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days, during the office hours except Saturdays, Sundays and all public holidays up to the date of the Meeting.

h) The Register of Members and Share Transfer Books of the Company shall remain closed from

Wednesday, 23rd September, 2020 to Tuesday, 29th September, 2020, both days inclusive for purpose of holding the AGM.

i) SEBI, vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, amended Regulation 40 of SEBI Listing Regulations pursuant to which after 5th December, 2018 transfer of securities could not be processed unless the securities are held in the dematerialized form with a depository. The said deadline was extended upto 31st March, 2019.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode.

## **General Information on voting through electronic means/Ballot:**

i) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and sub clauses (1) & (2) of Clause 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Company is offering e-voting facilities to its Members in respect of the business to be transacted at the 24<sup>th</sup> Annual General Meeting. The Company has engaged the services of National Securities Depository Limited (NSDL) as the authorized agency to provide the e-voting facility. It is clarified that it is not mandatory for a Member to vote using remote e-voting facility.

ii) In order to facilitate those Members, who do not wish to use the remote e-voting facility, the Company is enclosing a Ballot Form. Resolutions passed by Members through remote e-voting or ballot forms are deemed to have been passed as if they have been passed at the Annual General Meeting (AGM) of the Company.

iii) The facility for e-voting shall also be made available at the venue of the AGM for those Members who have not cast their votes earlier.

iv) Members who have cast their votes by remote e-voting or by Ballot Form prior to the AGM may also attend the Meeting but they shall not be entitled to cast their votes again.

M/s SCP & Co., Practicing Company Secretaries, have been appointed as the Scrutinizer for overseeing the physical voting and remote e-voting process in a fair and transparent manner.

v) The Scrutinizer shall submit his report to the Chairman. The results declared along with the report of

the Scrutinizer will be placed on the website of the Company [www.sumitwoods.com](http://www.sumitwoods.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of passing the resolutions at the AGM. The results will also be uploaded on the NSE-NEAPS Portal.

vi) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting.

## **Procedure for e-Voting as prescribed by NSDL:**

### **How to vote electronically using NSDL e-Voting system?**

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

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

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

### **Step 1: 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 e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID</b>
<b>For Members who hold shares in demat account with NSDL</b>	8 character DPID followed by 8 Digit Client ID For example if your DPID 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</b>	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
<b>For Members holding shares in Physical Form</b>	EVEN Number followed by Folio Number registered with the Company For example, if folio number is A00005 and EVEN is 110406 then user ID is 110406A00005

## 5. Your password details are given below:

a. If you are already registered for e-voting, then you can use your existing password to log-in 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, your “initial password” is communicated to you through post at your registered address.

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 is available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

b) Click on “Physical User Reset Password?”(If you are holding shares in physical mode), option is available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

c) If you are still unable to get the password by the 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, PAN, name and registered address.

7. After entering your password, tick on Agree to “Terms and conditions” by selecting on the check box.

Now, you will have to click on “Login” button.

After you click on the “Login” button, Home page of e-Voting will open.

## Details on Step 2 are given below:

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

1. After successful log-in 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 clicking 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 the Company.

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. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [corporateissues1991@gmail.com](mailto:corporateissues1991@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer to 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)

## Additional Information:

1. Members are requested to update their mobile numbers and email IDs in the user profile details of the folio, which may be used by the Company for sending future communication(s) to them.

2. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice, holds shares as of the cut-off date i.e. Tuesday, 22nd September, 2020, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if the Member is already registered with NSDL for remote e-voting then he/she can use his/her existing User-ID and password for casting the vote.

i) The e-voting period commences on Saturday, 26<sup>th</sup> September, 2020 (9.00 a.m. IST) and ends on Monday, 28<sup>th</sup> September, 2020 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on Tuesday, 22<sup>nd</sup> September, 2020, may cast their votes by remote e-Voting. The remote e-Voting module will be disabled by NSDL for voting thereafter.

ii) Members who opt to cast their votes by physical ballot may send the duly completed Ballot Form (enclosed with the Annual Report) to the Scrutinizer in the enclosed postage pre-paid self-addressed envelope. Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted. Members have the option to request for duplicate copy of the

Ballot Form by sending an e-mail to [cs@sumitwoods.com](mailto:cs@sumitwoods.com) by mentioning their Folio No./DP ID and Client ID No.

Ballot Forms received after this date will be treated as invalid.

iii) A Member can opt for only one mode of voting i.e. either through e-Voting or by Ballot. If a Member casts vote by both modes, then voting done through e-Voting shall prevail and Ballot shall be treated as invalid.

The Scrutinizer shall, within a period not exceeding two working days from the conclusion of the e-Voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Report of the votes cast in favour or against, if any, forthwith to the Chairman or such person authorized by him in this behalf.

By Order of the Board of Directors  
for **Sumit Woods Limited**  
(formerly known as **Sumit Woods Private Limited**)

Sd/-  
**Bhushan Nemlekar**  
**Whole-Time Director**  
**DIN: 00043824**

**Registered Office:**  
B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall,  
W.E. Highway, Malad (East), Mumbai – 400097

**Place:** Mumbai  
**Date:** September 05, 2020



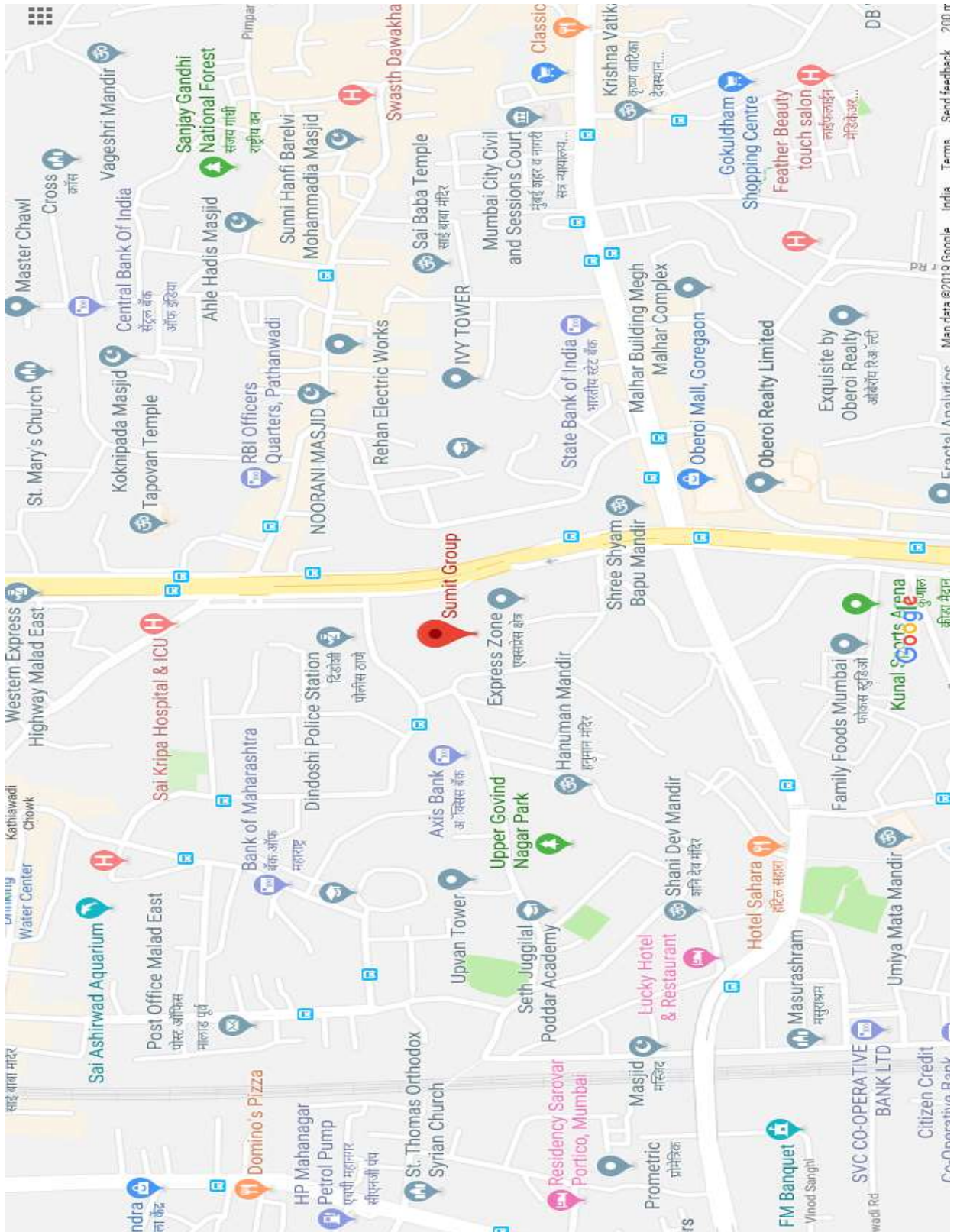
## Profile of Director

**Details of Directors proposed to be appointed/re-appointed as required under  
Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015 under Secretarial Standard-2.**

<b>Name of the Director</b>	<b>Mr. Bhushan Subodh Nemlekar</b>
<b>Director Identification Number</b>	<a href="#">00043824</a>
<b>Date of Birth</b>	15/04/1978
<b>Nationality</b>	Indian
<b>Qualification</b>	Alumni of Harvard Business School
<b>Date of Appointment on Board</b>	11/12/2002
<b>Shareholding</b>	16,09,090
<b>Brief Profile of the Director</b>	Mr. Bhushan Nemlekar is a Promoter and Whole time Director of the Company. He has Strong Experience in construction industry for last 15 years. He started his career from Sumit Group and involved in Finance and Sales Activities of the Business. Good command on Management of Business, Wants to Expand Sumit Group in all Aspects.
<b>Expertise in specific functional areas</b>	Mr. Bhushan Nemlekar is involved in Finance and Sales Activities of the Business and has good command on Management of Business
<b>List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)</b>	NIL
<b>Memberships/ Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies including Sumit Woods Limited</b>	Audit Committee Member Sumit Woods Limited
<b>Details of Board/ Committee Meetings attended by the directors during the year</b>	Please refer Corporate Governance Report

## MAP SHOWING LOCATION OF THE VENUE OF 24TH ANNUAL GENERAL MEETING OF SUMIT WOODS LIMITED

**VENUE:** B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097



**DIRECTORS' REPORT**

Your Directors delightfully present the 24th Annual Report on the business and operation of the Company together with the Audited Financial Accounts (Consolidated and Standalone) for the year ended 31st March, 2020

**FINANCIAL HIGHLIGHTS****(Rupees in Lakhs)**

Particulars	Consolidated		Standalone	
	2020	2019	2020	2019
<b>Total Turnover</b>	4871.09	5387.45	976.41	1,985.75
<b>Other Income</b>	125.11	281.26	83.03	105.54
<b>Profit/(Loss) before Finance Cost, Depreciation &amp; Amortisation and Taxation</b>	1,585.64	1,295.94	717.45	1,006.78
<b>Less: 1. Finance Cost</b>	651.01	727.34	308.36	343.55
<b>2. Depreciation &amp; Amortisation</b>	67.48	77.04	45.86	52.12
<b>Profit/ (Loss) Before Taxation</b>	867.15	491.56	363.23	611.10
<b>Less: Provision for Taxation</b>				
<b>Current Tax</b>	223.13	230.20	88.92	136.69
<b>Deferred Tax</b>	0.57	15.80	0.57	15.80
<b>Net Profit/(Loss) for the Year</b>	643.45	245.56	273.74	458.61
<b>Less: Income Tax paid for earlier year</b>	-	-	-	-
<b>Profit/(Loss) after Taxation</b>	643.45	245.56	273.74	458.61
<b>Add: Other Comprehensive Income</b>	1.81	1.53	1.81	1.53
<b>Total Comprehensive Income</b>	601.27	608.72	275.55	460.14
<b>Add : Balance of Profit (Loss) from earlier years and From JV and LLP</b>	-	-	-	-
<b>Amount available for Appropriations</b>	601.27	608.72	275.55	460.14
<b>Add: Transfer from Debenture Redemption Reserve</b>	-	-	-	-
<b>Less: Dividend</b>	-	-	-	-
<b>Tax on distributed Profits</b>	-	-	-	-
<b>Balance carried forward</b>	601.27	608.72	275.55	460.14

**Notes:** Previous years' figures have been reclassified/regrouped wherever necessary, to correspond with those of the current year.

**STATE OF COMPANY'S FINANCIAL AFFAIR****Consolidated Financials**

During the year under review, your Company's consolidated total revenue stood at Rs.4,996.20 lakh as compared to Rs.5,668.71 lakh for the previous year, representing a decrease of 11.86%; profit before tax stood at Rs.823.16 lakh for the year under review as compared to Rs 853.19 lakh for the previous year representing an decrease of 3.52%; and the total comprehensive income stood at Rs. 601.27 lakh as compared to Rs.608.72 lakh for the previous year representing an decrease of 1.22%.

**Standalone Financials**

During the year under review, the total revenue stood at Rs.1,059.44 lakh as compared to Rs.2,091.29 lakh for the previous year representing decrease of 49.34%; profit before tax stood at Rs.363.23 lakh for the year under review as compared to Rs. 611.11 lakh for the previous year representing a decrease of 40.56%; and the total comprehensive income stood Rs 1.81 lakh for the year under review as compared to Rs 1.53 lakh previous year.

## SHARE CAPITAL

The entire share capital of the Company is listed and traded on National Stock Exchange of India Limited. The Board of Directors of the Company at its meeting held on July 22, 2019 at the registered office of the Company has allotted Bonus Equity Shares in the ratio of 1(One) equity shares of face value of Re.10/- (Rupees Ten) each fully paid up for every 1 (One) equity share of face value of Re.10/- (Rupees Ten) each approved by the Shareholders of the company in the Annual General Meeting dated July 04, 2019 in a ratio of 1:1, by capitalizing the free reserves and securities premium account.

## NATURE OF BUSINESS

The Company is engaged in the activities of Real Estate Development. On the real estate development front, the Company develops residential, commercial, retail and social infrastructure projects.

## CHANGE IN THE NATURE OF BUSINESS

During the year the Company has not changed its business.

## TRANSFER TO RESERVES

It is not proposed to transfer any amount to reserves out of the profits earned during FY 2019-20.

## DIVIDEND

Your Directors are having a view of conserving the resources of company, and for that reason the directors are not recommending any dividend.

## DEPOSITS

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as „Deposits“ in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

## MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no other material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2020 and the date of this Report, other than those disclosed in this Report.

## PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company is an equal opportunity provider and continuously strives to build a work culture which promotes the respect and dignity of all employees across the Organization. In order to provide women employees a safe working environment at workplace and also in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under, the Company has formulated a well-defined policy on prevention, prohibition and redressal of complaints relating to sexual harassment of women at the workplace. All women who are associated with the Company—either as permanent employees or temporary employees or contractual persons including service providers at Company sites are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees.

No complaints pertaining to sexual harassment of women employees from any of the Company's locations were received during the year ended 31st March, 2020.

## CORPORATE GOVERNANCE

Reports on Corporate Governance and Management Discussion and Analysis, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), along with a certificate from Auditors regarding compliance of the Corporate Governance are given separately in this Annual Report.

All Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the financial year 2019-20. A declaration to this effect signed by the Chief Financial Officer of the Company is contained in this annual report.



## **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of Company, Mr. Bhushan Nemlekar retires by rotation and being eligible, offers himself for re- appointment. Brief details of Mr. Bhushan Nemlekar as required under Regulation 36(3) of Listing Regulations are provided in the notice of the ensuing Annual General Meeting. The members' approval is being sought at the ensuing Annual General Meeting for the above appointment.

The Company has received declarations from all the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Regulation 16(1)(b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Ms. Pujadevi R. Chaurasia was appointed as a Company Secretary and Compliance Officer of the Company with effect from July 09, 2020 based on the recommendation of the Nomination and Remuneration Committee of the Board.

During the year under review, Ms. Sayli Munj resigned from the position of Company Secretary with effect from March 26, 2020.

## **REMUNERATION POLICY AND CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT AS DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR LEADERSHIP POSITIONS**

The Company has in place a policy for remuneration of Directors, Key Managerial Personnel and Employees of senior leadership Position as well as well-defined criteria for the selection of candidates for appointment to the said positions which has been approved by the Board. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the executive and non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel. The criteria for selection of candidates for the above positions cover the various factors and attributes which are considered by the Nomination & Remuneration Committee and the Board of Directors while making a selection of the candidates. The above policy along with the criteria for selection is available at the website of the Company at

<http://www.sumitwoods.com/images/policies/Nomination%20and%20Remuneration%20Policy.pdf>

## **FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS**

The Company has over the years developed a robust familiarization process for the newly appointed directors with respect to their roles and responsibilities, way ahead of the prescription of the regulatory provisions. The process has been aligned with the requirements under the Act and other related Regulations. This process inter-alia includes providing an overview of the Real Estate Industry, the Company's business model, the risks and opportunities etc. Details of the Familiarization Programme are explained in the Corporate Governance Report and are also available on the Company's website at

<http://www.sumitwoods.com/images/policies/Familiarization%20for%20Independent%20Directors.pdf>

## **BOARD EVALUATION**

The Board has carried out its annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration, Risk Management and Compliance Committees as mandated under the Act and SEBI Listing Regulations. The criteria applied in the evaluation process are explained in the Corporate Governance Report.

## **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the year 8 (Eight) Board Meetings, 6 (Six) Audit Committee Meetings and 1 (One) Nomination and Remuneration Committee Meeting were convened and held. Details of meetings of the Board and its committees along with the attendance of the Directors therein have been disclosed in the Corporate Governance Report.

## **DETAILS OF REMUNERATION TO DIRECTORS**

The information relating to remuneration of Directors and details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to section 197(12) of the Act read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure 4 to the report

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

Particulars of guarantees or Investments covered under section 186 of the Companies Act, 2013, have been given or provided during the year are provided in Annexure 5 to the report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Company has developed a Related Party Transactions Manual and Standard Operating Procedures for the purpose of identification and monitoring Related Party transactions. All transactions with Related Parties are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are foreseeable and of a repetitive nature. The transactions entered into pursuant to the approvals so granted are subjected to audit and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors on a quarterly basis. The statement is supported by a certificate from the Whole-Time Director. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website and can be seen at the link <http://www.sumitwoods.com/images/policies/Policy%20on%20Related%20Party%20Transactions.pdf>. During the year, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

None of the Directors and the Key Managerial Personnel has any pecuniary relationships or transactions vis-à-vis the Company.

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

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The Whistle Blower Policy is posted on the website of the Company and the web-link to the same is <http://www.sumitwoods.com/images/policies/Whistle%20Blower%20,Vigil%20Mechanism%20Policy.pdf>

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has adequate internal financial controls in place with reference to financial statements. These are continually reviewed by the Company to strengthen the same wherever required. The internal control systems are supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by the Management. The Audit Committee of the Board addresses issues raised by both, the Internal Auditors and the Statutory Auditors.

## **SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES**

The Company has Two Subsidiary Company Mitasu Developers Private Limited and Mitasu Developers Private Limited (The Company was incorporated on August 19, 2019). Both company is not material subsidiary as per the thresholds laid down under the SEBI Listing Regulations.

Policy for determining material subsidiaries in line with the SEBI Listing Regulations. The Policy is also being revised effective from 1st April, 2019 in line with the amendments made to the SEBI Listing Regulations. The Policy has been uploaded on the Company's website at: <http://www.sumitwoods.com/images/policies/Policy%20for%20Determining%20Material%20Subsidiaries.pdf>

## **RISK MANAGEMENT POLICY**

The Company has a well-defined risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risks associated with the business of the Company. Although the Company is not mandatorily required to constitute the Risk Management Committee, but to ensure effective risk management the Board of Directors constituted the Risk Management Committee to monitor and review risk management, assessment and minimization procedures and to identify, review and mitigate all elements of risks which the Company may be exposed to.

The Company recognizes that risk is an integral and unavoidable component of its business. Hence, the Company has adopted a Risk Assessment and Management policy ("Policy") to formalize risk based decision-making

together with management processes. Risks are managed through a formal risk process as set forth in the Policy. This policy articulates the requirements for processes which include identifying, assessing, measuring, and monitoring risk activities across the organization and establishes governance roles for risk management.

## AUDITORS

### Statutory Auditors

M/s. SSRV & Associates., Chartered Accountants, Mumbai, (FRN - 135901W) appointed as Statutory Auditors of the Company at the 22nd AGM held on 30th September 2017 till the conclusion of 27th AGM to be held in 2022 subject to ratification of their appointment by the Members at every intervening Annual General Meeting held thereafter. The requirement of seeking ratification of the members for continuance of their appointment has been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2017 with effect from 7th May, 2018. Hence the resolution seeking ratification of the members for their appointment is not being placed at the ensuing Annual General Meeting.

### Secretarial Auditor

A Secretarial Audit Report given by M/s. SCP & Co., Practicing Company Secretaries is annexed with the report as Annexure 2 and forms an integral part of this Report. The report is self-explanatory and do not call for any further comments.

## PARTICULARS OF EMPLOYEES

There are no employees drawing remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Information as required under the provisions of Rules 5(2) & 5(3) of the Companies appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Directors' Report.

## LISTING WITH STOCK EXCHANGES

Earlier the Equity Shares of the Company was listed on the Emerge-the SME Growth Platform of National Stock Exchange at Mumbai with effect from 10th September, 2018. The Listing & Trading of equity shares of the Company have migrated from SME platform to Capital Market Segment (Main Board) w.e.f July 30, 2019

## TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

## INSIDER TRADING REGULATIONS

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading and the Code for Corporate Disclosures ("Code"), as approved by the Board from time to time, are in force by the Company.

## CORPORATE SOCIAL RESPONSIBILITY

The Annual Report on CSR activities for the financial year 2019-20 is enclosed as Annexure 1.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

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

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per section 134(3)(2) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2020 are provided under Annexure 3 to this report.

## BUSINESS RESPONSIBILITY REPORTING

A separate section on Business Responsibility forms part of this Annual Report as required under Regulation 34(2)(f) of SEBI Listing Regulations

## ANNUAL RETURN

The Annual Return of the Company has been placed on the website of the Company and can be accessed at <http://sumitwoods.com/investors.php> Pursuant to the provisions of Section 92(1) of the Companies Act, 2013 as amended by the Companies Amendment Act, 2017

## COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board and its Committees which have mandatory application.

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Act:

- a) that in the preparation of the annual financial statements for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note 1 of the Notes to the Accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2020, and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis;
- e) that proper internal financial controls laid down by the Directors were followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively.

## ACKNOWLEDGMENTS

The Directors would like to thank all the Stakeholders including Financial Institutions, Banks, Government Authorities, Power Utilities, Regulators, Customers, Vendors and Members for their continued support to the Company.

Your Directors also wish to place on record their deep sense of appreciation for the excellent services of the employees at all levels and all other associated with the Company.

**By Order of the Board of Directors  
for Sumit Woods Limited  
(formerly known as Sumit Woods Private Limited)**

**Sd/-  
Bhushan Nemlekar  
Whole-Time Director  
DIN: 00043824**

**Registered Office:**  
B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall,  
W.E. Highway, Malad (East), Mumbai – 400097

**Place:** Mumbai  
**Date:** September 05, 2020



## MANAGEMENT'S DISCUSSION & ANALYSIS

The following management's discussion and analysis ("MD&A") is intended to assist readers in understanding Sumit Woods Limited (the "Company" or "Sumit Group"), its business environment, strategies, performance, and outlook and the risks applicable to Sumit Group. It should be read in conjunction with our consolidated financial statements and accompanying notes (the "financial statements") for the year ended 31st March, 2020.

The global economies are facing a synchronized slowdown, resulting from a variety of factors affecting the world. The outbreak of coronavirus 2019 (COVID19) has globally disrupted people's lives, interrupted businesses and jeopardized decades of development progress. According to The World Economic Outlook (WEO) update, global economic growth has been downgraded to 2.4% in 2019, which is its slowest pace since the global financial crisis of 2008. The decline in growth is the outcome of rising trade tensions between large economies, rising uncertainty surrounding trade and geopolitical issues; along with individual macroeconomic problems such as low productivity growth in emerging economies and aging population in advanced economies. To add to the existing issues, the pandemic outbreak has worsened the economic environment. The crisis is the result of the needed containment measures that forced policymakers to take extreme steps in the form of huge fiscal stimuli to encourage economic activity. With considerable uncertainty around the world due to the pandemic, its macroeconomic fallout, and the associated impact on financial and commodity markets, the World Economic Outlook has estimated global growth to decline by 5.2% in 2020 before recovering by 4.2% in 2021.

## INDIAN ECONOMY

Real Estate is a multiplier and many industries are directly or indirectly connected to it. Cement, Steel and many industries rely on Real Estate. It's one of the highest Job creator for India.

When Real estate is bought, Government earns around 28% of what a Buyer pays in form of direct or indirect tax. Real Estate sector alone can change the economy of our country. Post lockdown, the biggest challenge for the real estate sector would be restarting the construction work as a great percentage of migrant labourers have gone back to their hometown and would take time to come back.

The Indian economy decelerated sharply in the fourth quarter at 3.1%, lowest in almost 17 years, after growing at 4.1% in Q3 FY20. As per the Central Statistics Office (CSO), GDP growth for FY20 stood at an 11-year low of 4.2% lower than the government projection of 5.0% in both first and second advance estimates. The country's fiscal deficit worsened to 4.59% of GDP, much beyond the targeted 3.8% of GDP and expected to worsen further with the dip in tax collection and revenue shortage due to the subsequent effects of lockdown on the economy. The core sector contracted by a record 38% in April as the lockdown hit all eight infrastructure sectors. According to the CSO, country's factory output growth contracted to 0.7% in FY20, as against expansion of 3.8% in FY19. Consumer durables output, an indicator of urban demand, contracted by 8.4% in FY20, compared with a growth of 5.5% in FY19.

With the lockdown scenario, consumption and investments are expected to be severely impacted in the first quarter. The gross fixed capital formation is likely to decline with rising risk perception and uncertainty around the pandemic. RBI has cut the repo rate by 40 bps to 4.0% in May 2020, which is the lowest ever and rolled out a range of measures to preserve financial stability and counter the economic impact of COVID19.

## REAL ESTATE SECTOR

The Indian real estate sector has been trying to get back on its feet and come to terms with multiple reforms and changes brought in by demonetization, RERA, GST, IBC, NBFC crisis and the subvention scheme ban. While it was a tough task for the sector to align itself with these new regulations, the measures have been instrumental to bring transparency, accountability and fiscal discipline over the last few years.

Prior to COVID19, the real estate sector was expected to grow to USD 650 billion and contribute around 13% of India's GDP by 2025 (from around 6-7% in 2017), according to ANAROCK Research. Current coronavirus outbreak is expected to derail the sector's growth momentum in the short term due to its impact on the overall slowing economy. According to industry estimates, 90% of the workforce employed in real estate and construction sector is engaged in the core construction activities, while the rest 10% is involved in other ancillary activities. Since majority of the workers are immigrants, labor shortage could possibly pose a major challenge for the sector post COVID19 lockdown.

According to the property research firm Knight Frank, the total sales volume in the top eight cities increased by a modest 1% in CY2019 to 245,861 units as the sector continued to be impacted by the prolonged crisis in the NBFC sector. While certain measures such as the consecutive rate cuts by the RBI, the reduction of GST rates to 1% for affordable housing and 5% for others and the setting up of an Alternative Investment Fund (AIF) have helped home-buyer sentiments, they've had little impact on the sales for the sector.

## MUMBAI REAL ESTATE

The Mumbai Metropolitan Region (MMR) faced a difficult year with sales dropping by 5% Year over Year (YoY) to 60,943 units in CY2019. The extent of decline has been lower in the affordable and mid-segment markets of MMR. The NBFC crisis along with looming economic slowdown has compounded the problem for real estate and the trend of strong growth in new launches in the MMR has also tapered. The launches grew by 7% YoY and stood at 79,810 units in CY2019. Developers continued to focus on right sized launches to cater to end-user demand. Affordable houses continued to dominate launches in MMR with 61% of the new launches in H2 2019 coming in the sub INR 75 lakh category. A decline in sales momentum and growth in launches led to rise in the unsold inventory levels, up 15% YoY to 145,301 units in CY2019.

### **Six (6) key emerging consumer trends in the Indian real estate sector during the Covid-19 times:**

#### **1. Home ownership is a new priority for millennial**

Covid-19 has somewhat changed the way millennials are thinking now. Out of all participants that voted for real estate as best asset class for investment, at least 55% were in the age bracket of 25-35 years as against 42% in the previous survey. Interestingly, 68% of all these millennials are end-users. Undoubtedly, physical assets render highest sense of security especially during exigencies such as Covid-19 or when stock markets plummet to new lows and financial markets witness a turmoil.

#### **2. Bengaluru, Hyderabad and MMR saw maximum bookings**

At least 82% buyers that booked just before or during the Covid-19 lockdown period claimed to have booked their homes in these three cities. Developers focusing extensively on digital sales tools are at an upper edge in crisis such as Covid-19 because despite lockdown they were able to close sales. Interestingly, the ANAROCK Group also sold 240 homes worth Rs 214.6 crore during the lockdown 1.0 period.

#### **3. Sense of security associated with physical assets & lower home loan rates key factors determining change**

Out of all the participants who were previously in no mood to purchase a piece of property but have now changed their decision during the lockdown period, a whopping 92% cited two major reasons for this sudden change – sense of security that physical assets provide during such exigencies & lower home loan interest rates, which are currently at all-time low, ranging between 7.15% and 7.8%.

#### **4. Covid-19 hasn't dented demand for affordable homes**

It was widely anticipated that the affordable segment would be the worst affected in 2020 due to Covid-19 as concerns over its target audience's limited income and fear of unemployment continue to rise. However, it doesn't seem so. Similar to the previous survey, over 36% respondents prefer properties priced within sub Rs 45 lakh budget. It is also likely that in the current Covid-19 situation many buyers having higher budget previously would have actually reduced it. Many would not want to lock-in a large amount of money in such uncertain times. Instead, they would buy a more functional house based on their current needs only.

## **5. 62% buyers prefer to pay premium & opt for developers with least execution risk**

A majority of respondents now largely favour risk-free investments. No wonder, demand for developers having least execution risk is at all-time high, even if the property is relatively higher priced. In the previous survey, just 52% preferred higher-priced property from branded developers over smaller ones that sold properties at lower price, but had high execution risk – thus recording a 10% jump during Covid-19.

## **6. Over 34% investors now prefer RTM homes**

In a significant trend seen during Covid-19, unlike before many respondents seeking property from investment perspective prefer ready-to-move-in (RTM) homes. As many as 34% prefer ready homes over under construction ones probably because construction activity is completely halted across the country, inevitably leading to project delays by several months. In comparison, last survey trends indicated that just 12% investors preferred ready homes then.

## **STATE OF COMPANY'S FINANCIAL AFFAIR**

### **Consolidated Financials**

During the year under review, your Company's consolidated total revenue stood at Rs.4,996.20 lakh as compared to Rs.5,668.71 lakh for the previous year, representing a decrease of 11.86%; profit before tax stood at Rs.823.16 lakh for the year under review as compared to Rs 853.19 lakh for the previous year representing an decrease of 3.52%; and the total comprehensive income stood at Rs. 601.27 lakh as compared to Rs.608.72 lakh for the previous year representing an decrease of 1.22%.

### **Standalone Financials**

During the year under review, the total revenue stood at Rs.1,059.44 lakh as compared to Rs.2,091.29 lakh for the previous year representing decrease of 49.34%; profit before tax stood at Rs.363.23 lakh for the year under review as compared to Rs. 611.11 lakh for the previous year representing a decrease of 40.56%; and the total comprehensive income stood Rs 1.81 lakh for the year under review as compared to Rs 1.53 lakh previous year.

### **Challenges**

While the management of your Company is confident of creating and exploiting the opportunities, it also finds the following challenges:

Unanticipated delays in project approvals;  
Availability of accomplished and trained labour force;  
Increased cost of manpower;  
Rising cost of construction;  
Growth in auxiliary infrastructure facilities; and  
Over regulated environment.

### **COMPANY STRENGTHS**

Your Company continues to capitalize on the market opportunities by leveraging its key strengths. These include:

**Brand Reputation:** Enjoys higher recall and influences the buying decision of the customer given our hold on market being more than three decades. Strong customer satisfaction further results in higher premium realisations.

**Execution:** Possesses a successful track record of quality execution of projects within a period of three year since commencement of any project with contemporary architecture which fulfils the requirement of micro market and potential buyers.

**Strong cash flows:** Has built a business model that ensures continuous cash flows from their investment and development properties ensuring a steady cash flow even during the adverse business cycles as 90% of our inventory is sold before the completion of projects.

**Significant leveraging opportunity:** Follows conservative debt practice coupled with enough cash balance which provides a significant leveraging opportunity for further expansions.

**Outsourcing:** Operates an outsourcing model of appointing renowned architects / contractors that allows scalability and emphasizes contemporary design and quality construction – a key factor of success.

**Transparency:** As your company's motto states „Creating Value Building Trusts“ which reflects our strong culture of corporate governance and ensures transparency and high levels of business ethics.

**Highly qualified execution team:** Employs experienced, capable and highly qualified design and project management teams who oversee and execute all aspects of project development.

**Strong Financing:** Your company have had a good relations with various NBFCs and Bankers for funding of projects in the near past and the company is able to maintain the same status given the current industry scenario.

**Focus Points on future growth:**

Focus is on middle, upper middle class group and aspirational class in alignment with the government's aspect to provide housing for all;

Focusing more on project acquisition through joint ventures and development management model with view to achieve asset light model;

Focusing on timely completion of project by adopting new technologies in the field of constructions; and

Your company focuses on various opportunities in Mumbai and Goa in the field of Re- development and development which will ensure robust growth in revenue and profitability of company.

## **RISKS AND CONCERNS**

### **Market price fluctuation**

The performance of your Company may be affected by the sales and rental realisations of its projects. These prices are driven by prevailing market conditions, the nature and location of the projects, and other factors such as brand and reputation and the design of the projects. Your Company follows a prudent business model and tries to ensure steady cash flow even during adverse pricing scenario.

### **Sales volume**

The volume of bookings depends on the ability to design projects that will meet customer preferences, getting various approvals in time, general market factors, project launch and customer trust in entering into sale agreements well in advance of receiving possession of the projects. Your Company sells its projects in phases from the time it launches the project, based on the type and scale of the project and depending on market conditions.

### **Execution**

Execution depends on several factors which include labour availability, raw material prices, receipt of approvals and regulatory clearances, access to utilities such as electricity and water, weather conditions and the absence of contingencies such as litigation. Your Company manages the adversities with cautious approach, meticulous planning and by engaging established and reputed contractors. As your Company imports various materials, at times execution is also dependent upon timely shipment and clearance of the material.



## **Land / Development rights – costs and availability**

The cost of land forms a substantial part of the project cost, particularly in Mumbai. It includes amounts paid for freehold rights, leasehold rights, fungible FSI, construction cost of area given to landlords in consideration for development rights, registration and stamp duty. Your Company acquires land / land development rights from the government and private parties. It ensures that the consideration paid for the land is as per the prevailing market conditions, reasonable and market timed. Your Company also enters into MOUs and makes advances for the land / land development rights prior to entering into definitive agreements. The ensuing negotiations may result in either a transaction for the acquisition of the land / land development rights or the Company getting a refund of the moneys advanced.

### **Financing costs**

The acquisition of land and development rights needs substantial capital outflow. Inadequate funding resources and high interest costs may impact regular business and operations. Your Company has always tried to build sufficient reserves resulting out of operating cash flows to take advantage of any land acquisition or development opportunity.

## **CAUTIONARY STATEMENT**

This management discussion and analysis contain forward looking statements that reflects your Company's current views with respect to future events and financial performance. The actual results may differ materially from those anticipated in the forward looking statements as a result of many factors.

## CORPORATE GOVERNANCE

### REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH, 2020 CORPORATE GOVERNANCE PHILOSOPHY

Your Company firmly believes that maintaining the highest standards of Corporate Governance is the implicit rule that determines a management's ability to make sound decisions and to perform efficiently and ethically in the best interest of its shareholders and other stakeholders to create value for all.

The philosophy of Corporate Governance is a principle based approach as codified in Regulation 4(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), encompassing the fundamentals of rights and roles of various stakeholders of the Company, timely information, equitable treatment, role of stakeholders disclosure and transparency and board responsibility.

Your Company is in compliance with the requirements on Corporate Governance as they stood during FY 2019-20. A report on the compliances of Corporate Governance requirements under the Listing Regulations and the practices/ procedures followed by your Company for the year ended 31st March, 2020 is detailed below:

### BOARD OF DIRECTORS

There were five Directors on the Board of the Company as on 31st March, 2020. The Board of Directors comprises of Executive Directors and Non-Executive Directors including Independent Directors and a Woman Director. The Board is headed by Mr. Gurnath Malvankar, Non- Executive Chairman and Independent Director. Mr. Mitaram Jangid is the Managing Director and Mr. Bhushan Nemlekar is Whole-Time Director. The Board also comprises of Mrs. Pooja Chogle who is Independent Director and Mr. Subodh Nemlekar, Non-Executive Director.

Details relating to the composition of the Board of Directors, number of Directorships, Memberships and Chairmanships of the Directors of the Company in other companies as on 31st March, 2020 are as follows:

Name of the Director	Category of Director	Number of other Directorship held (including Private Companies)	Number of Committee Memberships in other domestic Companies	
			As Chairman	As Member
<b>Mr. Gurnath Malvankar</b>	Non- Executive And Independent Chairman	0	0	0
<b>Mrs. Pooja Chogle</b>	Non- Executive And Independent	0	0	0
<b>Mr. Mitaram Jangid</b>	Executive	8	0	0
<b>Mr. Bhushan Nemlekar</b>	Executive	8	0	0
<b>Mr. Subodh Nemlekar</b>	Non- Executive	5	0	0

Note: Membership/Chairmanship relates to membership of Committees referred to in Regulation 26(1) of the Listing Regulations, viz. Audit Committee and Stakeholders Relationship Committee of all public limited companies, whether listed or not and excludes private limited companies, foreign companies and companies licensed under Section 8 of the Companies Act, 2013

**Details relating to the Board Meetings held during the Financial Year 2019-20 along with the attendance of each of the Directors are as follows:**

The Board met Eight times during the financial year under review on the following dates:

- 1 April 12, 2019
- 2 May 23, 2019
- 3 June 15, 2019
- 4 July 04, 2019
- 5 July 22, 2019
- 6 November 11, 2019
- 7 December 11, 2019
- 8 February 03, 2020

**Attendance:**

Sr. No.	Name of the Director	Number of meetings entitled to attend	Number of Meetings attended	Whether attended the last AGM (04/07/2019)
1	Mr. Gurunath Malvankar	8	8	Yes
2	Mrs. Pooja Chogle	8	8	Yes
3	Mr. Mitaram Jangid	8	8	Yes
4	Mr. Bhushan Nemlekar	8	7	Yes
5	Mr. Subodh Nemlekar	8	6	Yes

**Disclosure of Relationships between Directors inter-se:**

1. Mr. Bhushan Nemlekar is son of Mr. Subodh Nemlekar
2. Mr. Subodh Nemlekar is father of Mr. Bhushan Nemlekar

Except the above, none of the other Directors is related with each other as on 31st March, 2020.

**Number of Shares and Convertible Instruments held by Non- Executive Directors:**

Mr. Subodh Nemlekar, Non-executive Director, holds 55,09,064 equity shares of Rs. 10/- each of the Company as on 31st March, 2020. No other Non- Executive Director holds any equity shares of the Company.

**Familiarization programme for the Independent Directors:**

The Company had imparted familiarization programme for the Independent Directors of the Company for them to get acquainted with the nature of business of the company. The details of which are provided on the website of the Company at [www.sumitwoods.com](http://www.sumitwoods.com) under the tab Investor Relations. The web link for the same is as follows:

<http://www.sumitwoods.com/images/policies/Familiarization%20for%20Independent%20Directors.pdf>

## AUDIT COMMITTEE

The Board of Directors has constituted Audit Committee in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The terms of reference and scope of activities of the Audit Committee are in conformity with the Companies Act, 2013 and the Listing Regulations. The Audit Committee comprises of the following Directors as on 31st March, 2020:

1. Mr. Gurunath Malvankar- Chairman (Non-Executive Independent Director)
2. Mrs. Pooja Chogle- Member (Non-Executive Independent Director)
3. Mr. Bhushan Nemlekar- Member (Executive Director)

The Company Secretary of the Company acts as the Secretary of the Audit Committee.

The Audit Committee is responsible for overseeing the processes related to financial reporting and information dissemination. The primary objective of the Audit Committee of the Company is to monitor and effectively supervise the financial reporting process of the Company with a view to ensure accurate, timely and proper disclosures and transparency and integrity of financial reporting.

### **Brief description of the terms of reference of the Audit Committee inter alia includes:**

#### ***The role of the Audit Committee includes the following:***

- 1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions; (g) modified opinion(s) in the draft audit report;
- 5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6) reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- 7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) approval or any subsequent modification of transactions of the Company with related parties;
- 9) scrutiny of inter-corporate loans and investments;
- 10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- 11) evaluation of internal financial controls and risk management systems;
- 12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) discussion with internal auditors of any significant findings and follow up there on;
- 15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- 16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) to review the functioning of the whistle blower mechanism;
- 19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- 20) carrying out any other function as is mentioned in the terms of reference of the audit committee; and
- 21) ensure prior approval to all related party transaction pursuant to applicable section of the Companies Act, 2013 and the Listing Regulations.

**The audit committee mandatorily reviews the following information:**

- 1) management discussion and analysis of financial condition and results of operations;
- 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) internal audit reports relating to internal control weaknesses;
- 5) the appointment, removal and terms of remuneration of the chief internal auditor are subject to review by the audit committee; and
- 6) statement of deviations:
  - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

**Meetings and Attendance:**

Six Audit Committee Meetings were held during the year under review. The dates on which the meetings held are as follows:

- 1 April 12, 2019
- 2 May 23, 2019
- 3 July 22, 2019
- 4 November 11, 2019
- 5 December 11, 2019
- 6 February 03, 2020

**Attendance:**

Sr. No.	Name of the Director	Category	Number of Meetings entitled to attend	Number of Meetings attended
1	Mr. Gurunath Malvankar	Non- Executive And Independent	6	6
2	Mrs. Pooja Chogle	Non- Executive And Independent	6	6
4	Mr. Bhushan Nemlekar	Executive	6	5

**NOMINATION & REMUNERATION COMMITTEE:**

The Board of Directors has constituted the Nomination and Remuneration Committee of the Board of Directors of the Company in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The terms of reference and scope of activities of the Nomination and Remuneration Committee is in conformity with the Companies Act, 2013 and the Listing Regulations.



The Nomination and Remuneration Committee comprises of the following Directors as on 31st March, 2020:

1. Mrs. Pooja Chogle- Chairperson (Non-Executive Independent Director)
2. Mr. Gurunath Malvankar- Member (Non-Executive Independent Director)
3. Mr. Subodh Nemlekar- Member (Non-Executive Director)

The Company Secretary of the Company acts as the Secretary of the Nomination and Remuneration Committee.

**Brief description of the terms of reference of the Nomination and Remuneration Committee inter alia includes:**

- 1) *formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;*
- 2) *formulation of criteria for evaluation of performance of independent directors and the board of directors and Key Managerial Personnel of the Company;*
- 3) *devising a policy on diversity of board of directors;*
- 4) *identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.*
- 5) *whether to extend, terminate or continue the term of appointment of the independent director, Key Managerial Personnel of the Company, on the basis of the report of performance evaluation of independent directors.*

**Meetings and Attendance:**

During the year under review, one Meeting of the Committee was held on 12th April, 2019.

Attendance:

Sr. No .	Name of the Director	Category	Number of Meetings entitled to attend	Number of Meetings attended
1	Mrs. Pooja Chogle	Non- Executive And Independent	1	1
2	Mr. Gurunath Malvankar	Non- Executive And Independent	1	1
4	Mr. Subodh Nemlekar	Non-Executive	1	1

**INDEPENDENT DIRECTORS:**

**Meeting of Independent Directors:**

A separate meeting of independent directors was held on May 23, 2019 to, inter alia, review the performance of non independent directors, Chairman of the Company and the Board as a whole.

**Performance evaluation criteria for Independent Directors:**

Pursuant to the provisions of the Companies Act, 2013 and regulation 17 of the Listing Regulation, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committee, Shareholder and Investor Grievance Committee and Independent Directors.

Various aspects of the Board's functioning were evaluated such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise will be carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc.

The Performance evaluation of the Independent Directors will be carried out by the entire Board. The Performance evaluation of the Chairman and the Non Independent Directors will be carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

The criteria for evaluation of the Independent Directors are on the following parameters:

## **Personal Traits/General Criteria:**

- Highest personal and professional ethics, integrity and values;
- Inquisitive and objective perspective, practical wisdom and mature judgment;
- Demonstrated intelligence, maturity, wisdom and independent Judgment
- Self-confidence to contribute to board deliberations, and stature such that other board members will respect his or her view;
- The willingness and commitment to devote the extensive time necessary to fulfil his/her duties;
- The ability to communicate effectively and collaborate with other board members to contribute effectively to the diversity of perspectives that enhances Board and Committee deliberations, including a willingness to listen and respect the views of others; and
- The skills, knowledge and expertise relevant to the Company"s business, with extensive experience at a senior leadership level in a comparable company or organization, including, but not limited to relevant experience in manufacturing, international operations, public service, finance, accounting, strategic planning, supply chain, technology and marketing.

## **Specific Criteria:**

- Participation and contribution by a Director;
- Commitment, including guidance provided to the Senior Management outside of Board/ Committee Meetings;
- Effective deployment of knowledge and expertise;
- Effective management of relationship with various stakeholders;
- Independence of behaviour and judgment;
- Maintenance of confidentiality of critical issues.

Further the Committee/Board shall be authorised to modify the criteria as it may deem fit and necessary.

## **Remuneration of Directors:**

### **Pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company:**

Except for the sitting fees paid to the Non-Executive Directors for attending the Board and Committee Meetings, there were no other pecuniary relationships or transactions of Non- Executive Directors vis- à-vis the Company.

### **Criteria of making payments to non-executive directors:**

A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel)Rules, 2014;

Details of sitting fees paid to the Non-executive and Independent Directors for the financial year 2019-20:

Sr. No.	Name of the Director	Category	Sitting Fees Paid
1	Mrs. Pooja Chogle	Non- Executive And Independent	1,60,000
2	Mr. Gurunath Malvankar	Non- Executive And Independent	1,60,000
3	Mr. Subodh Nemlekar	Non- Executive Director	1,00,000

## Details of the remuneration paid to the Managing Director and the Whole-Time Director of the Company for the financial year 2019-20:

Sr. No.	Name of the Director	Remuneration paid	Perquisites	Total
1	Mr. Mitaram Jangid	3,00,000	0	3,00,000
2	Mr. Bhushan Nemlekar	3,00,000	0	3,00,000

*The Company has not provided any Stock Options to its Directors or employees.*

## STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board of Directors has constituted the Stakeholders Relationship Committee of the Board of Directors of the Company in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Brief description of the terms of reference of the Stakeholders Relationship Committee inter alia includes:

1. Considering and resolving the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;
2. Issue of duplicate/ split/ consolidated share certificates;
3. Allotment and listing of shares;
4. Reference to statutory and regulatory authorities regarding investor grievances; and
5. Ensure proper and timely attendance and Redressal of investor queries and grievances.

The Stakeholders Relationship Committee comprises of the following Directors as on 31st March, 2020:

1. Mr. Gurunath Malvankar - Chairperson (Non-Executive Independent Director)
2. Mrs. Pooja Chogle - Member (Non-Executive Independent Director)
3. Mr. Mitaram Jangid- Member (Executive Director)

The Company Secretary acts as secretary to the Stakeholders Relationship Committee and is designated as the Compliance Officer of the Company.

## Meetings and Attendance:

During the year under review, no Meeting of the Committee was held.

## Shareholders' Complaints during the Year:

Number of complaints received during the period: **Nil**

Number of complaints resolved during the period: **Nil**

Number of complaints remaining unresolved at the end of the year: **Nil**

The SCORES website of SEBI for redressing grievances of the investors is being visited at regular intervals by the Company and there are no pending complaints registered with SCORES as on 31st March, 2020.

There are no pending cases of share transfer as on 31st March, 2020.

As per Regulation 46(2)(j) of Listing Regulations, the e-mail ID of the grievance redressal and other relevant details of the Company is cs@sumitwoods.com.

As per Regulation 46(2)(k) of the Listing Regulations, the contact information of designated official of the Company viz. Ms. Pujadevi R. Chaurasia, Company Secretary of the Company is cs@sumitwoods.com, Tel. No. 022-28749966/77.

## GENERAL BODY MEETINGS:

**Particulars of the last 3 Annual General Meetings (AGM) and Extra- ordinary General Meetings held (EGM):**

Particulars	Date and Time	Venue	Details of Special Resolutions Passed
<b>First EGM (FY 2018-19)</b>	12:00 Noon 26th April, 2018	B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097	<b>i. Alteration of Memorandum of Association</b> <b>ii. of Articles of Association</b> <b>iii. Issue Of Equity Shares By Private Placement</b> <b>iv. Appointment of Mr. Gurunath Malvankar as Independent Director</b> <b>v. Appointment of Mrs. Pooja Chogle as Independent Director</b>
<b>Second EGM (FY 2018-19)</b>	4:30 PM 4th May, 2018	B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097	<b>Approval of Initial Public Offering of Equity Shares of the company</b>
<b>23rd AGM (FY 2018-19)</b>	4:30 PM 4th July, 2019	B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097	<b>i. Increase in Authorized Share capital of the Company</b> <b>ii. Alteration of capital clause of the Memorandum of Association</b> <b>iii. Alteration of Articles of Association</b> <b>iv. Issuance of Bonus Shares</b> <b>v. Migration of Listing / trading of Equity Shares of the Company from NSE SME Platform i.e. Emerge to Main Board of NSE</b>
<b>22nd AGM (FY 2017-18)</b>	3:30 PM 15th September, 2018	B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097	<b>NIL</b>
<b>21st AGM (FY 2016-17)</b>	<b>2:00 PM</b> <b>30th September, 2017</b>	<b>B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097</b>	<b>NIL</b>

## POSTAL BALLOT

During the year the company has sought approval from the shareholders through Postal Ballot.  
Detail mention below:

Particulars	Date and Time	Venue	Details of Special Resolutions Passed
<b>Postal Ballot</b>	<b>Notice of Postal Ballot of dated 15th June, 2019</b>	<b>NA</b>	<b>Migration of Listing/Trading of Equity Shares of the Company from NSE SME Platform i.e. Emerge to Main Board of NSE</b>

## MEANS OF COMMUNICATION

The Company's corporate website [www.sumitwoods.com](http://www.sumitwoods.com) provides comprehensive information to the Shareholders.

The Quarterly and Annual Financial results are submitted to the Stock Exchange in accordance with the Listing Agreement and are also made available on the Company's website [www.sumitwoods.com](http://www.sumitwoods.com).

The Company's Shareholding Pattern is filed on a quarterly basis with the Stock Exchanges and also displayed on the Company's website [www.sumitwoods.com](http://www.sumitwoods.com).

The presentations made by the Company to institutional investors/ analysts are available on the website of the Company [www.sumitwoods.com](http://www.sumitwoods.com).

## GENERAL SHAREHOLDER INFORMATION:

<b>Annual General Meeting:</b>	
<b>Date and Time:</b>	29 <sup>th</sup> September at 04.00 PM
<b>Venue:</b>	B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097
<b>Financial Year:</b>	1st April, 2019 to 31st March, 2020
<b>Dividend Payment Date:</b>	Not Applicable
<b>The name and address of Stock Exchange(s) at which the Company's equity shares are listed and a confirmation about payment of annual listing fee to the stock exchange.</b>	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Listing fees to the National Stock Exchange of India Limited, Mumbai has been paid for the year 2020-21.
<b>Security Code / Symbol ISIN Symbol for NSE</b>	INE748Z01013 SUMIT

The Market Price data during year and performance in comparison to broad-based indices is given below:

Month	High (Rs.)	Low (Rs.)
April, 2019	39.80	33.00
May, 2019	39.60	32.60
June, 2019	46.10	33.00
July, 2019	48.80	19.80
August, 2019	24.65	16.20
September, 2019	21.70	15.15
October, 2019	24.00	15.35
November, 2019	23.90	17.15
December, 2019	22.80	17.25
January, 2020	21.40	16.25
February, 2020	17.25	14.75
March, 2020	17.15	13.60



# ANNUAL REPORT 2019-2020

## In case the securities are suspended from trading, reason thereof:

Not applicable, since the securities of the Company have not been suspended from trading.

## Registrar to an issue and share transfer agents:

M/s. Bigshare Services Private Limited , 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059, Maharashtra.

## Share Transfer System:

M/s. Bigshare Services Private Limited is the Registrar and Share Transfer Agents of the Company. Transfer of physical shares are approved by the Board of Directors or the Stakeholders Relationship Committee which meets at opportune time and if the documents are complete and in order in all respects, the same are registered and returned to the transferees within the stipulated time.

## Distribution of Shareholding as on 31st March, 2020:

Shares range	No. of Shareholders	% of Shareholders	No. of Shares	% of total issued capital
<b>1 – 500</b>	186	36.33	21033	<b>0.07</b>
<b>501 – 1000</b>	19	3.71	15858	<b>0.05</b>
<b>1001- 2000</b>	13	2.54	22551	<b>0.07</b>
<b>2001 – 3000</b>	9	1.76	23163	<b>0.08</b>
<b>3001 – 4000</b>	12	2.34	44409	<b>0.15</b>
<b>4001 – 5000</b>	17	3.32	82933	<b>0.27</b>
<b>5001 – 10000</b>	155	30.27	1011087	<b>3.31</b>
<b>10001 &amp; Above</b>	101	19.73	29366010	<b>96.01</b>
<b>Total</b>	<b>512</b>	<b>100.00</b>	<b>30587044</b>	<b>100.00</b>

## Shareholding pattern as on 31st March, 2020:

Sr. No.	Category of Shareholder	No. of Shareholders	Total no. of Shares	Total Shareholding as a percentage of total no. of Shares
<b>(A)</b>	Shareholding of Promoter and Promoter Group(A)	11	1,06,42,045	<b>69.59</b>
<b>(B)</b>	Public Shareholding			
<b>(1)</b>	Institutions			
<b>(a)</b>	Mutual Funds	0	0	<b>0</b>
<b>(b)</b>	Venture Capital Funds	0	0	<b>0</b>
<b>(c)</b>	Alternate Investment Funds	0	0	<b>0</b>
<b>(d)</b>	Foreign Venture Capital Investors	0	0	<b>0</b>
<b>(e)</b>	Foreign Portfolio Investor	0	0	<b>0</b>
<b>(f)</b>	Financial Institutions/ Banks	0	0	<b>0</b>
<b>(g)</b>	Insurance Companies	0	0	<b>0</b>
<b>(h)</b>	Provident Funds / Pension Funds	0	0	<b>0</b>
	Sub Total (B) (1)	0	0	<b>0</b>
<b>(2)</b>	Central Government/ State Government(s)/ President of India	0	0	<b>0</b>
	Sub Total (B) (2)	0	0	<b>0</b>
<b>(3)</b>	Non-Institutions			
<b>(a)</b>	Individuals			
	i. Individual shareholders holding nominal share capital upto Rs. 2 Lakhs	328	13,30,578	<b>4.35</b>
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	47	52,00,407	<b>17.00</b>
<b>(b)</b>	NBFC's registered with RBI	0	0	<b>0</b>
<b>(c)</b>	Employee Trusts			
<b>(d)</b>	Overseas depositories (holding DRs)			
<b>(e)</b>	Any other			
	i. Bodies Corporate	11	10,36,002	<b>3.39</b>
	ii. Clearing Members	10	10,20,028	<b>3.33</b>
	iii. HUF	36	6,06,515	<b>1.98</b>
	<b>iv. Non-Resident Indian (NRI)</b>	<b>4</b>	<b>1424</b>	<b>0.00</b>

	<b>Sub Total (B) (3)</b>	<b>490</b>	<b>91,94,954</b>	<b>30.06</b>
	Total Public Shareholding (B) = (B)(1) + (B)(2)+(B)(3)	490	91,94,954	30.06
	Total (A) + (B)			
<b>(C)</b>	Non Promoter - Non Public			
<b>(1)</b>	Shares Underlying DRs	0	0	0
<b>(2)</b>	Shares Held By Employee Trust	0	0	0
	<b>Grand Total (A)+(B)+(C)</b>	<b>501</b>	<b>3,05,87,044</b>	<b>100</b>

## Dematerialisation of Shares and Liquidity

The Securities and Exchange Board of India (SEBI), through a notification have made it compulsory that delivery in the Company's shares against Stock Exchange trades became compulsory in Demat format. As on 31st March, 2020, 3,05,19,634 equity shares are in dematerialized form and 67,410 are in physical form.

## Outstanding GDRs / ADRs /Warrants or Conversion instruments, Conversion date and like impact on equity:

Not applicable

## Address for correspondence:

B -1101, Express Zone, W.E. Highway, Diagonally Opp. To Oberoi Mall, Malad (East), Mumbai-400097

## OTHER DISCLOSURES:

### Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

Nil.

### Details of non-compliance by the listed entity, penalties and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

Nil.

### Details of establishment of vigil mechanism whistle blower policy and affirmation that no personnel have been denied access to the audit committee:

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism / Whistle Blower Policy are posted on the website of the Company and the weblink to the same is <http://sumitwoods.com/images/policies/Whistle%20Blower%20,Vigil%20Mechanism%20Policy.pdf>

No Director / employee has been denied access to the Audit Committee.

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

The Company constantly ensures compliance with all the mandatory requirements of the Listing Regulations. The status of compliances with the non-mandatory requirements specified in Part E of Schedule II have been included in this Report.

### Web link where policy for determining material subsidiaries is disclosed:

<http://sumitwoods.com/images/policies/Policy%20for%20Determining%20Material%20Subsidiaries.pdf>

### Web link where policy on dealing with related party transactions is disclosed:

<http://sumitwoods.com/images/policies/Policy%20on%20Related%20Party%20Transaction.pdf>

### Disclosure of commodity price risks and commodity hedging activities: Nil

## **Discretionary requirements as specified in Part E of Schedule II of the Listing Regulations:**

### **A. The Board:**

The Company has a Non-Executive Chairman. No separate office is provided to the Chairman. The Non-Executive Chairman is provided secretarial and other assistance whenever needed to enable him to discharge his responsibilities effectively.

### **B. Shareholder Rights:**

The Company's financial results are furnished to the Stock Exchanges and are also published in the newspapers and on the website of the Company and therefore results were not separately sent to the Members. The financial results of the Company are displayed on the website of the Company i.e. [www.sumitwoods.com](http://www.sumitwoods.com).

### **C. Modified opinion(s) in audit report:**

The financial statements of the Company do not contain any modified opinion.

### **D. Separate posts of chairperson and Managing Director**

Mr. Gurunath Malvankar, Non- Executive Independent Director, is the Chairman of the Board and Mr. Mitaram Jangid is the Managing Director of the Company.

### **E. Reporting of internal auditor**

The Internal Auditor reports to the Audit Committee.

## **The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:**

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

By Order of the Board of Directors  
for **Sumit Woods Limited**

*(formerly known as Sumit Woods Private Limited)*

**Sd/-**

**Bhushan Nemlekar**

**Whole-Time Director**

**DIN: 00043824**

**Place: Mumbai**

**Date: September 05, 2020**

## CERTIFICATE OF NON – DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
M/s. SUMIT WOODS LIMITED

We have examined the relevant register, records, forms, return and disclosures received from the Directors of 'Sumit Woods Limited' having CIN: L36101MH1997PLC152192 and having registered office at B-Wing, Office No-1101, Opp. Reliance Office, Express Zone, W.E. Highway, Malad - East - 400097 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this certificate in accordance with Regulation 34(3) read with Schedule V Para- C sub clause 10(i) of the Securities and Exchange Board of India (Listing obligation & Disclosure Requirements) Regulation, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as consider necessary and explanation furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry Corporate Affairs.

Sr. No	Name of Director	DIN	Date of Appointment
1.	Mr. Mitaram Ramlal Jangid	<a href="#">00043757</a>	11/12/2002
2.	Mr. Subodh Ramakant Nemlekar	<a href="#">00043795</a>	09/01/1997
3.	Mr. Bhushan Subodh Nemlekar	<a href="#">00043824</a>	11/12/2002
4.	Mr. Gurunath Narayan Malvankar	<a href="#">08105137</a>	26/04/2018
5.	Mrs. Pooja Nikhil Chogle	<a href="#">08105139</a>	26/04/2018

For M/S. SCP & CO.  
Practising Company Secretaries  
Sd/-  
Swapnil Pande  
M. No A44893 C.P. No 21962

Place: Mumbai  
Date: 29/08/2020  
UDIN: A044893B000630896

**Disclosure in Compliance with Part F of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the year 2019-20**

1. Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year: **Nil**
2. No. of shareholders who approached the issuer for transfer of shares from the Suspense Account during the year: **Nil**
3. No. of shareholders to whom shares were transferred from Suspense account during the year: **Nil**
4. Aggregate no. of shareholders and the outstanding shares lying in the Suspense Account at the end of the year: **Nil**

By Order of the Board of Directors for **Sumit Woods Limited**  
(formerly known as **Sumit Woods Private Limited**)

*Sd/-*  
**Bhushan Nemlekar**  
**Whole-Time Director**  
**DIN: 00043824**

**Place:** Mumbai  
**Date:** September 05, 2020



**Declaration by the CEO/ Managing Director under Schedule V (D) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct:**

To the best of my knowledge and belief, this is to affirm and declare, on behalf of the Board of Directors of the Company and senior management personnel, that:

- a. The Board of Directors has laid down a Code of Conduct, Ethics and Business Principles for all Board Members and Senior Management of the Company [„the Code of Conduct“];
- b. The Code of Conduct has been posted on the website of the Company;
- c. All the Board Members and Senior Management Personnel have affirmed their compliance and adherence with the provisions of the Code of Conduct for the financial year ended 31st March 2020.

for **Sumit Woods Limited**  
(formerly known as *Sumit Woods Private Limited*)

*Sd/-*  
**Mitaram Jangid**  
**Managing Director**  
**DIN:** 00043757

**Place:** Mumbai  
**Date:** September 05, 2020

## Compliance Certificate pursuant to Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

To,  
The Board of Directors,  
**Sumit Woods Limited**

We, undersigned in our capacity as the Managing Director and Chief Financial Officer of Sumit Woods Limited ("the Company"), to the best of our knowledge and belief, certify that:

a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2020 and based on our knowledge and belief:

i. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affair and are in compliance with the existing Accounting Standards, applicable Laws and Regulations.

b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's Code of Conduct.

c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to financial reporting and we have not come across any reportable deficiencies in the design or operation of such internal controls.

d) We have indicated to the Auditors and Audit Committee:

i) significant changes, if any, in the internal control over financial reporting during the year;

ii) significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

iii) instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

for **Sumit Woods Limited**  
(formerly known as **Sumit Woods Private Limited**)

Sd/-  
**Mitaram Jangid**  
Managing Director  
DIN: 00043757

Sd/-  
**Priyanka Waghela**  
Chief Financial Officer

Place: Mumbai  
Date: September 05, 2020

## **INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To the Members of Sumit Woods Limited

1. This report contains details of compliance of conditions of corporate governance by Sumit Woods 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“) pursuant to the Listing Agreement of the Company with Stock exchanges. Management's Responsibility for compliance with the conditions of Listing Regulations
2. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. Auditor's Responsibility
3. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2020.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Opinion
7. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company. Restriction on use

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

**For SSRV & Co.**

**Chartered Accountants**

**Firm's Registration No: 135901W**

**Sd/**

**Vishnu Kant Kabra**

**Partner**

**Membership No. 403437**

**Place: Mumbai**

**Date: September 02, 2020**

**UDIN: 20403437AAAASQ9893**

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SUMIT WOODS LIMITED

#### Report on the Audit of the Standalone Financial

##### Statements Opinion

We have audited the accompanying standalone financial statements of **SUMIT WOODS LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

##### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

##### Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements 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 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 scepticism 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 the 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.

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

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

1. As required by Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 A”. 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 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 and its subsidiary companies incorporated in India.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SUMIT WOODS LIMITED of even date)**

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

We have audited the internal financial controls over financial reporting of **SUMIT WOODS LIMITED** (the “Company”) as of March 31, 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “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 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 Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the 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 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.

## **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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal financial 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.

**FOR: - SSRV & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FIRM NO. - 135901W

SD/-  
**VISHNU KANT KABRA**  
PARTNER  
M.No : 403437  
PLACE: - MUMBAI  
DATE : July 09, 2020

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SUMIT WOODS LIMITED of even date)**

(i) In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

(ii) The Company is in the business of providing software services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has granted unsecured loans to four bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

b. The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

c. There is no overdue amount remaining outstanding as at the year-end.

(iv). In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

# SUMIT WOODS LIMITED

## (c) Details of Assessments Pending In Income Tax Department

AY	Appeal Pending at	Tax Demand	Amount already paid
AY 2010-11	CIT (A)	3,38,83,845	1,22,50,000
AY 2011-12	Department Have Filed Appeal in High Court	2,00,81,900	37,00,000
AY 2017-18	Appeal File to CIT (A)	45,67,357	

According to the information given to us and as per our verification of the records of the company, there are no dues of income tax or sales tax or wealth tax or service tax or duty of custom or duty of excise or value added tax or cess which have not been deposited on account of any dispute with the appropriate authority as on 31st March 2019. EXCEPT the demand made U/s 143(3) for Income Tax Assessment for the A'Y. 2010- 11 of Rs. 6,14,51,370/- for which company has filed Appeal to the Commissioner of Income-tax (Appeals) on 20 January 2017, hearing for the same is awaited.

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR: - SSRV & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**FIRM NO. - 135901W**

SD/-  
**VISHNU KANT KABRA**  
**PARTNER**  
**M.No : 403437**  
**PLACE: - MUMBAI**  
**DATE : July 09, 2020**



# ANNUAL REPORT 2019-2020

Sumit Woods Limited				
Balance sheet at March 31, 2020				
All amounts are ₹ in Lakhs unless otherwise stated				
Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>Assets</b>				
1 Non-current assets				
a. Property, plant and equipment	8	670.34	714.23	760.42
b. Other intangible assets	9	0.71	1.45	3.00
c. Investment in subsidiaries, associates, joint ventures & partnership firm	10	3,215.31	3,773.45	2,980.03
d. Financial assets				
i. Other investments	11	0.25	0.25	0.25
e. Non-current tax assets (net)	12	155.24	136.60	87.88
f. Deferred tax asset (net)	13	-	-	6.47
g. Other non-current assets	14	16.07	11.04	11.04
Total non-current assets		4,057.92	4,637.02	3,849.09
2 Current assets				
a. Inventories	15	5,373.72	4,479.63	4,461.47
b. Financial Assets				
i. Trade receivables	16	1,233.94	909.31	741.16
ii. Cash and cash equivalents	17	35.13	35.85	131.96
iii. Bank balances other than (ii) above	17	-	-	16.57
iv. Other financial assets	18	356.76	534.66	128.36
c. Other current assets	14	49.93	52.22	9.31
Total current assets		7,049.48	6,011.67	5,488.83
<b>Total assets</b>		<b>11,107.40</b>	<b>10,648.69</b>	<b>9,337.92</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
a. Equity share capital	19	3,058.70	1,529.35	1,084.05
b. Other equity	20	4,214.41	5,500.38	3,563.30
Total Equity		7,273.11	7,029.73	4,647.35
<b>Liabilities</b>				
1 Non-current liabilities				
a. Financial liabilities				
i. Borrowings	21	2,062.86	2,086.01	2,502.15
b. Provisions	22	22.78	20.35	18.10
c. Deferred tax liability (net)	13	10.80	9.92	-
Total non-current liabilities		2,096.44	2,116.28	2,520.25
2 Current liabilities				
a. Financial liabilities				
i. Borrowings	21	47.01	157.36	433.41
ii. Trade payables	23	494.34	218.98	371.29
iii. Other financial liabilities	24	531.29	712.22	841.97
b. Provisions	22	6.04	5.96	5.56
c. Other current liabilities	25	659.18	408.17	518.09
Total current liabilities		1,737.86	1,502.69	2,170.32
<b>Total liabilities</b>		<b>3,834.30</b>	<b>3,618.97</b>	<b>4,690.57</b>
<b>Total Equity and Liabilities</b>		<b>11,107.41</b>	<b>10,648.70</b>	<b>9,337.92</b>

See accompanying notes to the financial statements

This is the Balance Sheet referred to in our Report of even date.

For SSRV And Associates

Chartered Accountants

Firm Registration No. 135901W

For and on behalf of the Board

SD/-

Mitaram R. Jangid

Managing Director

SD/-

Bhushan S. Nemlekar

Whole Time Director

SD/-

CA Vishnu kant Kabra

Partner

M. No.: 403437

UDIN : 20403437AAAAANZ3635

SD/-

Pujadevi Chaurasia

Company Secretary

SD/-

Priyanka Waghela

Chief Financial Officer

Place: Mumbai

Dated: July 09, 2020

# SUMIT WOODS LIMITED

Sumit Woods Limited			
Statement of profit and loss for the year ended March 31, 2020			
All amounts are ₹ in Lakhs unless otherwise stated			
	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I Revenue from operations	26	976.41	1,985.75
II Other Income	27	83.03	105.54
III Total Income (I + II)		1,059.44	2,091.29
IV Expenses			
Purchases of stock-in-trade		546.60	275.12
Changes in inventories of stock-in-trade	28	(894.09)	(18.16)
Employee benefits expense	29	229.01	212.31
Constructions & Development Expenses	30	304.62	431.63
Finance costs	31	308.36	343.55
Depreciation and amortization expense	32	45.86	52.12
Other expenses	33	155.85	183.61
Total expenses (IV)		696.21	1,480.18
V (Loss)/Profit before tax (III - IV)		363.23	611.11
VI Tax expenses			
Current tax	34	88.92	136.69
Deferred tax	34	0.57	15.80
		89.49	152.49
VII (Loss)/Profit for the year (V - VI)		273.74	458.62
VIII Other comprehensive income			
<u>Items that will not be reclassified to profit or loss</u>			
- Remeasurements of the defined benefit plans (net of taxes)		1.81	1.53
-			
IX Total comprehensive (loss)/income for the year (VII + VIII)		275.55	460.15
Earnings per equity share			
(1) Basic (in ₹)	36	0.89	3.00
(2) Diluted (in ₹)	36	0.89	3.00
See accompanying notes to the financial statements			

This is the Balance Sheet referred to in our Report of even date.		
For SSRV And Associates	For and on behalf of the Board	
Chartered Accountants		
Firm Registration No. 135901W		
SD/-	SD/-	SD/-
CA Vishnu kant Kabra	Mitaram R. Jangid	Bhushan S. Nemlekar
Partner	Managing Director	Whole Time Director
M. No.: 403437		
UDIN : 20403437AAAANZ3635		
	SD/-	SD/-
	Pujadevi Chaurasia	Priyanka Waghela
	Company Secretary	Chief Financial Officer
		Place: Mumbai
		Dated: July 09, 2020

# ANNUAL REPORT 2019-2020

Sumit Woods Limited			
Statement of Cash flow for the year ended March 31, 2020			
All amounts are ₹ in Lakhs unless otherwise stated			
		For the year ended March 31, 2020	For the year ended March 31, 2019
1	Cash flow from operating activities		
	Profit / (Loss) Before tax	363.23	611.11
	Adjustments for :		
	Depreciation, amortization and impairment	45.86	52.12
	Finance costs	308.36	343.55
	Impact of Gratuity	2.39	2.12
	Interest/Dividend income	(78.84)	(69.57)
	Operating profit before working capital changes	641.00	939.33
	Adjustments for changes in :		
	(Decrease)/Increase in Trade Payables	275.36	(152.31)
	(Increase)/Decrease in Trade receivables	(324.63)	(168.15)
	(Increase)/Decrease in Other Current assets	180.19	(432.65)
	(Increase)/Decrease in Inventories	(894.09)	(18.16)
	(Decrease)/Increase in Borrowings	(529.47)	(276.05)
	(Decrease)/Increase in Other Current Liabilities & Provisions	597.20	(237.02)
	Cash generated from operations	(54.44)	(345.01)
	Income tax paid	(19.71)	(185.41)
	[A]	(74.15)	(530.42)
2	Cash flow from investing activities		
	Payments for acquisition of assets	(1.16)	(4.37)
	Interest received	78.84	69.57
	Deposits for new Projects	(5.03)	-
	Sales/ (Purchase) in Investment	558.00	(793.42)
	[B]	630.65	(728.22)
3	Cash flow from financing activities		
	Proceeds from/Repayments of borrowings [Net]	(133.50)	(416.14)
	Finance Cost	(308.36)	(343.55)
	Issue of Equity Share	-	445.30
	Receipt of Securities Premium	(115.36)	1,476.93
	[C]	(557.22)	1,162.54
	Net cash Inflow / (outflow) [A+B+C]	(0.72)	(96.10)
	Openings cash and cash equivalents	35.86	131.96
	Closing cash and cash equivalents	35.14	35.86

See accompanying notes to the financial statements

This is the Balance Sheet referred to in our Report of even date.

For SSRV And Associates

For and on behalf of the Board

Chartered Accountants

Firm Registration No. 135901W

SD/-

CA Vishnu kant Kabra  
Partner

M. No.: 403437

UDIN : 20403437AAAANZ3635

SD/-

Mitaram R. Jangid  
Managing Director

SD/-

Bhushan S. Nemlekar  
Whole Time Director

SD/-

Pujadevi Chaurasia  
Company Secretary

SD/-

Priyanka Waghela  
Chief Financial Officer

Place: Mumbai

Dated: July 09, 2020

# SUMIT WOODS LIMITED

Sumit Woods Limited

Statement of changes in equity for the year ended March 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

## a. Equity share capital

	No. of shares	Amount
Balance at April 1, 2018	1,08,40,522	1,084.05
Changes in equity share capital during the year	44,53,000	445.30
Balance at March 31, 2019	1,52,93,522	1,529.35
Changes in equity share capital during the year	1,52,93,522	1,529.35
Balance at March 31, 2020	3,05,87,044	3,058.70

## b. Other equity

Particulars	Reserves & surplus		Total
	Securities premium reserve	Retained earnings	
Balance at April 1, 2018	1,368.77	2,194.53	3,563.30
Addition on account of issue of shares	1,476.93	-	1,476.93
Remeasurement of defined benefits plan	-	1.53	1.53
Profit/(Loss) attributable to owners of the Company	-	458.62	458.62
Balance at March 31, 2019	2,845.70	2,654.68	5,500.38
Addition on account of issue of shares	(1,561.52)	-	(1,561.52)
Remeasurement of defined benefits plan	-	1.81	1.81
Profit/(Loss) attributable to owners of the Company	-	273.74	273.74
Balance at March 31, 2020	1,284.18	2,930.23	4,214.41

## c. Nature of reserves

### i. Securities premium reserve

Securities premium reserve represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilization in accordance with the provisions of the Companies Act, 2013.

### ii. Retained earnings

Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013.

This is the Balance Sheet referred to in our Report of even date.

For SSRV And Associates

Chartered Accountants

Firm Registration No. 135901W

SD/-

CA Vishnu kant Kabra

Partner

M. No.: 403437

UDIN : 20403437AAANZ3635

For and on behalf of the Board

SD/-

Mitaram R. Jangid

Managing Director

SD/-

Bhushan S. Nemlekar

Whole Time Director

SD/-

Pujadevi Chaurasia

Company Secretary

SD/-

Priyanka Waghela

Chief Financial Officer

Place: Mumbai

Dated: July 09, 2020

**1. Background Information**

Sumit Woods Limited (The Company) was originally incorporated as “Sumit Woods Private Limited” at Goa on January 09, 1997 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Goa, Daman and Diu at Panaji, Goa. The Registered Office of the Company was thereafter shifted to Mumbai with effect from March 24, 2005. Subsequently, The Company was converted into a public limited company under the Companies Act and the name of the Company was changed to ‘Sumit Woods Limited’ pursuant to fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated February 06, 2018 issued by the Registrar of Companies, Maharashtra, Mumbai.

The Company is primarily engaged in the business of real estate/ real estate development and incidental services.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report for the principal activities of the Company.

The standalone financial statements of the Company as on March 31, 2020 were approved and authorised for issue by the Board of Directors on **July 09, 2020**.

**2. Statement of Compliance with Ind AS**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time with effect from April 1, 2018.

For all periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with the requirements of the accounting standards notified under section 133 of Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

These financial statements for the year ending March 31, 2020 are the first financial statements that the Company has prepared under Ind AS. The date of transition to Ind AS is April 1, 2018 and the adoption was carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. The Company has presented a reconciliation from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (“Previous GAAP”) to Ind AS of total equity as at April 1, 2018 and March 31, 2019, total comprehensive income and cash flow for the year ended March 31, 2019.

**3. Basis of Preparation of Financial Statements**

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments measured at fair value at the end of each reporting period as explained in accounting policies below.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, unless otherwise indicated.

**Current and Non-Current Classification:**

An asset/liability is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be realized/ settled, or is intended for sale or consumption, in the companies normal operating cycle or
- (ii) It is held primarily for the purpose of being traded or
- (iii) It is expected to be realized/ due to be settled within 12 months after the reporting date or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date or
- (v) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other assets and liabilities are classified as non- current.

**4. Use of estimates**

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of: fair valuation of unquoted equity investments, impairment of financial instruments, impairment of property, plant & equipment, useful lives of property, plant & equipment, provisions and contingent liabilities and long term retirement benefits.

## **Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

## **5. Significant Accounting policies**

### **5.1 Financial Instruments**

#### **Classification**

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

- (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.

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

#### **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.



**Equity instruments**

The Company subsequently measures all equity investments at fair value except investment in subsidiary, joint venture and associate entities.

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.

**Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. 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.

**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.

**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
- 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.

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.

## **5.2 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Company's cash management.

## **5.3 Property Plant and Equipment**

### **Recognition and initial measurement**

Property, plant and equipment are valued at cost of acquisition or construction less accumulated depreciation and impairment loss. The Company capitalises all costs relating to the acquisition, installation and construction of property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized instatement of profit or loss as incurred.

### **Subsequent measurement (depreciation and useful lives):**

Depreciation is provided on the assets on their original costs up to their net residual value estimated at 5% of the original cost, prorata to the period of use on the written down value method, over their estimated useful life. Assets individually costing upto Rs 5,000 are fully depreciated in the year of purchase.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

### **De-recognition:**

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

### **Transition to Ind AS**

For transition to Ind AS, the Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount on the date of transition to Ind AS i.e. April 1, 2018.

## **5.4 Intangible Assets**

### **Recognition and initial measurement**

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

**Subsequent measurement (amortisation):**

The cost of capitalized software is amortized over a period of 6 years from the date of its acquisition.

**Transition to Ind AS**

For transition to Ind AS, the Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount on the date of transition to Ind AS i.e. April 1, 2018.

**5.5 Capital work in progress and Capital advances**

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed in Other Non-Financial Assets.

**5.6 Revenue Recognition****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:

- 1) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- 2) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- 3) 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 construction 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.

**Rent**

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

**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.

## 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).

## 5.7 Cost of Revenue

Cost of Real estate projects Cost of project, includes cost of land (including cost of development rights/ land under agreements to purchase), liasoning 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.

## 5.8 Borrowing cost

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

## 5.9 Investments in equity instruments of subsidiaries, limited liability Partnership, joint ventures and associates

Investments in equity instruments of subsidiaries, limited liability partnership, joint ventures and associates are stated at cost as per Ind AS 27 'Separate Financial Statements'

## Transition to Ind AS

For transition to Ind AS, the Company has elected to measure all its investments in equity instruments of subsidiaries, limited liability partnership, joint ventures and associates at the previous GAAP carrying amount on the date of transition to Ind AS i.e. April 1, 2018.

## 5.10 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.

<b>Land and development rights</b>	<b>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.</b>
<b>Construction materials</b>	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.
<b>Work-in-progress (Land/ Real Estate under development)</b>	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.
<b>Completed unsold flats/units</b>	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.

## **5.11 Impairment of non - financial assets**

The carrying amounts of the Company's property, plant & equipment and intangible assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the statement of profit and loss in the period in which impairment takes place.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods. A reversal of an impairment loss is recognised immediately in profit or loss.

## **5.12 Employee benefits**

### **5.12.1 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.

### **5.12.2 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.

### **5.12.3 Compensated absences**

Short term compensated absences are provided for based on actuarial valuation at year end. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. The Company presents the compensated absences as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

## **5.13 Accounting for provisions, contingent liabilities and contingent assets**

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the

present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Constructive obligation is an obligation that derives from an entity's actions where:

by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities, and  
as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities

Contingent liabilities are not recognised in the financial statements. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 5.14 Income tax

Income tax expense comprises both current and deferred 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

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 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.

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.

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 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.

## 5.15 Dividends on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value remeasurement recognised directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

## 5.16 Segment reporting

The Company is primarily engaged in the business of Real Estate including group companies. As such the Company's financial statements are largely reflective of the Real Estate Business and there is no separate reportable segment.

Pursuant to Ind AS 108 - Operating Segments, no segment disclosure has been made in these financial statements, as the Company has only one geographical segment and no other separate reportable business segment.



**5.17 Onerous contracts**

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

**6. First-Time Adoption of Ind AS**

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2018 (the transition date), by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. The exceptions and certain optional exemptions availed by the Company in accordance with the guidance provided in Ind AS 101, First Time Adoption of Indian Accounting Standards, and reconciliations of equity and total comprehensive income from previously reported GAAP to Ind AS are detailed below:

**6.1 Mandatory Exceptions to retrospective application**

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

**Estimates:**

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence that those estimates were in error. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

**Classification and Measurement of financial asset:**

The Company has classified the financial assets as per para 4.1.2A of Ind AS 109 on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**Impairment of Financial assets:**

The Company has applied the impairment requirements of Ind AS 109 retrospectively, however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

**6.2 Optional Exemptions from retrospective application**

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The company has elected to apply the following optional exemptions:

**Deemed cost for Property Plant and equipment**

The company has elected to continue with carrying value of all of its property plant and equipment recognised in financial statements as at the date of transition to Ind AS measured as per previous GAAP as deemed cost on the date of transition to Ind AS.

**Designation of previously recognised financial instruments**

The company has designated investment in equity instrument as at fair value through other comprehensive income in accordance with Para 5.7.5 of Ind AS 109 on the basis of facts and circumstances that exist at the date of transition of Ind AS.

**7. Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Sumit Woods Limited											
Notes forming part of the financial statements											
All amounts are ' in Lakhs unless otherwise stated											
8	Property, plant and equipment										
	Description of assets										Total
	Deemed Cost										
	As at April 1, 2018	1.33	690.34	0.82	11.00	12.41	42.07	0.51	1.94	760.42	
	Additions	1.60	-	1.30	-	-	0.91	0.55	-	4.37	
	Disposals/ reclassifications	-	-	-	-	-	-	-	-	-	
	As at March 31, 2019	2.93	690.34	2.12	11.00	12.41	42.98	1.06	1.94	764.79	
	Additions	-	-	0.06	-	-	0.35	0.58	0.98	1.98	
	Disposals/ reclassifications	-	-	(0.82)	-	-	-	-	-	(0.82)	
	As at March 31, 2020	2.93	690.34	1.36	11.00	12.41	43.33	1.64	2.92	765.95	
	Depreciation										
	As at April 1, 2018	-	-	-	-	-	-	-	-	-	
	Depreciation expense for the year	0.50	32.83	0.44	2.90	2.32	10.61	0.32	0.64	50.56	
	Eliminated on disposal of assets/ reclassifications	-	-	-	-	-	-	-	-	-	
	As at March 31, 2019	0.50	32.83	0.44	2.90	2.32	10.61	0.32	0.64	50.56	
	Depreciation expense for the period	0.47	31.35	0.53	1.95	1.89	8.01	0.56	0.74	45.49	
	Eliminated on disposal of assets/ reclassifications	-	-	(0.44)	-	-	-	-	-	(0.44)	
	As at March 31, 2020	0.97	64.18	0.53	4.85	4.21	18.63	0.88	1.38	95.61	
	As at March 31, 2020	1.96	626.16	0.83	6.15	8.20	24.71	0.77	1.54	670.34	
	As at March 31, 2019	2.43	657.51	1.68	8.10	10.09	32.37	0.75	1.30	714.23	
	As at April 1, 2018	1.33	690.34	0.82	11.00	12.41	42.07	0.51	1.94	760.42	
8.1	Impairment losses recognized in the year										
	There are no impairment losses recognized during the year.										
8.2	No borrowing cost was capitalized during the current year and previous year.										
8.3	Assets pledged as security										
Office building with a carrying amount of ₹ 563.28 Lakhs (as at March 31, 2019: ₹ 591.60 Lakhs and as at April 1, 2018: ₹ 621.25 Lakhs) included in the block of immovable properties have been pledged to secure borrowings of the Company (see note 21). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.											

# ANNUAL REPORT 2019-2020

Sumit Woods Limited			
Notes forming part of the financial statements			
All amounts are ₹ in Lakhs unless otherwise stated			
9	Other intangible assets		
		Computer software	Total
	Deemed Cost		
	As at April 1, 2018	3.00	3.00
	Additions	-	-
	Disposals/ reclassifications	-	-
	As at March 31, 2019	3.00	3.00
	Additions		-
	Disposals/ reclassifications		-
	As at March 31, 2020	3.00	3.00
	Accumulated amortization and impairment		
	As at April 1, 2018	-	-
	Amortization expenses	1.55	1.55
	Eliminated on disposal of assets/ reclassifications	-	-
	As at March 31, 2019	1.55	1.55
	Amortization expenses	0.74	0.74
	Eliminated on disposal of assets/ reclassifications	-	-
	As at March 31, 2020	2.29	2.29
	As at March 31, 2020	0.71	0.71
	As at March 31, 2019	1.45	1.45
	As at April 1, 2018	3.00	3.00

10	Investment in subsidiaries, associates, joint ventures & partnership firm						
		As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
		Quantity (Nos.)/ Holding (%)	Amount	Quantity (Nos.)/ Holding (%)	Amount	Quantity (Nos.)/ Holding (%)	Amount
	Unquoted Investments (all fully paid)						
	Investment in subsidiaries						
	Investments in equity instruments						
	Mitasu Developers Pvt Ltd						
	Equity Shares of the face value of ₹ 10/- each fully paid-up	10,000	1.00	10,000	1.00	-	-
	Mitasu Infra Developers Pvt Ltd.						
	Equity Shares of the face value of ₹ 10/- each fully paid-up	9,999	1.00	-	-	-	-
	Total investments in subsidiaries		2.00		1.00		-
	Unquoted Investments (all fully paid)						
	Investments in associates						
	Sumit Realty Private Limited	7,500	1.75	7,500	1.75	7,500	1.75
	(Equity Shares of the face value of ₹ 10/- each fully paid-up)						
	Total investments in associates		1.75		1.75		1.75
	Unquoted Investments (all fully paid)						
	Investments in Joint venture						
	Sumit Kundil Joint Venture	50%	231.50	50%	307.81	50%	8.93
	Sumit Chetna Ventures	67%	-	67%	89.83	67%	198.26
	Sumit Pramukh Ventures	60%	265.94	60%	265.54	60%	254.76
	Sun Sumit Ventures	25%	121.02	25%	151.56	25%	88.51

# SUMIT WOODS LIMITED

	Sumit Snehashish Joint Venture	50%	-	50%	429.67	50%	125.53
	Sumit Snehashish Venture	30%	948.20	30%	702.20	30%	516.20
	Total investments in Joint venture		1,566.66		1,946.61		1,192.19
	Unquoted Investments (all fully paid)						
	Investments in Limited Liability Partnership firm						
	Sumit Pragati Ventures LLP	50%		50%		50%	
	Fixed Capital		2.50		2.50		2.50
	Current Capital		474.07		457.65		369.18
	Milestone Construction & Developers LLP	50%		50%		50%	
	Fixed Capital		2.50		2.50		2.50
	Current Capital		66.41		25.91		25.91
	Sumit Garden Grove Construction LLP	12.5%		12.5%		25%	
	Fixed Capital		0.13		0.13		0.13
	Current Capital		175.34		161.72		161.72
	Sumit Pragati Shelters LLP	35%		35%		35%	
	Fixed Capital		1.75		1.75		1.75
	Current Capital		190.54		516.22		683.49
	Sumit Star Land Developers LLP	25%		25%		25%	
	Fixed Capital		0.13		0.13		0.13
	Current Capital		731.53		655.58		538.78
	Investments in Partnership firm		1,644.90		1,824.09		1,786.09
	Total investments		3,215.31		3,773.45		2,980.03
	Aggregate book value of quoted investments		-		-		-
	Aggregate market value of quoted investments		-		-		-
	Aggregate carrying value of unquoted investments		3,215.31		3,773.45		2,980.03
	Aggregate amount of impairment in value of investments in subsidiaries		-		-		-
	All the investments in equity shares of subsidiaries, associates and joint ventures are stated at cost as per Ind AS 10.127 'Separate Financial Statements'.						
11	Other investments						
		As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
		Qty.	Amount	Qty.	Amount	Qty.	Amount
	Unquoted Investments (all fully paid)						
	Investment in equity instruments (at FVTPL)						
	Saraswat Bank Shares	2,500	0.25	2,500	0.25	2,500	0.25
	(Equity Shares of the face value of ₹ 10/- each fully paid-up)						
	Goa Urban Bank Share Money*	5	-	5	-	5	-
	(Equity Shares of the face value of ₹ 10/- each fully paid-up)						
	Total investments		0.25		0.25		0.25
	Aggregate book value of quoted investments		-		-		-
	Aggregate market value of quoted investments		-		-		-
	Aggregate carrying value of unquoted investments		0.25		0.25		0.25
	Aggregate amount of impairment in value of investments in Limited Liabilities Partnership		-		-		-
	* Rounded off to Nil						
11.1	Category-wise other investments - as per Ind AS 109 classification						
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018			
	Financial assets carried at fair value through profit or loss (FVTPL)						
	Investment in quoted equity shares	0.25	0.25	0.25			
	Total	0.25	0.25	0.25			

# ANNUAL REPORT 2019-2020

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

## 12 Non-current tax asset (net)

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance Tax (net of provisions)	155.24	136.60	87.88
Total	155.24	136.60	87.88

## 13 Deferred tax asset (net)

### 13.1 Movement in deferred tax balances

Particulars	For the year ended March 31, 2020			
	Opening balance	Recognized in profit and Loss	Recognized in OCI	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment and other intangible assets	17.95	7.54		25.49
Borrowings	(30.47)	5.31		(25.16)
Provisions	(0.94)	(0.05)	(0.59)	(1.58)
Others	1.63	(13.09)		(11.46)
MAT credit entitlement	1.91			1.91
Net tax asset/(liabilities)	(9.92)	(0.29)	(0.59)	(10.80)

### 13.2 Movement in deferred tax balances

Particulars	For the year ended March 31, 2019			
	Opening balance	Recognized in profit and Loss	Recognized in OCI	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment and other intangible assets	12.81	5.15		17.95
Borrowings	(7.77)	(22.71)		(30.47)
Provisions	-	(0.35)	(0.59)	(0.94)
Others	(0.48)	2.11		1.63
MAT credit entitlement	1.91	-		1.91
Net tax asset/(liabilities)	6.47	(15.80)	(0.59)	(9.92)

## 14 Other assets

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Non-current			
Security deposits	16.07	11.04	11.04
Total	16.07	11.04	11.04
Current			
Advances to suppliers	2.82	-	9.09
Balances with government authorities (other than income taxes)			
- GST	19.12	20.80	-
- Others	-	23.91	-
Contract assets	20.90	-	-
Prepaid expenses	7.09	7.51	0.22
Total	49.93	52.22	9.31

# SUMIT WOODS LIMITED

## 15 Inventories

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Inventories (at lower of cost and net realizable value)			
Work-in-Progress, Raw Material and Finished Goods	5,373.72	4,479.63	4,461.47
Total	5,373.72	4,479.63	4,461.47

## 16 Trade Receivables

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Current			
Outstanding for a period less than six months			
Unsecured, considered good	1,233.94	909.31	741.16
Less: Expected credit loss allowance	-	-	-
	1,233.94	909.31	741.16

16.1 The average credit period on sales of goods is 30 days. No interest is charged on trade receivables.

## 17 Cash and bank balance

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
A. Cash and cash equivalents			
Balances with banks			
- In current account	25.33	27.15	120.47
Cash on hand	9.80	8.70	11.49
Total	35.13	35.85	131.96
B. Bank balance other than cash and cash equivalent			
In term deposit accounts			
- With remaining maturity of less than 12 months but more than 3 months	-	-	16.57
Total	-	-	16.57

## 18 Other current financial asset

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advances			
- to staff	0.29	0.61	1.15
- to related parties	124.17	462.35	39.22
- to others	232.13	71.59	87.84
Other receivables	0.17	0.11	0.15
	356.76	534.66	128.36



# ANNUAL REPORT 2019-2020

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

## 19 Equity share capital

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Equity share capital	3,058.70	1,529.35	1,084.05
Total	3,058.70	1,529.35	1,084.05
Authorized share capital			
3,50,00,000 Equity shares of ₹ 10/- each	3,500.00	1,700.00	1,500.00
Issued and subscribed capital comprises:			
3,05,87,044 (Previous year 1,52,93,522) Equity Shares of ₹ 10/- each	3,058.70	1,529.35	1,084.05
Total	3,058.70	1,529.35	1,084.05

19.1 The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

19.2 During the previous year ended 31 March 2019 company has issued 4,00,000 Nos of Equity shares at the face value of Rs. 10 each. additionally, company had the Public Issue of 40,53,000 Nos of Equity Shares of Face Value Rs. 10 each at price band of Rs. 43 per equity shares to Rs. 45 Per equity shares.

19.3 During the year company have increased its authorized capital by 1,80,00,000 (One Crore Eighty Lacs) no of equity shares having a face value of Rs 10 per share aggregating to total authorized capital of 3,50,00,000 (Three Crore Fifty Lacs) equity shares having a face value of Rs 10 per share.

19.4 During the current year the company have issued a bonus equity shares in the ratio of 1:1 i.e. aggregating to further issue of 1,52,93,522 (One Crore Fifty Two Lakh Ninety Three Thousand Five Hundred and Twenty Two) Equity shares of Rs. 10/- (Rupees Ten only) each amounting to Rs. 1529.35 Lakhs (Rupees Fifteen Crore Twenty Nine Lakh Thirty Five Thousand Two Hundred and Twenty only).

## 19.5 Details of shares held by each shareholder holding more than 5% shares

	As at March 31, 2020	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Subodh R. Nemlekar	55,09,064	18.01%
Bhushan S. Nemlekar	16,63,090	5.26%
Mitaram R. Jangid	71,74,974	23.46%
Sharda M Jangid	16,09,090	5.26%
Sumit Infotech Pvt. Ltd.	20,79,546	6.80%
	As at March 31, 2019	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Subodh R. Nemlekar	27,54,532	18.01%
Bhushan S. Nemlekar	8,04,545	5.26%
Mitaram R. Jangid	35,87,487	23.46%
Sharda M Jangid	8,04,545	5.26%
Sumit Infotech Pvt. Ltd.	10,39,773	6.80%
	As at April 1, 2018	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Subodh R. Nemlekar	27,54,532	25.41%
Bhushan S. Nemlekar	8,04,545	7.42%
Kavita B. Nemlekar	6,69,318	6.17%
Mitaram R. Jangid	35,87,487	33.06%
Sharda M Jangid	8,04,545	7.60%
Sumit Infotech Pvt. Ltd.	10,39,773	9.59%

# SUMIT WOODS LIMITED

## 19.6 A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

Equity Shares	Units	Rs.
As at April 1, 2018	1,08,40,522	1,084
Issued during the period/year	44,53,000	445
As at March 31, 2019	1,52,93,522	1,529
Issued during the period/year	1,52,93,522	1,529
As at March 31, 2020	3,05,87,044	3,059

## 20 Other equity

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Reserves and surplus			
Securities premium reserve	1,284.18	2,845.70	1,368.77
Retained earnings	2,930.23	2,654.68	2,194.53
Total	4,214.41	5,500.38	3,563.30

## 20.1 Securities premium reserve

	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of year	2,845.70	1,368.77
Addition on account of issue of shares	(1,561.52)	1,476.93
Balance at end of year	1,284.18	2,845.70

## 20.2 Retained earnings

	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of year	2,654.68	2,194.53
Remeasurement of defined benefits plan	1.81	1.53
(Loss)/Profit attributable to owners of the Company	273.74	458.62
Balance at end of year	2,930.23	2,654.68

## 21 Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Non-current			
Secured borrowings at amortized cost:			
- Term loans- from banks (refer note I)	825.41	1,884.90	2,432.51
- Vehicle loans- from banks (refer note II)	-	-	3.40
Unsecured borrowings			
- Loans and advances from others parties	10.81	10.00	64.63
- Loans and advances from related parties (refer note III)	1,226.64	191.11	1.61
	2,062.86	2,086.01	2,502.15
Current			
Unsecured borrowings			
- Loans and advances from related parties (refer note III)	47.01	157.36	433.41
	47.01	157.36	433.41

# ANNUAL REPORT 2019-2020

## 21.1 The details of security, repayment terms and interest are as follows:

The terms of repayment of term loans and other loans are stated below:

As at March 31, 2020

Particulars	Amount outstanding	Terms of repayment	Rate of interest
I. State Bank of India	-	Repayable on 79	2.5% above base rate,
Security		Equated Monthly	present effective rate
Primarily secured on unsold units of Company's project i.e. Sumit Samarth Arcade, Registered office of company, personal properties of Director including their residential houses (details as mentioned in the sanction letter) the same has been repaid during the year		Installments	being 11.80% p.a
II. ICICI Bank	825.41	Repayable on 120	I- MCLR - 1Y is 8.55%
Security		Equated Monthly	spread is 2.45% and
Secured against the registered office of Sumit Woods Limited situated at B/1101, Express Zone , Opp Reliance Office, Malad (East), Mumbai		Installments	the applicable rate is 11.00%
III. Vehicle Loan	-	Repayable on 60	10.25%
Security		Equated Monthly	
Secured against the company's vehicle Mercedes Benz A 180 CDI (Repaid during the year)		Installments	

As at March 31, 2019

Particulars	Amount outstanding	Terms of repayment	Rate of interest
I. State Bank of India	2,410.96	Repayable on 79	2.5% above base rate,
Security		Equated Monthly	present effective rate
Primarily secured on unsold units of Company's project i.e. Sumit Samarth Arcade, Registered office of company, personal properties of Director including their residential houses (details as mentioned in the sanction letter)		Installments	being 13.10% p.a
II. Vehicle Loan	3.39	Repayable on 60	10.25%
Security		Equated Monthly	
Secured against the company's vehicle Mercedes Benz A 180 CDI		Installments	

As at April 1, 2018

Particulars	Amount outstanding	Terms of repayment	Rate of interest
I. State Bank of India	3,111.35	Repayable on 79	2.5% above base rate,
Security		Equated Monthly	present effective rate
Primarily secured on unsold units of Company's project i.e. Sumit Samarth Arcade, Registered office of company, personal properties of Director including their residential houses (details as mentioned in the sanction letter)		Installments	being 13.10% p.a
II. Vehicle Loan	9.69	Repayable on 60	10.25%
Security		Equated Monthly	
Secured against the company's vehicle Mercedes Benz A 180 CDI		Installments	

# SUMIT WOODS LIMITED

III: Loans from related parties includes loans from director of Rs 992.22 which are unsecured, interest rate of 11% and repayable on 120 equated Monthly Installments

21.2 For the current maturities of long term borrowings, refer note 24 other financial liabilities.

21.3 There are no breach of contractual terms of the borrowing during the year ended March 31, 2020, March 31, 2019 and April 1, 2018.

21.4 Reconciliation of liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

Particulars	Term loans- from banks	Vehicle loans- from banks	Loans and advances from others parties	Loans and advances from related parties
As at 1st April, 2018	2,432.51	3.40	64.63	1.61
Financing cash flows	(546.71)	(3.40)	(55.53)	189.50
Non-cash changes				
Interest accruals but not paid	18.76	-	0.90	-
Interest accruals on account of amortization	(19.66)	-	-	-
As at 31st March, 2019	1,884.90	-	10.00	191.11
Financing cash flows	(1,037.81)	-	-	904.31
Non-cash changes				
Interest accruals but not paid	-	-	0.81	131.22
Interest accruals on account of amortization	(21.68)	-	-	-
As at 31st March, 2020	825.41	-	10.81	1,226.64

22 Provisions

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Non-current			
Employee benefits			
- for gratuity (refer Note 37)	22.78	20.35	18.10
	22.78	20.35	18.10
Current			
Employee benefits			
- for gratuity (refer Note 37)	6.04	5.96	5.56
	6.04	5.96	5.56

23 Trade payables

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade payables			
Due to micro and small enterprises	23.88	12.62	-
Due to other than micro and small enterprises	470.46	206.36	371.29
Total	494.34	218.98	371.29

The average credit period on purchases is 90 days. No interest is charged by the trade payables.

Refer note 41 for Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

24 Other financial liabilities

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Current			
Current maturities of long-term debt	-	529.47	685.14
Employee expenses payable	34.49	42.72	26.82
Deposits received	60.05	57.21	58.31
Maintenance, Society Charges and other charges Payable	417.28	81.90	69.86
Other expenses payable	19.47	0.92	1.84
Total	531.29	712.22	841.97

# ANNUAL REPORT 2019-2020

## 25 Other current liabilities

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Statutory Liabilities			
- GST payable	26.12	-	3.54
- Others	4.99	2.17	2.63
Contract liabilities (Advance from customers)	624.76	406.00	511.93
Liabilities for Cancelled flat	3.31	-	-
Total	659.18	408.17	518.09

## 26 Revenue from operations

	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Units in Projects	231.84	1,017.05
Legal and other charges recovered from unit holder	3.08	7.62
Development Manager Fees and compensation	640.00	550.00
Office Maintenance Charges	99.63	129.50
Other operating revenues	1.86	281.58
	976.41	1,985.75

26.1 There are no impairment losses on trade receivable recognized in Statement of profit and loss for the year ended March 31, 2020.

26.2 The Company presently recognizes revenue on point in time basis. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (refer Note 36 on Segment information disclosure).

### 26.3 Contract balances

The following table provides information about receivables from contracts with customers:

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade receivables	1,233.94	909.31	741.16
Contract liabilities	624.76	406.00	511.93

Contract liabilities include amount received from the customer as per the installments stipulated in the buyer agreement to deliver properties once the properties are complete and control is transferred to customers. The opening balance of these accounts, as disclosed below,

	For the year ended March 31, 2020	For the year ended March 31, 2019
Movement in Contract liability		
Contract liabilities at the beginning of the period	406.00	511.93
Amount received/adjusted against contract liability during the year	299.74	105.00
Performance obligations satisfied during the year	(81.00)	(210.93)
Contract liabilities at the end of the period	624.74	406.00

26.4 The Company receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional.

26.5 There are no performance obligations that are unsatisfied or partially unsatisfied during the year ended March 31, 2020

### 26.6 Reconciliation of revenue recognized in the statement of profit and loss with the contracted price

	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from contracts with customers (as per Statement of Profit and Loss)	231.84	1,017.05
Add: Discounts, rebates, refunds, credits, price concessions	-	-
Contracted price with the customers	231.84	1,017.05

# SUMIT WOODS LIMITED

26.7 Information about the Company's performance obligation for material contracts are summarized below:

The performance obligation of the Company in case of sale of residential plots and apartments and commercial office spaces is satisfied once the project is completed and control is transferred to the costumers.

The customer makes the payment for contracted price as per the installment stipulated as per the agreement.

## 27 Other Income

	For the year ended March 31, 2020	For the year ended March 31, 2019
(a). Interest Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
- Bank deposits (at amortized cost)	-	1.51
- On Capital	59.94	52.80
- Other financial assets carried at amortized cost	18.90	15.26
	78.84	69.57
(b). Dividend income		
Dividend received	-	-
	-	-
(c). Other non-operating income (net of expenses directly attributable to such income)		
Rent received	2.46	6.26
Sundry credit balances written back	32.11	2.00
Miscellaneous income	0.16	0.26
	34.73	8.52
(d). Other gains and losses		
Loss on share in Limited liability partnership	(30.54)	27.45
	(30.54)	27.45
(a + b + c + d)	83.03	105.54

## 28 Changes in inventories of stock-in-trade

	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Opening stock:		
Finished stock	4,479.63	4,461.47
B. Closing stock:		
Finished stock	5,373.72	4,479.63
A - B	(894.09)	(18.16)

## 29 Employee benefits expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Wages	183.62	158.44
Remuneration to Directors	10.40	11.38
Gratuity	4.33	4.17
Contribution to provident and other funds	10.69	8.30
Staff Welfare Expenses	19.97	30.02
	229.01	212.31

## 30 Constructions & Development Expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Site labour & other contract costs	128.12	403.68
Costs of permissions and other land conversion costs	43.25	-
Costs of hiring plant and equipment	4.56	-
Costs of design and technical assistance	19.56	0.65
Construction or development overheads	62.63	13.11
Selling & Distribution Expenses	23.83	2.61
Administrative Expenses relating to project	22.67	11.58
	304.62	431.63



# ANNUAL REPORT 2019-2020

## 31 Finance Costs

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on loans from banks and financial institutions	241.24	334.26
Unwinding of transaction cost	20.33	5.48
Other finance costs	46.79	3.81
Total	308.36	343.55

## 32 Depreciation and amortization expense

	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment	45.86	52.12
Amortization of intangible assets	-	-
Total depreciation and amortization expenses	45.86	52.12

## 33 Other expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Auditors Remuneration	3.60	5.23
Business Promotion Expenses	9.57	12.86
Computer Maintenance Expenses	0.42	0.09
Commission	-	2.13
Consulting Fees	19.60	16.74
Conveyance	-	0.03
Corporate Social Responsibility	8.00	-
Courier, Postage, Telegram Charges	1.24	1.47
Diwali Expenses	1.13	8.22
Donation	4.37	15.27
Electricity Expenses & Material	9.12	-
ROC charges	0.20	0.29
Legal Fees & Charges	0.09	0.62
Maintenance charges	2.11	42.94
Office Repairs & Maintenance	18.67	0.46
Professional Fees	12.33	25.82
Rates and Taxes (includes Vat and Service tax)	23.41	14.45
Telephone & Mobile Expenses	3.13	3.36
Travelling Expenses	12.53	10.92
Vehicle Expenses	7.74	7.43
Xerox, Printing & Stationery	4.26	7.65
Other Misc. expenses (each expenses below 1 lakh)	14.33	7.63
Total	155.85	183.61

### 33.1 Payments to auditors

	For the year ended March 31, 2020	For the year ended March 31, 2019
a) For audit	3.50	3.50
b) Certification work	0.10	1.73
Total	3.60	5.23

# SUMIT WOODS LIMITED

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

## 34 Current tax and deferred tax

### Income tax recognised in profit and loss

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax:		
In respect of current year	88.92	136.69
	88.92	136.69
Deferred tax:		
In respect of current year origination and reversal of temporary differences	0.57	15.80
	0.57	15.80
Total	89.49	152.49

### Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax:		
Remeasurement of defined benefit obligations	(0.59)	(0.59)
	(0.59)	(0.59)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	(0.59)	(0.59)
Income taxes related to items that will be reclassified to profit or loss	-	-
Total	(0.59)	(0.59)

### Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	363.23	611.11
Income tax expense calculated at 22% and year ended March 31, 2019: 25% (plus surcharge & cess as applicable)	88.90	170.01
Effects of expenses that are not deductible in determining taxable profits	-	18.16
Effect of previously unrecognised and unused tax losses and deductible temporary difference now recognised as deferred tax assets	-	(5.15)
Effect of income that is exempt from taxation	-	(7.64)
Effect of expenses deductible in determining taxable profits	0.59	(22.89)
Income tax expense recognised in profit or loss	89.49	152.49

#### Note:

In pursuance of Section 115BAA of the Income Tax Act, 1961 announced by the Government of India through Taxation Laws (Amendment) Ordinance, 2019, the Company has an irrevocable option of shifting to lower tax rate and simultaneously forgo certain tax incentives including loss of accumulated MAT credit. The Company has exercised this option to avail lower tax rate benefit.

The tax rate used for March 31, 2020 and March 31, 2019, in reconciliations above is the corporate tax rate of 22% & 25% respectively (plus surcharge and cess as applicable) on taxable profits under Income Tax Act, 1961.

# ANNUAL REPORT 2019-2020

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

## 35 Contingent Liabilities (to the extent not provided for):

During the year company have entered into loan agreement as co- borrower with Bajaj Housing Finance for Mitasu Developers Private Limited's loan of Rs. 4500 Lakhs

## 36 Earning per share

	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit attributable to Equity shareholders	273.74	458.62
Weighted average number of Ordinary shares for computing - Basic and Diluted earnings per share	3,05,87,044	1,52,93,522
Nominal value per share (Rs.)	10	10
Basic and Diluted (Rupees)	0.89	3.00

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of the completion of these financial statements which would require the restatement of EPS.

## 36 Segment information

In line with the provisions of Ind AS 108 - Operating segments and basis the review of operations being done by the board and the management, the operations of the Company fall under colonization and real estate business, which is considered to be the only reportable segment.

### 36.1 Information about revenue from external customers in various geographical areas

The Company is operating in India which is considered as a single geographical segment.

### 36.2 Information about major customers

The Company derives its major revenues from construction and development of real estate projects and its customers are widespread. Revenue includes sales of Rs. 500 Lakhs (for the year ended March 31, 2019: Rs. 450 Lakhs) which arose from sales to its One major customers which accounts for more than 10% of the Company's total revenue. No other single customer contributed 10% or more to the Company's revenue.

## 37 Employee benefit plans

### 37.1 Defined contribution plans:

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 2.07 Lakhs (Previous Year ended 31 March, 2019: Rs. 5.87 Lakhs) for Provident Fund contributions, in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

### 37.2 Defined benefit plans:

The gratuity scheme is a defined benefit plan that provides for a lump sum payment to the employees on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service.

### 37.3 These plans typically expose the Company to actuarial risks such as: interest rate risk, medical inflation risk, demographic risk, salary inflation risk and change in leave balances, as applicable.

Interest rate risk:	The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Liquidity Risk:	This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Salary Escalation Risk:	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

# SUMIT WOODS LIMITED

Demographic Risk:	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Regulatory Risk:	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).
AssetLiability Mismatching or Market Risk:	The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.
Investment Risk:	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

The weighted average duration of the defined benefit obligation as at March 31, 2020 is 5 years (2019: 5 years, 2018: 5 years)

The Company's best estimate of Contribution during of Rs. 21.65 Lakhs (as at March 31, 2019: Rs. 19.60 lakhs; as at April 1, 2018: Rs. 18.28 Lakhs) to the defined benefit plans during the next financial year.

37.4

The disclosure as required under Ind AS 19 as per actuarial valuation regarding Employee Retirement Benefits Plan for Gratuity is as follows:

a) The principal assumptions used for the purpose of the actuarial valuations were as follows:

	Valuations as at		
	March 31, 2020	March 31, 2019	April 1, 2018
Financial Assumptions			
Discount Rate	5.60%	6.95%	7.30%
Rate of salary increase	10.00%	10.00%	10.00%
Demographic Assumptions			
Mortality Rate	100% of IALM 2012-14	100% of IALM 2006-08	100% of IALM 2006-08
Withdrawal Rate	20.00%	20.00%	20.00%

b) Amount recognised in Statement of profit and loss in respect of these defined benefit plan are as follow:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Current service cost	3.16	3.03
Net Interest Cost/(Income) on the Net Defined Benefit Liability/(Asset)	1.17	1.14
Cost recognised in Profit & Loss	4.33	4.17
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	0.01	0.01
- change in financial assumptions	2.16	0.52
- experience variance (i.e. Actual experience vs assumptions)	(4.56)	(3.02)
Actuarial loss/(gain) arising during period	(2.39)	(2.49)
Return on plan assets, excluding amount recognised in net interest expense	-	0.38
Cumulative Actuarial Loss/(Gain) recognised via OCI at Current Period End	(2.39)	(2.11)
Total Defined Benefit Cost	1.94	2.06

c) The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

	March 31, 2020	March 31, 2019	April 1, 2018
Defined benefit obligation (DBO)	34.32	31.81	29.16
Fair value of plan assets (FVA)	15.61	15.04	13.52
Funded status [surplus/(deficit)]	(18.71)	(16.77)	(15.64)
Effect of Asset ceiling	-	-	-
Net defined benefit asset/(liability)	(18.71)	(16.77)	(15.64)

# ANNUAL REPORT 2019-2020

Movement in the present value of the defined benefit obligation are as

d) follows:

	For the year ended March 31, 2020	For the year ended March 31, 2019
DBO at beginning of prior period	31.81	29.16
Current service cost	3.16	3.03
Interest cost on the DBO	2.22	2.13
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	0.01	-
- change in financial assumptions	2.16	0.52
- experience variance (i.e. Actual experience vs assumptions)	(4.56)	(3.02)
Benefits paid from plan assets	(0.47)	-
DBO at end of current period	34.32	31.81

e) Movement in the fair value of the plan assets are as follows:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value of assets at beginning of prior period	15.04	13.52
Interest income on plan assets	1.05	0.99
Employer contributions	-	1.39
Return on plan assets , excluding amount recognised in net interest expense	-	(0.38)
Benefits paid	(0.47)	(0.47)
Fair Value of assets at the end of current period	15.61	15.04

f) Breakup of Plan Assets as a percentage of total Plan Assets

	March 31, 2020	March 31, 2019	April 1, 2018
Insurer Managed Funds	100%	100%	100%

The details of the composition of the plan asset, by category, from the insurers have not been received and hence the disclosures as required by Ind AS 19 Employee Benefits have not been given.

g) Sensitivity Analysis

Method used for sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

i) Discount Rate

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Effect on DBO due to 1% increase in Discount Rate	32.70	30.37	27.84
Effect on DBO due to 1% decrease in Discount Rate	36.10	33.39	30.60

ii) Salary escalation rate

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Effect on DBO due to 1% increase in Salary Escalation Rate	35.99	33.30	30.53
Effect on DBO due to 1% decrease in Salary Escalation Rate	32.75	30.40	27.86

iii) Withdrawal Rate

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Effect on DBO due to 5% increase in Withdrawal Rate	31.89	30.22	27.88
Effect on DBO due to 5% decrease in Withdrawal Rate	40.04	35.36	32.02

iv) Mortality Rate

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Effect on DBO due to 5% increase in Mortality Rate	34.31	31.81	29.16
Effect on DBO due to 5% decrease in Mortality Rate	34.33	31.82	29.16

h) Expected cash flows over the next (valued on undiscounted basis):

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
1 year	6.04	5.96	5.56
2 to 5 years	19.85	18.98	17.65
6 to 10 years	11.51	12.25	11.58
More than 10 years	9.69	9.58	9.05

# SUMIT WOODS LIMITED

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

## 38 Financial instruments

### 38.1 Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt offset by cash and bank balances and total equity of the Company.

#### Gearing ratio

The gearing ratio at end of the reporting period was as follows.

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Debt	2,109.87	2,772.84	3,620.70
Cash and bank balances	35.13	35.85	148.53
Net debt	2,074.74	2,736.99	3,472.17
Total equity	7,273.11	7,029.73	4,647.35
Net debt to equity ratio	0.29	0.39	0.75

### 38.2 Categories of financial instruments:

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
Investment in equity instruments	0.25	0.25	0.25
Measured at amortized cost			
Trade receivables	1,233.94	909.31	741.16
Cash and bank balances	35.13	35.85	148.53
Other financial assets	356.76	534.66	128.36
Financial liabilities			
Measured at amortized cost			
Borrowings	2,109.87	2,772.84	3,620.70
Trade payables	494.34	218.98	371.29
Other financial liabilities	531.29	182.75	156.83

### 38.3 Financial risk management objectives

The company monitors and manages the financial risks to the operations of the company. These risks include market risk, credit risk, interest risk and liquidity risk.

#### A. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company uses its own trading records to rate its major customers. The Company's exposure to financial loss from defaults are continuously monitored.

Trade receivables consist of a large number of customers, spread across various geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

#### B. Liquidity risk

Liquidity risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash to meet obligations when due.

The Company continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.



# ANNUAL REPORT 2019-2020

## Maturities of financial liabilities

Table showing maturity profile of non-derivative financial liabilities:

	Upto One year	1-5 years	Total
March 31, 2020			
Borrowings	47.01	2,062.86	2,109.87
Trade payables	494.34	-	494.34
Other financial liabilities	531.29	-	531.29
March 31, 2019			
Borrowings	686.83	2,086.01	2,772.84
Trade Payables	218.98	-	218.98
Other financial liabilities	531.29	-	531.29
April 1, 2018			
Borrowings	1,118.55	2,502.15	3,620.70
Trade Payables	371.29	-	371.29
Other financial liabilities	156.83	-	156.83

The above table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

## C. Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk. In the normal course of business and in accordance with our policies, we manage these risks through a variety of strategies.

### i). Currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is domiciled in India and has its revenues and other major transactions in its functional currency i.e. INR. Accordingly the Company is not exposed to any currency risk.

### ii). Interest rate risk

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 has borrowed funds with both fixed and floating interest rate.

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Floating rate borrowing			
Term loans- from banks	825.41	1,884.90	2,432.51
Total Borrowings	825.41	1,884.90	2,432.51

## Interest rate sensitivity

A change of 1% in interest rates of ICICI borrowing would have following impact on profit before tax

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
1% increase in interest rate – decrease in profit	265.36	367.69
1% decrease in interest rate – increase in profit	217.12	300.83

## 38.4 Derivative Financial Instruments

The Company has not entered into any derivative financial contracts during the current and previous financial years.

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

## 39 Fair Value Measurement

### 39.1 Fair value of the financial assets that are measured at fair value on a recurring basis

Financial assets/ financial liabilities measured at Fair value	Fair value as at			Fair value hierarchy
	March 31, 2020	March 31, 2019	April 1, 2018	
A) Financial assets				
a) Investments in				
i) Equity shares (Quoted)	0.25	0.25	0.25	Level 3
Total financial assets	0.25	0.25	0.25	

As at the reporting date, the Company does not have any financial liability measured at fair values.

39.2 The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued at cost, as cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range.

39.3 Fair value of financial assets and financial liabilities that are measured at amortized cost:

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

39.4 Reconciliation of Level III fair value measurement is as below:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of the year	0.25	0.25
Changes during the year	-	-
Balance at the end of the year	0.25	0.25

# ANNUAL REPORT 2019-2020

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

## 40 Related parties transactions

### 40.1 Names of the related parties and related party relationships

Particulars	Relationship as at		
	March 31, 2020	March 31, 2019	April 1, 2018
Mitasu Developers Private Limited	Subsidiary	Subsidiary	-
Mitasu Infra Developers Pvt Ltd.	Subsidiary	-	-
Sumit Realty Private Limited	Associate Company	Associate Company	Associate Company
Sumit Kundil Joint Venture	Joint Venture	Joint Venture	Joint Venture
Sumit Chetna Ventures	Joint Venture	Joint Venture	Joint Venture
Sumit Pramukh Ventures	Joint Venture	Joint Venture	Joint Venture
Sun Sumit Ventures	Joint Venture	Joint Venture	Joint Venture
Sumit Snehashish Joint Venture	Joint Venture	Joint Venture	Joint Venture
Sumit Snehashish Venture	Joint Venture	Joint Venture	Joint Venture
Sumit Pragati Venture LLP	Partnership firm	Partnership firm	Partnership firm
Milestone Construction & Deveopers LLP	Partnership firm	Partnership firm	Partnership firm
Sumit Garden Grove Constructions LLP	Partnership firm	Partnership firm	Partnership firm
Sumit Pragati Shelters LLP	Partnership firm	Partnership firm	Partnership firm
Sumit Star Land Developers LLP	Partnership firm	Partnership firm	Partnership firm
Sumit Pragati Develoeprs LLP	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Access Facility Management LLP	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Sumo Real Estate LLP	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Mitasu Realty LLP	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Sumit Infotech Private Limited	Company where director is intrested	Company where director is intrested	Company where director is intrested
Sumit Abode Private Limited	Company where director is intrested	Company where director is intrested	Company where director is intrested
Mitasu Woods Private Limited	Company where director is intrested	Company where director is intrested	Company where director is intrested
Sumit Woods Goa Private Limited	Company where director is intrested	Company where director is intrested	Company where director is intrested
Second Home Resorts Limited	Company where director is intrested	Company where director is intrested	Company where director is intrested
Sumit Developers	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Sumit Constructions	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Key Management Personnel			
Mitaram Ramlal Jangid	Managing Director	Managing Director	Director
Subodh Ramakant Nemlekar	Director	Director	Director
Bhushan Subodh Nemlekar	Whole time Director	Whole time Director	Director
Priyanka Waghela	Chief Financial Officer	Chief Financial Officer	-
Sayli Munj		Company Secretary	-
Relatives of key management personnel			
Deepak Jangid	Brother of Director	Brother of Director	Brother of Director
Amruta Jangid	Daughter of Director	Daughter of Director	Daughter of Director
Sharda Jangid	Spouse of Director	Spouse of Director	Spouse of Director
Kavita Nemlekar	Spouse of Director	Spouse of Director	Spouse of Director
Dhanshree Nemlekar	Spouse of Director	Spouse of Director	Spouse of Director

# SUMIT WOODS LIMITED

## 40.2 Details of related party transactions

	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of Goods		
Mitasu Woods Pvt Ltd	32.07	27.60
Sale of Material		
Sumit Kundil Joint Venture	2.16	-
Receiving Services		
Deepak Jangid	0.18	3.06
Access Facility Management LLP	-	17.74
Mitasu Realty LLP	10.76	-
Sharda Jangid	6.00	6.00
Kavita Nemlekar	12.00	8.50
Dhanshree Nemlekar	12.00	8.50
Rendering Services		
Milestone Construction & Deveopers LLP	1.18	1.18
Sumit Garden Grove Constructions LLP	604.16	545.16
Sumit Pragati Shelters LLP	11.80	113.87
Sumit Star Land Developers LLP	5.90	7.08
Sumit Pragati Venture LLP	2.36	2.36
Sumit Kundil Joint Venture	77.88	132.16
Sumit Chetna Ventures	3.54	28.32
Sumit Snehashish Joint Venture	2.06	7.08
Sumit Snehashish Venture	7.08	7.08
Sumo Real Estate LLP	0.29	0.59
Sumit Abode Private Limited	4.72	3.54
Sumit Developers	4.72	3.54
Sumit Constructions	1.18	0.59
Mitasu Realty LLP	1.18	0.59
Sumit Realty Pvt Ltd	2.36	71.96
Sumit InfoTech Pvt Ltd	1.18	0.59
Second Home Resorts Ltd	1.18	0.59
Sumit Woods Goa Pvt Ltd	1.18	0.59
Mitasu Developers Pvt Ltd	28.32	21.24
Mitau Infra Developers Pvt Ltd	0.44	-
Mitasu Woods Pvt Ltd	1.18	-
Sumit Pragati Developers LLP	2.36	1.16
Payment of Salary		
Mitaram Ramlal Jangid	3.00	2.50
Subodh Ramakant Nemlekar	-	5.58
Bhushan Subodh Nemlekar	3.00	2.50
Priyanka Waghela	8.84	8.89
Sayli Munj	4.59	0.64
Amruta Jangid	12.00	12.00
Sitting Fees		
Subodh Ramakant Nemlekar	1.20	-
Interest receivable on capital investment		
Sumit Star Land Develoeprs LLP	59.94	52.80
Interest on loan Given		
Sumit Pragati Shelters LLP	-	14.93
Milestone Constructions and Developers LLP	0.58	-
Loan Taken /(Repaid)		
Mitaram Jangid	416.17	100.73
Subodh Nemlekar	(40.00)	(7.30)
Bhushan Nemlekar	505.70	(37.95)
Sumit Realty Pvt Ltd	43.30	-
Loan Given (Net)		
Mitasu Developers Pvt Ltd	269.05	359.27
Milestone Constructions and Developers LLP	5.00	-

# ANNUAL REPORT 2019-2020

## 40.3 Details of related party closing balances

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade Payables			
Mitasu Woods Pvt Ltd	(18.12)	4.23	19.60
Deepak Jangid	(0.27)	(1.61)	-
Access Facility Management LLP	-	(1.05)	(1.30)
Sharda Jangid	(4.05)	(0.90)	(0.45)
Kavita Nemlekar	(2.70)	(1.80)	(0.45)
Dhanshree Nemlekar	(8.10)	(1.80)	(0.45)
Salary Payable			
Mitaram Ramlal Jangid	(18.28)	(15.28)	(13.56)
Subodh Ramakant Nemlekar	(3.00)	(3.00)	(1.41)
Bhushan Subodh Nemlekar	(4.72)	(1.72)	-
Priyanka Waghela	-	(0.55)	(0.52)
Sayli Munj	(0.10)	(0.30)	-
Amruta Jangid	(5.98)	(1.78)	(0.89)
Trade Receivable			
Sumit Garden Grove Constructions LLP	370.50	432.00	3.48
Sumit Pragati Shelters LLP	-	-	483.01
Sumit Star Land Developers LLP	-	-	1.74
Sumit Pragati Venture LLP	0.58	4.06	1.74
Sumit Kundil Joint Venture	135.82	108.00	-
Sumit Chetna Ventures	-	-	68.50
Sumit Snehashish Joint Venture	-	-	1.74
Sumit Snehashish Venture	-	-	1.74
Sumo Real Estate LLP	0.29	-	-
Sumit Abode Private Limited	4.64	-	-
Sumit Developers	-	-	1.60
Sumit Constructions	-	-	-
Mitasu Realty LLP	0.50	-	-
Sumit Realty Pvt Ltd	0.58	-	-
Sumit InfoTech Pvt Ltd	1.18	0.72	-
Second Home Resorts Ltd	1.80	0.64	-
Sumit Woods Goa Pvt Ltd	2.71	2.14	-
Mitasu Infra Developers Pvt Ltd	0.29	-	-
Sumit Pragati Developers LLP	3.48	1.16	-
Mitasu Developers Pvt Ltd	3.46	-	-
Loans & Advances (Assets)			
Milestone Construction & Deveopers LLP	5.05	-	-
Sumit Realty Pvt Ltd	-	8.05	-
Mitasu Developers Pvt Ltd	113.65	359.27	-
Loan Taken			
Sumit Realty Pvt Ltd	(43.30)	-	(56.99)
Mitaram Ramlal Jangid	(523.87)	(107.69)	(217.31)
Subodh Ramakant Nemlekar	(9.66)	(49.66)	(56.96)
Bhushan Subodh Nemlekar	(505.70)	-	(37.95)

## 40.4 Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019	
Short-term employee benefits	19.43	20.11	
Post-employment benefits	-	-	
Other long-term benefits	-	-	
Termination benefits	-	-	
Total	19.43	20.11	
Sitting fee paid to directors	4.40	-	

As the liabilities for defined benefit plan are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial persons are not included.

# SUMIT WOODS LIMITED

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

41

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	23.88	12.62
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

The Company has not received any intimation from the suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure required under the Act.

42 The figures for the corresponding previous year have been regrouped / reclassified, wherever necessary, to make them comparable with the current year classification.

43 First-time adoption of Ind-AS

43.1 First time Ind AS adoption reconciliations

(i) Reconciliation of total equity as at March 31, 2019

Particulars	Notes	As at March 31, 2019	As at April 1, 2018
Total equity as per previous GAAP		7,319.23	4,630.46
Ind AS adjustments:			
Effect of measurement of financial liabilities at amortised cost	(a)	19.66	25.14
Investment in Limited liability partnership and Joint venture measured at cost	(b)	(279.38)	-
Deferred tax on above adjustments	(c)	(29.79)	(8.25)
Total adjustments		(289.51)	16.89
Total equity		7,029.72	4,647.35

(ii) Reconciliation of total comprehensive income for the year ended March 31, 2019:

Particulars	Notes	For the year ended March 31, 2019
Profit as per previous GAAP		378.09
Ind AS Adjustments:		
Effect of measurement of financial liabilities at amortised cost	(a)	(5.48)
Investment in Limited liability partnership and Joint venture measured at cost	(b)	27.45
Transaction cost related to equity debited to security premium under Ind AS	(d)	81.62
Actuarial (gain) /loss on defined benefit plan	(e)	(2.12)
Deferred tax on above adjustments	(c)	(20.95)
Total effect of transition to Ind AS		80.52
Loss under Ind AS		458.61
Other comprehensive income		
Re-measurement (loss)/gain on defined benefit plans (net of taxes)	(e)	1.53
Total Comprehensive Income		460.14

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.



## (iii) Adjustments to Statement of Cash Flow

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

### 43.2 Notes to reconciliation

- (a) Under Previous GAAP, the Company accounted for long term borrowings measured at transaction value. Under Ind AS, the Company has recognised the long term borrowings initial at fair value less loan processing fees/transaction cost and subsequently measured at amortised cost using effective interest rate (EIR).
- (b) Under Previous GAAP, Joint ventures and Partnership firms were accounted using equity method. Under Ind AS, the joint ventures and partnership firm are accounted at Cost (deemed cost as at the transition date) in the separate financial statement. The gains/(losses) recognised for the share of profit/loss during the F.Y 2018-19 has been removed from the separate financial statement.
- (c) In the financial statements prepared under Previous GAAP, deferred tax was accounted as per the income statement approach which required creation of deferred tax asset/liability on temporary differences between taxable profit and accounting profit. Under Ind AS, deferred tax is accounted as per the Balance Sheet approach which requires creation of deferred tax asset/liability on temporary differences between the carrying amount of an asset/liability in the Balance Sheet and its corresponding tax base. The application of Ind AS has resulted in recognition of deferred tax on new temporary differences which were not required to be recognised under Previous GAAP. In addition, the above mentioned transitional adjustments have also led to temporary differences and creation of deferred tax thereon.
- (d) Under previous GAAP, transaction cost related to equity debited to security premium were recognised in profit or loss. Under Ind AS, transaction cost related to equity are adjusted against security premium.
- (e) Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/ asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss.

**This is the Balance Sheet referred to in our Report of even date.**

**For SSRV And Associates**

**Chartered Accountants**

Firm Registration No. 135901W

**SD/-**

**CA Vishnu kant Kabra**

Partner

**M. No.: 403437**

**UDIN : 20403437AAAANZ3635**

**For and on behalf of the Board**

**SD/-**

**Mitaram R. Jangid**

Managing Director

**SD/-**

**Bhushan S. Nemlekar**

Whole Time Director

**SD/-**

**Pujadevi Chaurasia**

Company Secretary

**SD/-**

**Priyanka Waghela**

Chief Financial Officer

**Place: Mumbai**

**Dated: July 09, 2020**

# SUMIT WOODS LIMITED

## Form AOC-1

### STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIALS STATEMENTS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (PURSUANT TO FIRST PROVISIO TO SUB SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

#### Part "A": Subsidiaries Rs in Lakhs

Sr. No	Particulars	Details	Details
1	Name of the subsidiary	Mitasu Developers Private Limited	<b>Mitasu Infra Developers Pvt Limited</b>
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01 April 2019 to 31 March 2020	<b>19 August 2019 to 31 March 2020 (Incorporated as on 19/08/2019)</b>
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Indian Rupees	<b>Indian Rupees</b>
4	Share capital	1.00	<b>1.00</b>
5	Reserves & surplus	69.85	<b>-0.66</b>
6	Total assets	1996.59	<b>0.71</b>
7	Total Liabilities	1925.72	<b>0.37</b>
8	Investments	0	<b>0</b>
9	Turnover	18.97	<b>0</b>
10	Profit before taxation	15.74	<b>-0.66</b>
11	Provision for taxation	0	<b>0</b>
12	Profit after taxation	15.74	<b>-0.66</b>
13	Proposed Dividend	0	<b>0</b>
14	% of shareholding	<b>100%</b>	<b>100%</b>

#### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	Sumit Realty Private Limited
1. Latest audited Balance Sheet Date	31 March 2020
2. Shares of Associate held by the company on the year end	
No.	17,500
Amount of Investment in Associates	1.75
Extend of Holding %	35%
3. Description of how there is significant influence	There is significant influence due to percentage (%) of equity share capital
4. Reason why the associate is not consolidated	-
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	275.62
6. Profit / Loss for the year	-25.45
i. Considered in Consolidation	-8.90
i. Not Considered in Consolidation	-16.55

# ANNUAL REPORT 2019-2020

Name of Joint Ventures	Sumit Chetna Venture	Sumit Snehashi sh Venture	Sumit Snehashish Joint Venture	Sun Sumit Ventures	Sumit Kundil Joint Venture	Sumit Pramukh Venture
<b>1. Latest audited Balance Sheet Date</b>	31 March 2020	31 March 2020	31 March 2020	31 March 2020	31 March 2020	<b>31 March 2020</b>
<b>2. Shares of Joint Ventures held by the company on the year end No.</b>	NA	NA	NA	NA	NA	<b>NA</b>
<b>Amount of Investment in Joint Venture</b>	239.84	827.29	Nil	121.02	237.40	<b>266.63</b>
<b>Extend of Holding %</b>	67%	30%	50%	25%	50%	<b>60%</b>
<b>3. Description of how there is significant influence</b>	There is significant influence due to percentage (%) of profit sharing	There is significant influence due to percentage (%) of profit sharing	There is significant influence due to percentage (%) of profit sharing	NA	There is significant influence due to percentage (%) of profit sharing	<b>There is significant influence due to percentage (%) of profit sharing</b>
<b>4. Reason why the joint venture is not consolidated</b>	-	-	-	Since we do not hold any significant control over entity the same is not consolidated	-	-
<b>5. Net worth attributable to Shareholding as per latest audited Balance Sheet</b>	430.89	715.19	3.54		66.49	<b>129.37</b>
<b>6. Profit / Loss for the year</b>	-32.18	12.63	-101.28		-13.51	<b>2.81</b>
<b>i. Considered in Consolidation</b>	-21.56	3.79	-50.64		-6.76	<b>1.69</b>
<b>i. Not Considered in Consolidation</b>	<b>-10.62</b>	<b>8.84</b>	<b>-50.64</b>		<b>-6.75</b>	<b>1.12</b>

# SUMIT WOODS LIMITED

Sumit Woods Limited  
Consolidated Balance sheet at March 31, 2020  
All amounts are ₹ in Lakhs unless otherwise stated

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
	Assets				
1	Non-current assets				
	a. Property, plant and equipment	8	792.75	856.67	927.38
	b. Other intangible assets	9	0.71	1.45	3.00
	c. Investment in associates & joint ventures	10	2,206.06	2,598.76	1,602.26
	d. Financial assets				
	i. Other investments	11	0.25	0.25	0.25
	ii. Other financial assets		159.25	140.38	-
	e. Non-current tax assets (net)	12	159.80	141.96	97.99
	f. Deferred tax asset (net)	13	-	-	6.47
	g. Other non-current assets	14	269.13	253.63	91.57
	Total non-current assets		3,587.95	3,993.10	2,728.92
2	Current assets				
	a. Inventories	15	12,759.52	12,271.09	13,153.15
	b. Financial Assets				
	i. Trade receivables	16	1,541.77	937.31	1,620.22
	ii. Cash and cash equivalents	17	257.79	228.98	699.71
	iii. Bank balances other than (ii) above	17	-	56.13	69.34
	iv. Other financial assets	18	445.52	351.73	162.78
	c. Other current assets	14	227.90	289.54	485.63
	Total current assets		15,232.50	14,134.78	16,190.83
	Total assets		18,820.45	18,127.88	18,919.75
	Equity and liabilities				
	Equity				
	a. Equity share capital	19	3,058.70	1,529.35	1,084.05
	b. Other equity	20	4,881.51	6,157.89	4,010.00
	Equity attributable to shareholders of the Company		7,940.21	7,687.24	5,094.05
	c. Non-controlling interests		2,713.95	4,011.34	4,380.65
	Total equity		10,654.16	11,698.58	9,474.70
	Liabilities				
1	Non-current liabilities				
	a. Financial liabilities				
	i. Borrowings	21	4,985.10	2,926.01	5,351.18
	b. Provisions	22	22.78	20.35	18.10
	c. Deferred tax liability (net)	13	10.81	9.92	-
	Total non-current liabilities		5,018.69	2,956.28	5,369.28
2	Current liabilities				
	a. Financial liabilities				
	i. Borrowings	21	47.02	157.36	433.41
	ii. Trade payables	23	903.52	643.64	1,176.36
	iii. Other financial liabilities	24	602.65	1,322.32	1,054.30
	b. Current tax liabilities (net)		80.29	29.89	12.32
	c. Provisions	22	6.04	5.96	5.56
	d. Other current liabilities	25	1,508.08	1,313.85	1,393.82
	Total current liabilities		3,147.60	3,473.02	4,075.77
	Total liabilities		8,166.29	6,429.30	9,445.05
	Total Equity and Liabilities		18,820.45	18,127.88	18,919.75

See accompanying notes to the financial statements  
This is the Balance Sheet referred to in our Report of even date.  
For SSRV And Associates  
Chartered Accountants  
Firm Registration No. 135901W

For and on behalf of the Board

SD/-  
CA Vishnu kant Kabra  
Partner  
M. No.: 403437  
UDIN: 20403437AAAAOA8719

SD/-  
Mitaram R. Jangid  
Mangaing Director

SD/-  
Bhushan S. Nemlekar  
Whole Time Director

SD/-  
Pujadevi Chaurasia  
Company Secretary

SD/-  
Priyanka Waghela  
Chief Financial Officer  
Place: Mumbai  
Dated: July 9, 2020

# ANNUAL REPORT 2019-2020

Sumit Woods Limited				
Statement of Consolidated profit and loss for the year ended March 31, 2020				
All amounts are ₹ in Lakhs unless otherwise stated				
		Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I	Revenue from operations	26	4,871.09	5,387.45
II	Other Income	27	125.11	281.26
III	Total Income (I + II)		4,996.20	5,668.71
IV	Expenses			
	Purchases of stock-in-trade		955.19	681.87
	Changes in inventories of stock-in-trade	28	(488.43)	882.06
	Employee benefits expense	29	344.61	607.27
	Constructions & Development Expenses	30	2,386.28	1,949.40
	Finance costs	31	651.01	727.34
	Depreciation and amortisation expense	32	67.48	77.04
	Other expenses	33	212.91	252.17
	Total expenses (IV)		4,129.05	5,177.15
V	(Loss)/Profit before tax (III - IV)		867.15	491.56
VI	Tax expenses			
	Current tax	34	223.13	230.20
	Deferred tax	34	0.57	15.80
			223.70	246.00
VII	Profit/(loss) before share of profit/(loss) in associates and joint ventures (V - VI)		643.45	245.56
VIII	Share of profit/(loss) in associates and joint ventures		(43.99)	361.63
IX	Net profit/(loss) for the year (VII + VIII)		599.46	607.19
X	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit plans (net of taxes)		1.81	1.53
XI	Total comprehensive (loss)/income for the year (IX + X)		601.27	608.72
XII	Profit for the year attributable to:			
	Shareholders of the Company		283.33	669.43
	Non-controlling interests		316.13	(62.24)
			599.46	607.19
XIII	Total comprehensive income for the year attributable to:			
	Shareholders of the Company		285.14	670.96
	Non-controlling interests		316.13	(62.24)
			601.27	608.72
	Earnings per equity share			
	(1) Basic (in ₹)	36	2.10	1.61
	(2) Diluted (in ₹)	36	2.10	1.61

See accompanying notes to the financial statements

This is the Balance Sheet referred to in our Report of even date.

For SSRV And Associates

Chartered Accountants

Firm Registration No. 135901W

For and on behalf of the Board

SD/-

CA Vishnu kant Kabra  
Partner

M. No.: 403437

UDIN: 20403437AAAAOA8719

SD/-

Mitaram R. Jangid  
Mangaing Director

SD/-

Bhushan S. Nemlekar  
Whole Time Director

SD/-

Pujadevi Chaurasia  
Company Secretary

SD/-

Priyanka Waghela  
Chief Financial Officer

Place: Mumbai  
Dated: July 9, 2020

# SUMIT WOODS LIMITED

Sumit Woods Limited  
Statement of Consolidated Cash flow for the year ended March 31, 2020  
All amounts are ₹ in Lakhs unless otherwise stated

		For the year ended March 31, 2020	For the year ended March 31, 2019
1	Cash flow from operating activities		
	Profit / (Loss) Before tax	867.15	491.56
	Adjustments for :		
	Depreciation, amortisation and impairment	67.48	77.04
	Finance costs	651.01	727.34
	Impact of Gratuity	2.39	2.12
	Interest/Dividend income	(44.71)	(45.48)
	Profit on Sale of Property, plant and equipment	0.04	-
	Operating profit before working capital changes	1,543.36	1,252.58
	Adjustments for changes in :		
	(Decrease)/Increase in Trade Payables	259.88	(532.72)
	(Increase)/Decrease in Trade receivables	(604.46)	682.91
	(Increase)/Decrease in Other Current assets	(161.48)	156.33
	(Increase)/Decrease in Inventories	(488.43)	882.06
	(Decrease)/Increase in Borrowings	(1,330.50)	101.51
	(Decrease)/Increase in Other Current Liabilities & Provisions	171.94	23.85
	Cash generated from operations	(609.69)	2,566.52
	Income tax paid	(87.51)	(225.75)
	[A]	(697.20)	2,340.77
2	Cash flow from investing activities		
	Payments for acquisition of assets	(3.10)	(4.79)
	Sale Proceeds from Asset	0.30	-
	Interest received	86.36	104.24
	Deposites for new Projects	(15.51)	(293.44)
	Sales/ (Purchase) in Investment	597.40	(672.84)
	Loans and advances given / repaid (Net)	-	-
	[B]	665.45	(866.83)
3	Cash flow from financing activities		
	Proceeds from/Repayments of borrowings [Net]	2,694.36	(3,189.51)
	Finance Cost	(725.72)	(814.81)
	Issue of Equity Share	-	445.30
	Introduction of capital / (withdrawal)	(1,792.72)	137.41
	Receipt of Securities Premium	(115.36)	1,476.93
	[C]	60.56	(1,944.68)
	Net cash Inflow / (outflow) [A+B+C]	28.81	(470.74)
	Openings cash and cash equivalents	228.97	699.71
	Closing cash and cash equivalents	257.78	228.97

See accompanying notes to the financial statements

See accompanying notes to the financial statements

This is the Balance Sheet referred to in our Report of even date.  
For SSRV And Associates  
Chartered Accountants  
Firm Registration No. 135901W

SD/-

CA Vishnu kant Kabra  
Partner  
M. No.: 403437  
UDIN : 20403437AAANZ3635

For and on behalf of the Board  
SD/-

Mitaram R. Jangid  
Managing Director

SD/-

Bhushan S. Nemlekar  
Whole Time Director

SD/-  
Pujadevi Chaurasia  
Company Secretary

SD/-  
Priyanka Waghela  
Chief Financial Officer

Place: Mumbai  
Dated: July 09, 2020



# ANNUAL REPORT 2019-2020

Sumit Woods Limited

Statement of changes in equity for the year ended March 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

## a. Equity share capital

	No. of shares	Amount
Balance at April 1, 2018	1,08,40,522	1,084.05
Changes in equity share capital during the year	44,53,000	445.30
Balance at March 31, 2019	1,52,93,522	1,529.35
Changes in equity share capital during the year	1,52,93,522	1,529.35
Balance at March 31, 2020	3,05,87,044	3,058.70

## b. Other equity

Particulars	Reserves & surplus		Total
	Securities premium reserve	Retained earnings	
Balance at April 1, 2018	1,368.77	2,641.23	4,010.00
Addition on account of issue of shares	1,476.93	-	1,476.93
Remeasurement of defined benefits plan	-	1.53	1.53
Profit/(Loss) attributable to owners of the Company	-	669.43	669.43
Balance at March 31, 2019	2,845.70	3,312.19	6,157.89
Addition on account of issue of shares	(1,561.52)	-	(1,561.52)
Remeasurement of defined benefits plan	-	1.81	1.81
Profit/(Loss) attributable to owners of the Company	-	283.33	283.33
Balance at March 31, 2020	1,284.18	3,597.33	4,881.51

## c. Nature of reserves

### i. Securities premium reserve

Securities premium reserve represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

### ii. Retained earnings

Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013.

This is the Balance Sheet referred to in our Report of even date.

For SSRV And Associates

Chartered Accountants

Firm Registration No. 135901W

For and on behalf of the Board

SD/-

CA Vishnu kant Kabra

Partner

M. No.: 403437

UDIN : 20403437AAAAANZ3635

SD/-

Mitaram R. Jangid

Managing Director

SD/-

Bhushan S. Nemlekar

Whole Time Director

SD/-

Pujadevi Chaurasia

Company Secretary

SD/-

Priyanka Waghela

Chief Financial Officer

Place: Mumbai

Dated: July 09, 2020

## 1. Background Information

Sumit Woods Limited (The Holding Company) was originally incorporated as “Sumit Woods Private Limited” at Goa on January 09, 1997 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Goa, Daman and Diu at Panaji, Goa. The Registered Office of the Company was thereafter shifted to Mumbai with effect from March 24, 2005. Subsequently, The Holding Company was converted into a public limited company under the Companies Act and the name of the Holding Company was changed to ‘Sumit Woods Limited’ pursuant to fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated February 06, 2018 issued by the Registrar of Companies, Maharashtra, Mumbai.

The Holding Company and its subsidiaries (including Limited Liability Partnership) (hereinafter referred to as “the Group”) are primarily engaged in the business of real estate/ real estate development and incidental services. The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report for the principal activities of the Company.

The Consolidated financial statements of the Group as on March 31, 2020 were approved and authorised for issue by the Board of Directors on **July 9, 2020**.

## 2. Statement of Compliance with Ind AS

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time with effect from April 1, 2018.

For all periods upto and including the year ended March 31, 2019, the Group prepared its consolidated financial statements in accordance with the requirements of the accounting standards notified under section 133 of Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

These consolidated financial statements for the year ending March 31, 2020 are the first financial statements that the Group has prepared under Ind AS. The date of transition to Ind AS is April 1, 2018 and the adoption was carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. The Group has presented a reconciliation from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (“Previous GAAP”) to Ind AS of total equity as at April 1, 2018 and March 31, 2019, total comprehensive income and cash flow for the year ended March 31, 2019.

## 3. Basis of Preparation of Consolidated Financial Statements

The Consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments measured at fair value at the end of each reporting period as explained in accounting policies below.

The Consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, unless otherwise indicated.

## **Current and Non-Current Classification:**

An asset/liability is classified as current when it satisfies any of the following criteria:

- i) It is expected to be realized/ settled, or is intended for sale or consumption, in the companies normal operating cycle or
- ii) It is held primarily for the purpose of being traded or
- iii) It is expected to be realized/ due to be settled within 12 months after the reporting date or
- iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date or
- v) The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other assets and liabilities are classified as non- current.

## **4. Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries (together the 'Group').

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Goodwill arising on consolidation is not amortised and it is tested for impairment on annual basis.

## **5. Use of estimates**

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Group to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of consolidated financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Key sources of estimation of uncertainty at the date of the consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of: fair valuation of unquoted equity investments, impairment of financial instruments, impairment of property, plant & equipment, useful lives of property, plant & equipment, provisions and contingent liabilities and long term retirement benefits.

## Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements.

## 6. Significant Accounting policies

### 6.1 Financial Instruments

#### Classification

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

- (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.

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

#### 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 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.

#### Equity instruments

The Group subsequently measures all equity investments at fair value except investment in joint venture and associate entities.

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.

## **Impairment of financial assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. 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.

## **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.

## **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.

## **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.

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.

## **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.

## **6.2 Investments in associates and joint ventures**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture.

Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or 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.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that- event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income' by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group



reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group

## **6.3 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Group's cash management.

## **6.4 Property Plant and Equipment**

### **Recognition and initial measurement**

Property, plant and equipment are valued at cost of acquisition or construction less accumulated depreciation and impairment loss. The Group capitalises all costs relating to the acquisition, installation and construction of property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognized instatement of profit or loss as incurred.

### **Subsequent measurement (depreciation and useful lives):**

Depreciation is provided on the assets on their original costs up to their net residual value estimated at 5% of the original cost, prorata to the period of use on the written down value method, over their estimated useful life. Assets individually costing upto Rs 5,000 are fully depreciated in the year of purchase.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

### **De-recognition:**

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

### **Transition to Ind AS**

For transition to Ind AS, the Group has elected to measure all its property, plant and equipment at the previous GAAP carrying amount on the date of transition to Ind AS i.e. April 1, 2018.

## **6.5 Intangible Assets**

### **Recognition and initial measurement**

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

### **Subsequent measurement (amortisation):**

The cost of capitalized software is amortized over a period of 6 years from the date of its acquisition.



## Transition to Ind AS

For transition to Ind AS, the Group has elected to measure all its property, plant and equipment at the previous GAAP carrying amount on the date of transition to Ind AS i.e. April 1, 2018.

## 6.6 Capital work in progress and Capital advances

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed in Other Non-Financial Assets.

## 6.7 Revenue Recognition

### 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:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. 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 construction 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.

## Rent

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

## 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.

## 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).

## 6.8 Cost of Revenue

Cost of Real estate projects Cost of project, includes cost of land (including cost of development rights/ land under agreements to purchase), liasoning 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.

## 6.9 Borrowing cost

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

## 6.10 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.

<b>Land and development rights</b>	<b>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.</b>
<b>Construction materials</b>	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.
<b>Work-in-progress (Land/ Real Estate under development)</b>	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.
<b>Completed unsold flats/units</b>	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.

## 6.11 Impairment of non - financial assets

The carrying amounts of the Group’s property, plant & equipment and intangible assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset’s recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the statement of profit and loss in the period in which impairment takes place.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods. A reversal of an impairment loss is recognised immediately in profit or loss.

## 6. 12 Employee benefits

### 5.12.1 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.

### 5.12.2 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.

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.

### 5.12.3 Compensated absences

Short term compensated absences are provided for based on actuarial valuation at year end. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. The Group presents the compensated absences as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

## 6.13 Accounting for provisions, contingent liabilities and contingent assets

Provisions are recognised in the balance sheet when the Group has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Constructive obligation is an obligation that derives from an entity's actions where:

- by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities, and
- as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities

Contingent liabilities are not recognised in the consolidated financial statements. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 6. 14 Income tax

Income tax expense comprises both current and deferred 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 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**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated 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 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.

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.

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 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 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 Company will pay normal income-tax during the specified period.

## **6.15 Dividends on ordinary shares**

The Group recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value remeasurement recognised directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

## **6.16 Segment reporting**

The Group is primarily engaged in the business of Real Estate including group companies & engage of shares and securities. As such the Group's financial statements are largely reflective of the Real Estate Business and there is no separate reportable segment

Pursuant to Ind AS 108 - Operating Segments, no segment disclosure has been made in these consolidated financial statements, as the Group has only one geographical segment and no other separate reportable business segment.

## **6.17 Onerous contracts**

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

## **7. First-Time Adoption of Ind AS**

The Group has prepared the opening balance sheet as per Ind AS as of April 1, 2018 (the transition date), by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. The exceptions and certain optional exemptions availed by the Group in accordance with the guidance provided in Ind AS 101, First Time Adoption of Indian Accounting Standards, and reconciliations of equity and total comprehensive income from previously reported GAAP to Ind AS are detailed below:

## 7.1 Mandatory Exceptions to retrospective application

The Group has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 “First Time Adoption of Indian Accounting Standards”.

### **Estimates:**

On assessment of the estimates made under the Previous GAAP consolidated financial statements, the Group has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence that those estimates were in error. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Group for the relevant reporting dates reflecting conditions existing as at that date.

### **Classification and Measurement of financial asset:**

The Group has classified the financial assets as per para 4.1.2A of Ind AS 109 on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

### **Impairment of Financial assets:**

The Group has applied the impairment requirements of Ind AS 109 retrospectively, however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

## 7.2 Optional Exemptions from retrospective application

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Group has elected to apply the following optional exemptions:

### **Deemed cost for Property Plant and equipment**

The Group has elected to continue with carrying value of all of its property plant and equipment recognised in consolidated financial statements as at the date of transition to Ind AS measured as per previous GAAP as deemed cost on the date of transition to Ind AS.

### **Designation of previously recognised financial instruments**

The Group has designated investment in equity instrument as at fair value through other comprehensive income in accordance with Para 5.7.5 of Ind AS 109 on the basis of facts and circumstances that exist at the date of transition of Ind AS.

## **8. Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

# ANNUAL REPORT 2019-2020

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

8 Property, plant and equipment									
Description of assets	Construction Equipment	Immovable Properties	Office Equipments	Vehicles	Plant & Machinery	Furniture & Fixture	Mobile Instruments	Computer, Laptop & Server	Total
Deemed Cost									
As at April 1, 2018	9.24	690.34	2.80	163.48	12.63	46.20	0.51	2.18	927.38
Additions	1.60	-	1.30	-	0.21	1.13	0.55	-	4.79
Disposals/ reclassifications	-	-	-	-	-	-	-	-	-
As at March 31, 2019	10.84	690.34	4.10	163.48	12.84	47.33	1.06	2.18	932.17
Additions	-	-	1.39	-	-	0.96	0.58	0.98	3.91
Disposals/ reclassifications	-	-	(1.26)	-	-	-	-	-	(1.26)
As at March 31, 2020	10.84	690.34	4.23	163.48	12.84	48.29	1.64	3.16	934.82
Depreciation									
As at April 1, 2018	-	-	-	-	-	-	-	-	-
Depreciation expense for the year	1.69	32.83	0.74	25.78	2.37	11.04	0.32	0.73	75.50
Eliminated on disposal of assets/ reclassifications	-	-	-	-	-	-	-	-	-
As at March 31, 2019	1.69	32.83	0.74	25.78	2.37	11.04	0.32	0.73	75.50
Depreciation expense for the period	0.47	31.35	2.11	21.39	1.95	8.49	0.56	0.80	67.12
Eliminated on disposal of assets/ reclassifications	-	-	(0.55)	-	-	-	-	-	(0.55)
As at March 31, 2020	2.16	64.18	2.30	47.17	4.32	19.53	0.88	1.53	142.07
As at March 31, 2020	8.68	626.16	1.93	116.31	8.52	28.76	0.76	1.63	792.75
As at March 31, 2019	9.15	657.51	3.36	137.70	10.47	36.29	0.74	1.45	856.67
As at April 1, 2018	9.24	690.34	2.80	163.48	12.63	46.20	0.51	2.18	927.38

Impairment losses recognised in the

8.1 year

There are no impairment losses recognised during the year.

No borrowing cost was capitalised during the

8.2 current year and previous year.

8.3 Assets pledged as security

Office building with a carrying amount of ₹ 563.28 Lakhs (as at March 31, 2019: ₹ 591.60 Lakhs and as at April 1, 2018: ₹ 621.25 Lakhs) included in the block of Immovable properties have been pledged to secure borrowings of the Company (see note 21). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

Motor car with a carrying amount of ₹ 51.92 (as at March 31, 2019: ₹ 62.25 Lakhs and as at April 1, 2018: ₹ 74.92 Lakhs) included in the block of Vehicles have been pledged to secure borrowings of the Company (see note 21). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

# SUMIT WOODS LIMITED

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

9 Other intangible assets		
	Computer software	Total
Deemed Cost		
As at April 1, 2018	3.00	3.00
Additions	-	-
Disposals/ reclassifications	-	-
As at March 31, 2019	3.00	3.00
Additions	-	-
Disposals/ reclassifications	-	-
As at March 31, 2020	3.00	3.00
Accumulated amortisation and impairment		
As at April 1, 2018	-	-
Amortisation expenses	1.55	1.55
Eliminated on disposal of assets/ reclassifications	-	-
As at March 31, 2019	1.55	1.55
Amortisation expenses	0.74	0.74
Eliminated on disposal of assets/ reclassifications	-	-
As at March 31, 2020	2.29	2.29
As at March 31, 2020	0.71	0.71
As at March 31, 2019	1.45	1.45
As at April 1, 2018	3.00	3.00

## 10 Investment in subsidiaries, associates, joint ventures & partnership firm

	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Quantity (Nos.)/ Holding (%)	Amount	Quantity (Nos.)/ Holding (%)	Amount	Quantity (Nos.)/ Holding (%)	Amount
Unquoted Investments (all fully paid)						
Investments in associates						
Sumit Realty Private Limited	7,500	186.12	7,500	195.03	7,500	203.08
(Equity Shares of the face value of ₹ 10/- each fully paid-up)						
Total investments in associates		186.12		195.03		203.08
Unquoted Investments (all fully paid)						
Investments in Joint venture						
Sumit Kundil Joint Venture	50%	241.69	50%	324.75	50%	19.97
Sumit Chetna Ventures	67%	426.72	67%	538.11	67%	391.56
Sumit Pramukh Ventures	60%	269.42	60%	267.33	60%	255.85
Sun Sumit Ventures	25%	121.02	25%	151.56	25%	88.51
Sumit Snehashish Joint Venture	50%	-	50%	410.68	50%	125.53
Sumit Snehashish Venture	30%	961.09	30%	711.30	30%	517.76
Total investments in Joint venture		2,019.94		2,403.73		1,399.18
Total investments		2,206.06		2,598.76		1,602.26
Aggregate book value of quoted investments		-		-		-
Aggregate market value of quoted investments		-		-		-
Aggregate carrying value of unquoted investments		2,206.06		2,598.76		1,602.26
Aggregate amount of impairment in value of investments in subsidiaries		-		-		-



# ANNUAL REPORT 2019-2020

## 11 Other investments

	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Qty.	Amount	Qty.	Amount	Qty.	Amount
Unquoted Investments (all fully paid)						
Investment in equity instruments (at FVTPL)						
Saraswat Bank Shares	2,500	0.25	2,500	0.25	2,500	0.25
(Equity Shares of the face value of ₹ 10/- each fully paid-up)						
Goa Urban Bank Share Money*	5	-	5	-	5	-
(Equity Shares of the face value of ₹ 10/- each fully paid-up)						
Total investments		0.25		0.25		0.25
Aggregate book value of quoted investments		-		-		-
Aggregate market value of quoted investments		-		-		-
Aggregate carrying value of unquoted investments		0.25		0.25		0.25
Aggregate amount of impairment in value of investments in Limited Liabilities Partnership		-		-		-

\* Rounded off to Nil

## 11.1 Category-wise other investments - as per Ind AS 109 classification

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Financial assets carried at fair value through profit or loss (FVTPL)			
Investment in quoted equity shares	0.25	0.25	0.25
Total	0.25	0.25	0.25

## 18 Other financial asset

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Non-Current			
Security deposits	159.25	140.38	-
	159.25	140.38	-
Current			
Advances			
- to staff	1.42	1.51	1.97
- to related parties	64.94	113.27	71.22
- to others	273.50	73.01	89.44
Other receivables	105.66	163.94	0.15
	445.52	351.73	162.78

## 12 Non-current tax asset (net)

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance Tax (net of provisions)	159.80	141.96	97.99
Total	159.80	141.96	97.99

## 13 Deferred tax asset (net)

### 13.1 Movement in deferred tax balances

Particulars	For the year ended March 31, 2020			
	Opening balance	Recognised in profit and Loss	Recognised in OCI	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment and other intangible assets	17.95	7.54		25.49
Borrowings	(30.48)	5.31		(25.17)
Provisions	(0.94)	(0.05)	(0.59)	(1.58)
Others	1.63	(13.09)		(11.46)
MAT credit entitlement	1.91			1.91
Net tax asset/(liabilities)	(9.93)	(0.29)	(0.59)	(10.81)

# SUMIT WOODS LIMITED

## 13.2 Movement in deferred tax balances

Particulars	For the year ended March 31, 2019			
	Opening balance	Recognised in profit and Loss	Recognised in OCI	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment and other intangible assets	12.81	5.15		17.95
Borrowings	(7.77)	(22.71)		(30.48)
Provisions	-	(0.35)	(0.59)	(0.94)
Others	(0.48)	2.11		1.63
MAT credit entitlement	1.91	-		1.91
Net tax asset/(liabilities)	6.47	(15.80)	(0.59)	(9.92)

## 14 Other assets

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018	
Non-current				
Contract asset	118.60	118.60	-	
Security deposits	150.53	135.03	91.57	
Total	269.13	253.63	91.57	
Current				
Advances to suppliers	64.17	5.54	102.91	
Balances with government authorities (other than income taxes)				
- GST	123.39	20.78	9.19	
- Others	-	149.20	114.49	
Contract assets	22.44	101.24	249.70	
Prepaid expenses	17.90	12.78	9.34	
Total	227.90	289.54	485.63	

## 15 Inventories

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Inventories (at lower of cost and net realisable value)			
Work-in-Progress, Raw Material and Finished Goods	12,759.52	12,271.09	13,153.15
Total	12,759.52	12,271.09	13,153.15

The cost of inventories recognised as an expense during the year was ₹ 466.76 Lakhs (for the year ended March 31, 2019: ₹ 1563.93 Lakhs). The mode of valuation of inventories has been stated in note 5.10.

## 16 Trade Receivables

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Current			
Outstanding for a period less than six months			
Unsecured, considered good	1,541.77	937.31	1,620.22
Less: Expected credit loss allowance	-	-	-
	1,541.77	937.31	1,620.22

16.1 The average credit period on sales of goods is 30 days. No interest is charged on trade receivables.

## 17 Cash and bank balance

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
A. Cash and cash equivalents			
Balances with banks			
- In current account	247.21	218.90	687.16
Cash on hand	10.58	10.08	12.55
Total	257.79	228.98	699.71
B. Bank balance other than cash and cash equivalent			
In term deposit accounts			
- With remaining maturity of less than 12 months but more than 3 months	-	56.13	69.34
Total	-	56.13	69.34

# ANNUAL REPORT 2019-2020

All amounts are ₹ in Lakhs unless otherwise stated

## 19 Equity share capital

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Equity share capital	3,058.70	1,529.35	1,084.05
Total	3,058.70	1,529.35	1,084.05
Authorised share capital 3,50,00,000 Equity shares of ₹ 10/- each	3,500.00	1,700.00	1,500.00
Issued and subscribed capital comprises: 3,05,87,044 (Previous year 1,52,93,522) Equity Shares of ₹ 10/- each	3,058.70	1,529.35	1,084.05
Total	3,058.70	1,529.35	1,084.05

19.1 The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

19.2 During the previous year ended 31 March 2019 company has issued 4,00,000 Nos of Equity shares at the face value of Rs. 10 each. additionally, company had the Public Issue of 40,53,000 Nos of Equity Shares of Face Value Rs. 10 each at price band of Rs. 43 per equity shares to Rs. 45 Per equity shares.

19.3 During the year company have increased its authorised capital by 1,80,00,000 (One Crore Eighty Lacs) no of equity shares having a face value of Rs 10 per share aggregating to total authorised capital of 3,50,00,000 (Three Crore Fifty Lacs) equity shares having a face value of Rs 10 per share.

19.4 During the current year the company have issued a bonus equity shares in the ratio of 1:1 i.e. aggregating to further issue of 1,52,93,522 (One Crore Fifty Two Lakh Ninety Three Thousand Five Hundred and Twenty Two) Equity shares of Rs. 10/- (Rupees Ten only) each amounting to Rs. 1529.35 Lakhs (Rupees Fifteen Crore Twenty Nine Lakh Thirty Five Thousand Two Hundred and Twenty only).

## 19.5 Details of shares held by each shareholder holding more than 5% shares

	As at March 31, 2020	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Subodh R. Nemlekar	55,09,064	18.01%
Bhushan S. Nemlekar	16,63,090	5.26%
Mitaram R. Jangid	71,74,974	23.46%
Sharda M Jangid	16,09,090	5.26%
Sumit Infotech Pvt. Ltd.	20,79,546	6.80%
	As at March 31, 2019	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Subodh R. Nemlekar	27,54,532	18.01%
Bhushan S. Nemlekar	8,04,545	5.26%
Mitaram R. Jangid	35,87,487	23.46%
Sharda M Jangid	8,04,545	5.26%
Sumit Infotech Pvt. Ltd.	10,39,773	6.80%
	As at April 1, 2018	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Subodh R. Nemlekar	27,54,532	25.41%
Bhushan S. Nemlekar	8,04,545	7.42%
Kavita B. Nemlekar	6,69,318	6.17%
Mitaram R. Jangid	35,87,487	33.06%
Sharda M Jangid	8,04,545	7.60%
Sumit Infotech Pvt. Ltd.	10,39,773	9.59%

# SUMIT WOODS LIMITED

19.6A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

Equity Shares	Units	Rs.
As at April 1, 2018	1,08,40,522	1,084
Issued during the periof/year	44,53,000	445
As at March 31, 2019	1,52,93,522	1,529
Issued during the periof/year	1,52,93,522	1,529
As at March 31, 2020	3,05,87,044	3,059

20Other equity

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Reserves and surplus			
Securities premium reserve	1,284.18	2,845.70	1,368.77
Retained earnings	3,597.33	3,312.19	2,641.23
Total	4,881.51	6,157.89	4,010.00

20.1Securities premium reserve

	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of year	2,845.70	1,368.77
Addition on account of issue of shares	(1,561.52)	1,476.93
Balance at end of year	1,284.18	2,845.70

20.2Retained earnings

	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of year	3,312.19	2,641.23
Remeasurement of defined benefits plan	1.81	1.53
(Loss)/Profit attributable to owners of the Company	283.33	669.43
Balance at end of year	3,597.33	3,312.19

21Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Non-current			
Secured borrowings at amortised cost:			
- Term loans- from banks (refer note I)	3,383.08	2,046.30	4,120.17
- Vehicle loans- from banks (refer note II)	-	22.49	81.88
Unsecured borrowings			
- Loans and advances from others parties	162.59	530.70	888.15
- Loans and advances from related parties (refer note III)	1,439.43	326.52	260.98
	4,985.10	2,926.01	5,351.18
Current			
Unsecured borrowings			
- Loans and advances from related parties (refer note III)	47.02	157.36	433.41
	47.02	157.36	433.41

21.1 The details of security, repayment terms and interest are as follows:

The terms of repayment of term loans and other loans are stated below:

As at March 31, 2020

Particulars	Amount outstanding	Terms of repayment	Rate of interest
I. State Bank of India	-	Repayable on 79	2.5% above base rate,
Security		Equated Monthly	present effective rate
Primarily secured on unsold units of Company's project i.e. Sumit Samarth Arcade, Registered office of company, personal properties of Director including their residential houses (details as mentioned in the sanction letter) the same has been repaid during the year		installments	being 11.80% p.a

# ANNUAL REPORT 2019-2020

II. ICICI Bank			
Security	825.41	Repayable on 120 Equated Monthly Installments	1- MCLR - 1Y is 8.55% spread is 2.45% and the applicable rate is 11.00%
Secured against the registered office of Sumit Woods Limited situated at B/1101, Express Zone , Opp Reilance Office, Malad (East), Mumbai			
III. Bajaj Housing Finance Ltd			
Security			
Secured against the present and future FSI of the Project 'Arcenciel' and Exclusive charge by way of Hypothecation of scheduled receivables from sold and unsold units of the project and all insurance proceeds, both present and future cash flows of the project	1,226.58	Repayable in 30 months by way of scheduled repayments	The reference rate of BHFL is 13.70%, spread is -0.30% and the applicable rate is 13.40%
Security			
Secured by way of registered mortgage on unsold units of the project 'Sumit Garden Grove' and Exclusive charge by way of Hypothecation of scheduled receivables from sold and unsold units of the project and all insurance proceeds, both present and future cash flows of the project	1,331.10	Repayable in 36 months by way of scheduled repayments	The reference rate of BHFL is 13.70%, spread is -0.20% and the applicable rate is 13.50%
III. Vehicle Loan	-	Repayable on 60 Equated Monthly Installments	10.25%
Security			
Secured against the compnay's vehicle Mercedes Benz A 180 CDI (Repaid during the year)			

As at March 31, 2019

Particulars	Amount outstanding	Terms of repayment	Rate of interest
I. State Bank of India	2,410.96	Repayable on 79 Equated Monthly Installments	2.5% above base rate, present effective rate being 13.10% p.a
Security			
Primarily secured on unsold units of Company's project i.e. Sumit Samarth Arcade, Registered office of company, personal properties of Director including their residential houses (details as mentioned in the sanction letter)			
II. Bajaj Housing Finance Ltd	-13.13	Repayable in 30 months by way of scheduled repayments	The reference rate of BHFL is 13.70%, spread is -0.30% and the applicable rate is 13.40%
Security			
Secured against the present and future FSI of the Project 'Arcenciel' and Exclusive charge by way of Hypothecation of scheduled receivables from sold and unsold units of the project and all insurance proceeds, both present and future cash flows of the project			
III Piramal Capital & Housing Finance Limited	174.53	Repayable in 60 months by way of scheduled repayments	Piramal Prime Lending Rate (PPLR) is 15.90%, spread is -1.40% and the applicable rate is 14.50%
Security			
Secured by way of mortgage over development rights of the Project land with Borrower's share of units in the project 'Sumit Garden Grove' and on Borrower's share of receivables of the project			
IV. Daimler Financial Service India Pvt Ltd (Vehicle Loan)	14.14	Repayable on 60 Equated Monthly Installments	10.25%
Security			
Secured against the compnay's vehicle Mercedes Benz A 180 CDI, and Sumit Pragati Shelters LLP's vehicle New Mercedes-Benz E-250 CDI Avantgarde			
V. ICICI Bank (Vehicle Loan)	6.54	Repayable on 60 Equated Monthly Installments	10.25%
Security			
Secured against Sumit Pragati Shelters LLP's vehicle MERCEDES BENZ/ ML CLASS ML 250 CDI/Suv			
V. HDFC Bank Ltd (Vehicle Loan)	2.93	Repayable on 36 Equated Monthly Installments	10.25%
Security			
Secured against Milestone Construction and Developer's vehicle			
V. BMW Financial Services (Vehicle Loan)	2.27	Repayable on 36 Equated Monthly Installments	10.25%
Security			
Secured against Milestone Construction and Developer's vehicle			

# SUMIT WOODS LIMITED

As at April 1, 2018

Particulars	Amount outstanding	Terms of repayment	Rate of interest
I. State Bank of India	3,111.35	Repayable on 79	2.5% above base
Security		Equated Monthly	rate, present
Primarily secured on unsold units of Company's project i.e. Sumit Samarth Arcade, Registered office of company, personal properties of Director including their residential houses (details as mentioned in the sanction letter)		Installments	effective rate being 13.10% p.a
II. Bajaj Housing Finance Ltd	347.21	Repayable in 36	The reference rate of
Security		months by way of	BHFL is 20.15%,
Secured by way of registered mortgage of project land and Exclusive charge by way of Hypothecation of scheduled receivables from sold and unsold units of the project 'Sumit Greendale' and 'Sumit Greendale NX' and all insurance proceeds, both present and future cash flows of the project		scheduled repayments	spread is -7.15% and the applicable rate is 13.00%
III Piramal Capital & Housing Finance Limited	1,340.45	Repayable in 60	Piramal Prime
Security		months by way of	Lending Rate
Secured by way of mortgage over development rights of the Project land with Borrower's share of units in the project 'Sumit Garden Grove' and on Borrower's share of receivables of the project		scheduled repayments	(PPLR) is 15.90%, spread is -1.40% and the applicable rate is 14.50%
IV. Daimler Financial Service India Pvt Ltd (Vehicle Loan)	40.27	Repayable on 60	10.25%
Security		Equated Monthly	
Secured against the company's vehicle Mercedes Benz A 180 CDI, and Sumit Pragati Shelters LLP's vehicle New Mercedes-Benz E-250 CDI Avantgarde		Installments	
V. ICICI Bank (Vehicle Loan)	18.66	Repayable on 60	10.25%
Security		Equated Monthly	
Secured against Sumit Pragati Shelters LLP's vehicle MERCEDES BENZ/ ML CLASS ML 250 CDI/Suv		Installments	
V. HDFC Bank Ltd (Vehicle Loan)	13.98	Repayable on 36	10.25%
Security		Equated Monthly	
Secured against Milestone Construction and Developer's vehicle		Installments	
V. BMW Financial Services (Vehicle Loan)	15.26	Repayable on 36	10.25%
Security		Equated Monthly	
Secured against Milestone Construction and Developer's vehicle		Installments	

III: Loans from related parties includes loans from director of Rs 992.22 which are unsecured, interest rate of 11% and repayable on 120 equated Monthly Installments

21.2 For the current maturities of long term borrowings, refer note 24 other financial liabilities.

21.3 There are no breach of contractual terms of the borrowing during the year ended March 31, 2020, March 31, 2019 and April 1, 2018.

21.4 Reconciliation of liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

Particulars	Term loans- from banks	Vehicle loans- from banks	Loans and advances from others parties	Loans and advances from related parties
As at 1st April, 2018	4,120.17	81.88	888.15	260.98
Financing cash flows	(2,066.03)	(59.39)	(625.00)	(439.09)
Non-cash changes				
Interest accruals but not paid/not due	82.34	-	267.55	504.63
Interest accruals on account of amortisation	(90.18)	-	-	-
As at 31st March, 2019	2,046.30	22.49	530.70	326.52
Financing cash flows	1,972.05	(22.49)	(368.11)	1,112.91
Non-cash changes				
Interest accruals but not paid/not due	-	-	-	-
Interest accruals on account of amortisation	(635.27)	-	-	-
As at 31st March, 2020	3,383.08	(0.00)	162.59	1,439.43

# ANNUAL REPORT 2019-2020

22	Provisions			
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
	Non-current			
	Employee benefits			
	- for gratuity (refer Note 37)	22.78	20.35	18.10
		22.78	20.35	18.10
	Current			
	Employee benefits			
	- for gratuity (refer Note 37)	6.04	5.96	5.56
		6.04	5.96	5.56

23	Trade payables			
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
	Trade payables			
	Due to micro and small enterprises	31.31	13.70	0.17
	Due to other than micro and small enterprises	872.21	629.94	1,176.19
	Total	903.52	643.64	1,176.36

The average credit period on purchases is 90 days. No interest is charged by the trade payables.

Refer note 41 for Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

24	Other financial liabilities			
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
	Current			
	Current maturities of long-term debt	-	529.47	685.14
	Employee expenses payable	40.19	295.88	222.91
	Deposits received	132.25	117.21	71.75
	Maintenance, Society Charges and other charges Payable	285.76	96.71	63.25
	Other expenses payable	144.45	283.05	11.25
	Total	602.65	1,322.32	1,054.30

25	Current tax liabilities (net)			
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
	Provision for tax (net)	80.29	29.89	12.32
	Total	80.29	29.89	12.32

25	Other current liabilities			
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
	Statutory Liabilities			
	- GST payable	26.48	-	3.40
	- Others	24.18	27.89	24.98
	Contract liabilities (Advance from customers)	1,450.80	1,071.52	1,152.28
	Liabilities for Cancelled flat	6.62	214.44	213.16
	Total	1,508.08	1,313.85	1,393.82



# SUMIT WOODS LIMITED

Sumit Woods Limited  
Notes forming part of the financial statements  
All amounts are ₹ in Lakhs unless otherwise stated

## 26 Revenue from operations

	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Units in Projects	4,711.28	5,200.42
Legal and other charges recovered from unit holder	3.08	7.62
Development Manager Fees and compensation	115.00	50.00
Office Maintenance Charges	31.87	43.62
Other operating revenues	9.86	85.79
	4,871.09	5,387.45

26.1 There are no impairment losses on trade receivable recognised in Statement of profit and loss for the year ended March 31, 2020.

26.2 The Company presently recognises revenue on point in time basis. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (refer Note 36 on Segment information disclosure).

## 26.3 Contract balances

The following table provides information about receivables from contracts with customers:

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade receivables	1,541.77	937.31	1,620.22
Contract liabilities	1,450.80	1,071.52	1,152.28

Contract liabilities include amount received from the customer as per the installments stipulated in the buyer agreement to deliver properties once the properties are complete and control is transferred to customers. The opening balance of these accounts, as disclosed below,

	For the year ended March 31, 2020	For the year ended March 31, 2019
Movement in Contract liability		
Contract liabilities at the beginning of the period	1,071.52	1,152.28
Amount received/adjusted against contract liability during the year	299.74	105.00
Performance obligations satisfied during the year	79.53	(185.76)
Contract liabilities at the end of the period	1,450.80	1,071.52

26.4 The Company receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional.

26.5 There are no performance obligations that are unsatisfied or partially unsatisfied during the year ended March 31, 2019.

## 26.6 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from contracts with customers (as per Statement of Profit and Loss)	4,711.28	5,200.42
Add: Discounts, rebates, refunds, credits, price concessions	-	-
Contracted price with the customers	4,711.28	5,200.42

26.7 Information about the Company's performance obligation for material contracts are summarised below:

The performance obligation of the Company in case of sale of residential plots and apartments and commercial office spaces is satisfied once the project is completed and control is transferred to the costomers.

The customer makes the payment for contracted price as per the installment stipulated as per the agreement.

## 27 Other Income

	For the year ended March 31, 2020	For the year ended March 31, 2019
(a). Interest Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
- Bank deposits (at amortised cost)	-	1.51
- On Capital	26.39	43.65
- Other financial assets carried at amortised cost	18.32	0.32
	44.71	45.48
(b). Dividend income		
Dividend received *	-	-
	-	-

# ANNUAL REPORT 2019-2020

(c). Other non-operating income (net of expenses directly attributable to such income)		
Rent received	61.53	205.79
Sundry credit balances written back	46.44	2.00
Miscellaneous income	2.97	0.54
	110.94	208.33
(d). Other gains and losses		
Loss on share in Limited liability partnership	(30.54)	27.45
	(30.54)	27.45
(a + b + c + d)	125.11	281.26
* for the year ended March 31, 2019 amount rounded off to nil		

## 28Changes in inventories of stock-in-trade

	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Opening stock:		
Finished stock	12,271.09	13,153.15
B. Closing stock:		
Finished stock	12,759.52	12,271.09
A - B	(488.43)	882.06

## 29Employee benefits expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Wages	247.60	258.86
Remuneration to Directors	58.40	303.38
Gratuity	4.33	4.17
Contribution to provident and other funds	12.80	8.38
Staff Welfare Expenses	21.48	32.48
	344.61	607.27

## 30Constructions & Development Expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Site labour & other contract costs	1,001.92	1,377.91
Costs of permissions and other land conversion costs	725.32	8.54
Costs of hiring plant and equipment	5.41	2.65
Costs of design and technical assistance	35.62	71.83
Construction or development overheads	156.73	124.43
Selling & Distribution Expenses	224.09	133.92
Administrative Expenses relating to project	237.19	230.12
	2,386.28	1,949.40

## 31Finance Costs

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on loans from banks and financial institutions	553.02	688.27
Unwinding of transaction cost	51.20	33.26
Other finance costs	46.79	5.81
Total	651.01	727.34

## 32Depreciation and amortisation expense

	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment	66.74	75.49
Amortisation of intangible assets	0.74	1.55
Total depreciation and amortisation expenses	67.48	77.04

# SUMIT WOODS LIMITED

## 33Other expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Auditors Remuneration	5.02	7.73
Business Promotion Expenses	9.57	12.88
Computer Maintenance Expenses	0.51	0.12
Commission	-	2.13
Consulting Fees	19.60	16.74
Conveyance	-	0.09
Corporate Social Responsibility	8.00	-
Courier, Postage, Telegram Charges	1.26	1.48
Diwali Expenses	1.15	8.22
Donation	20.98	15.27
Electricity Expenses & Material	9.12	-
ROC charges	0.31	0.56
Legal Fees & Charges	0.09	0.68
Maintenance charges	2.11	42.94
Office Repairs & Maintenance	18.67	0.46
Professional Fees	14.67	29.03
Rates and Taxes (includes Vat and Service tax)	31.35	43.90
Telephone & Mobile Expenses	3.71	4.50
Travelling Expenses	12.57	10.92
Vehicle Expenses	16.20	20.87
Xerox , Printing & Stationery	5.05	9.38
Other Misc epxenses (each expenses below 1 lakh)	32.97	24.27
Total	212.91	252.17

## 33.1Payments to auditors

	For the year ended March 31, 2020	For the year ended March 31, 2019
a) For audit	4.92	4.88
b) Certification work	0.10	1.73
Total	5.02	6.60

## 34Current tax and deferred tax

Income tax recognised in profit and loss		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax:		
In respect of current year	223.13	230.20
	223.13	230.20
Deferred tax:		
In respect of current year origination and reversal of temporary differences	0.57	15.80
	0.57	15.80
Total	223.70	246.00

## Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax:		
Remeasurement of defined benefit obligations	(0.59)	(0.59)
	(0.59)	(0.59)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	(0.59)	(0.59)
Income taxes related to items that will be reclassified to profit or loss	-	-
Total	(0.59)	(0.59)

# ANNUAL REPORT 2019-2020

Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	867.15	491.56
Income tax expense calculated at 22% plus surcharge (2018-19: 25%)	226.33	254.44
Effects of expenses that are not deductible in determining taxable profits	6.98	18.36
Effect of previously unrecognised and unused tax losses and deductible temporary difference now recognised as deferred tax assets		(5.15)
Effect of income that is exempt from taxation		(7.64)
Effect of expenses deductible in determining taxable profits	(4.37)	(14.01)
Others	(5.24)	
Income tax expense recognised In profit or loss	223.70	246.00

Note:

In pursuance of Section 115BAA of the Income Tax Act, 1961 announced by the Government of India through Taxation Laws (Amendment) Ordinance, 2019, the Company has an irrevocable option of shifting to lower tax rate and simultaneously forgo certain tax incentives including loss of accumulated MAT credit. The Holding Company has exercised this option to avail lower tax rate benefit whereas the other Group Companies have not availed the option of lower tax rate in the current year.

The tax rate used for March 31, 2020 and March 31, 2019, in reconciliations above is the corporate tax rate of 22% & 25% respectively (plus surcharge and cess as applicable) on taxable profits under Income Tax Act, 1961.

## 35Contingent Liabilities (to the extent not provided for):

During the year company have entered into loan agreement as co- borrower with Bajaj Housing Finance for Mitasu Developers Private Limited's loan of Rs. 4500 Lakhs and for Sumit Garden Grove Constructions LLP's loan of Rs 2200 Lakhs

## 36Earning per share

	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit attributable to Equity shareholders	643.45	245.56
Weighted average number of Ordinary shares for computing - Basic and Diluted earnings per share	3,05,87,044	1,52,93,522
Nominal value per share (Rs.)	10	10
Basic and Diluted (Rupees)	2.10	1.61

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of the completion of these financial statements which would require the restatement of EPS.

## 36Segment information

In line with the provisions of Ind AS 108 - Operating segments and basis the review of operations being done by the board and the management, the operations of the Company fall under colonization and real estate business, which is considered to be the only reportable segment.

## 36.1Information about revenue from external customers in various geographical areas

The Company is operating in India which is considered as a single geographical segment.

## 36.2Information about major customers

The Company derives its major revenues from construction and development of real estate projects and its customers are widespread. No single customer contributed 10% or more to the Company's revenue.

## 37Employee benefit plans

### 37.1Defined contribution plans:

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 4.18 Lakhs (Previous Year ended 31 March, 2019: Rs. 5.95 Lakhs) for Provident Fund contributions, in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

### 37.2Defined benefit plans:

The gratuity scheme is a defined benefit plan that provides for a lump sum payment to the employees on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service.

37.3 These plans typically expose the Company to actuarial risks such as: interest rate risk, medical inflation risk, demographic risk, salary inflation risk and change in leave balances, as applicable.

Interest rate risk:	The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Liquidity Risk:	This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Salary Escalation Risk:	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic Risk:	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Regulatory Risk:	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).
AssetLiability Mismatching or Market Risk:	The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.
Investment Risk:	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

The weighted average duration of the defined benefit obligation as at March 31, 2020 is 5 years (2019: 5 years, 2018: 5 years)

The Company's best estimate of Contribution during of Rs. 21.65 Lakhs (as at March 31, 2019: Rs. 19.60 lakhs; as at April 1, 2018: Rs. 18.28 Lakhs) to the defined benefit plans during the next financial year.

37.4

The disclosure as required under Ind AS 19 as per actuarial valuation regarding Employee Retirement Benefits Plan for Gratuity is as follows:

a) The principal assumptions used for the purpose of the actuarial valuations were as follows:

	Valuations as at		
	March 31, 2020	March 31, 2019	April 1, 2018
Financial Assumptions			
Discount Rate	5.60%	6.95%	7.30%
Rate of salary increase	10.00%	10.00%	10.00%
Demographic Assumptions			
Mortality Rate	100% of IALM 2012-14	100% of IALM 2006-08	100% of IALM 2006-08
Withdrawal Rate	20.00%	20.00%	20.00%

Amount recognised in Statement of profit and loss in respect of these defined benefit plan are as

b) follow:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Current service cost	3.16	3.03
Net Interest Cost/(Income) on the Net Defined Benefit Liability/(Asset)	1.17	1.14
Cost recognised in Profit & Loss	4.33	4.17
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	0.01	0.01
- change in financial assumptions	2.16	0.52
- experience variance (i.e. Actual experience vs assumptions)	(4.56)	(3.02)
Actuarial loss/(gain) arising during period	(2.39)	(2.49)
Return on plan assets, excluding amount recognised in net interest expense	-	0.38
Cumulative Actuarial Loss/(Gain) recognised via OCI at Current Period End	(2.39)	(2.11)
Total Defined Benefit Cost	1.94	2.06

# ANNUAL REPORT 2019-2020

c) The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

	March 31, 2020	March 31, 2019	April 1, 2018
Defined benefit obligation (DBO)	34.32	31.81	29.16
Fair value of plan assets (FVA)	15.61	15.04	13.52
Funded status [surplus/(deficit)]	(18.71)	(16.77)	(15.64)
Effect of Asset ceiling	-	-	-
Net defined benefit asset/(liability)	(18.71)	(16.77)	(15.64)

d) Movement in the present value of the defined benefit obligation are as follows:

	For the year ended March 31, 2020	For the year ended March 31, 2019
DBO at beginning of prior period	31.81	29.16
Current service cost	3.16	3.03
Interest cost on the DBO	2.22	2.13
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	0.01	-
- change in financial assumptions	2.16	0.52
- experience variance (i.e. Actual experience vs assumptions)	(4.56)	(3.02)
Benefits paid from plan assets	(0.47)	-
DBO at end of current period	34.32	31.81

e) Movement in the fair value of the plan assets are as follows:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value of assets at beginning of prior period	15.04	13.52
Interest income on plan assets	1.05	0.99
Employer contributions	-	1.39
Return on plan assets , excluding amount recognised in net interest expense	-	(0.38)
Benefits paid	(0.47)	(0.47)
Fair Value of assets at the end of current period	15.61	15.04

f) Breakup of Plan Assets as a percentage of total Plan Assets

	March 31, 2020	March 31, 2019	April 1, 2018
Insurer Managed Funds	100%	100%	100%

The details of the composition of the plan asset, by category, from the insurers have not been received and hence the disclosures as required by Ind AS 19 Employee Benefits have not been given.

g) Sensitivity Analysis

Method used for sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

i) Discount Rate

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Effect on DBO due to 1% increase in Discount Rate	32.70	30.37	27.84
Effect on DBO due to 1% decrease in Discount Rate	36.10	33.39	30.60

ii) Salary escalation rate

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Effect on DBO due to 1% increase in Salary Escalation Rate	35.99	33.30	30.53
Effect on DBO due to 1% decrease in Salary Escalation Rate	32.75	30.40	27.86

iii) Withdrawal Rate

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Effect on DBO due to 5% increase in Withdrawal Rate	31.89	30.22	27.88
Effect on DBO due to 5% decrease in Withdrawal Rate	40.04	35.36	32.02

# SUMIT WOODS LIMITED

## iv) Mortality Rate

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Effect on DBO due to 5% increase in Mortality Rate	34.31	31.81	29.16
Effect on DBO due to 5% decrease in Mortality Rate	34.33	31.82	29.16

## h) Expected cash flows over the next (valued on undiscounted basis):

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
1 year	6.04	5.96	5.56
2 to 5 years	19.85	18.98	17.65
6 to 10 years	11.51	12.25	11.58
More than 10 years	9.69	9.58	9.05

## 38 Financial instruments

### 38.1 Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt offset by cash and bank balances and total equity of the Company.

#### Gearing ratio

The gearing ratio at end of the reporting period was as follows.

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Debt	5,032.12	3,612.84	6,469.73
Cash and bank balances	257.79	285.11	769.05
Net debt	4,774.33	3,327.73	5,700.68
Total equity	7,940.21	7,687.24	5,094.05
Net debt to equity ratio	0.60	0.43	1.12

### 38.2 Categories of financial instruments:

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
Investment in equity instruments	0.25	0.25	0.25
Measured at amortised cost			
Trade receivables	1,541.77	937.31	1,620.22
Cash and bank balances	257.79	285.11	769.05
Other financial assets	604.77	492.11	162.78
Financial liabilities			
Measured at amortised cost			
Borrowings	5,032.12	3,612.84	6,469.73
Trade payables	903.52	643.64	1,176.36
Other financial liabilities	602.65	792.85	369.16

### 38.3 Financial risk management objectives

The company monitors and manages the financial risks to the operations of the company. These risks include market risk, credit risk, interest risk and liquidity risk.

#### A. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company uses its own trading records to rate its major customers. The Company's exposure to financial loss from defaults are continuously monitored.

Trade receivables consist of a large number of customers, spread across various geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.



## B. Liquidity risk

Liquidity risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash to meet obligations when due.

The Company continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

### Maturities of financial liabilities

Table showing maturity profile of non-derivative financial liabilities:

	Upto One year	1-5 years	Total
March 31, 2020			
Borrowings	47.02	4,985.10	5,032.12
Trade payables	903.52	-	903.52
Other financial liabilities	602.65	-	602.65
March 31, 2019			
Borrowings	686.83	2,926.01	3,612.84
Trade Payables	643.64	-	643.64
Other financial liabilities	602.65	-	602.65
April 1, 2018			
Borrowings	1,118.55	5,351.18	6,469.73
Trade Payables	1,176.36	-	1,176.36
Other financial liabilities	369.16	-	369.16

The above table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

## C. Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk. In the normal course of business and in accordance with our policies, we manage these risks through a variety of strategies.

### i). Currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is domiciled in India and has its revenues and other major transactions in its functional currency i.e. INR. Accordingly the Company is not exposed to any currency risk.

### ii). Interest rate risk

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 has borrowed funds with both fixed and floating interest rate.

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Floating rate borrowing			
Term loans- from banks	3,383.08	2,046.30	4,120.17
-			
Total Borrowings	3,383.08	2,046.30	4,120.17

### Interest rate sensitivity

A change of 1% in interest rates of HDFC borrowing would have following impact on profit before tax

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
1% increase in interest rate – decrease in profit	608.32	757.10
1% decrease in interest rate – increase in profit	497.72	619.44

## 38.4 Derivative Financial Instruments

The Company has not entered into any derivative financial contracts during the current and previous financial years.

Sumit Woods Limited  
Notes forming part of the financial statements  
All amounts are ₹ in Lakhs unless otherwise  
stated

## 39 Fair Value Measurement

### 39.1 Fair value of the financial assets that are measured at fair value on a recurring basis

Financial assets/ financial liabilities measured at Fair value	Fair value as at			Fair value hierarchy
	March 31, 2020	March 31, 2019	April 1, 2018	
A) Financial assets				
a) Investments in				
i) Equity shares (Quoted)	0.25	0.25	0.25	Level 3
Total financial assets	0.25	0.25	0.25	

As at the reporting date, the Company  
does not have any financial liability  
measured at fair values.

### 39.2 The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued at cost, as cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range.

### 39.3 Fair value of financial assets and financial liabilities that are measured at amortised cost:

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

### 39.4 Reconciliation of Level III fair value measurement is as below:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of the year	0.25	0.25
Changes during the year	-	-
Balance at the end of the year	0.25	0.25

# ANNUAL REPORT 2019-2020

Sumit Woods Limited

Notes forming part of the financial statements

All amounts are ₹ in Lakhs unless otherwise stated

## 40 Related parties transactions

### 40.1 Names of the related parties and related party relationships

Particulars	Relationship as at		
	March 31, 2020	March 31, 2019	April 1, 2018
Sumit Realty Private Limited	Associate Company	Associate Company	Associate Company
Sumit Kundil Joint Venture	Joint Venture	Joint Venture	Joint Venture
Sumit Chetna Ventures	Joint Venture	Joint Venture	Joint Venture
Sumit Pramukh Ventures	Joint Venture	Joint Venture	Joint Venture
Sun Sumit Ventures	Joint Venture	Joint Venture	Joint Venture
Sumit Snehashish Joint Venture	Joint Venture	Joint Venture	Joint Venture
Sumit Snehashish Venture	Joint Venture	Joint Venture	Joint Venture
Sumit Pragati Developpr LLP	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Access Facility Management LLP	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Sumo Real Estate LLP	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Mitasu Realty LLP	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Sumit Infotech Private Limited	Company where director is intrested	Company where director is intrested	Company where director is intrested
Sumit Aboad Private Limited	Company where director is intrested	Company where director is intrested	Company where director is intrested
Mitasu Woods Private Limited	Company where director is intrested	Company where director is intrested	Company where director is intrested
Sumit Woods Goa Private Limited	Company where director is intrested	Company where director is intrested	Company where director is intrested
Second Home Resorts Limited	Company where director is intrested	Company where director is intrested	Company where director is intrested
Sumit Developers	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Sumit Constructions	Partnership firm where director is intrested	Partnership firm where director is intrested	Partnership firm where director is intrested
Key Management Personnel			
Mitaram Ramlal Jangid	Managing Director	Managing Director	Director
Subodh Ramakant Nemlekar	Director	Director	Director
Bhushan Subodh Nemlekar	Whole time Director	Whole time Director	Director
Priyanka Waghela	Chief Financial Officer	Chief Financial Officer	
Nilesh Shah	Director/ Partner	Director/ Partner	Partner
Sayli Munj		Company Secretary	
Vinod Shah	Designated Partner	Designated Partner	Designated Partner
Mahendra Panani	Partner	Partner	Partner
Ashish Hendre	Designated Partner	Designated Partner	Designated Partner
Babita Narang	Partner	Partner	Partner
Nimesh Shah	Partner	Partner	Partner
Paresh Tajura	Partner	Partner	Partner
Sanjay Patel	Designated Partner	Designated Partner	Designated Partner
Relatives of key management personnel			
Deepak Jangid	Brother of Director	Brother of Director	Brother of Director
Yash Kumarpal Shah	Son of Designated Partner	Son of Designated Partner	
Rohan Tejura	Son of Designated Partner	Son of Designated Partner	Son of Designated Partner
Amruta Jangid	Daughter of Director	Daughter of Director	Daughter of Director
Sharda Jangid	Spouse of Director	Spouse of Director	Spouse of Director
Kavita Nemlekar	Spouse of Director	Spouse of Director	Spouse of Director
Dhanshree Nemlekar	Spouse of Director	Spouse of Director	Spouse of Director

# SUMIT WOODS LIMITED

## 40.2 Details of related party transactions

	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of Goods		
Mitasu Woods Pvt Ltd	32.07	45.80
Sale of Material		
Sumit Kundil Joint Venture	2.16	-
Receiving Services		
Deepak Jangid	0.18	3.06
Access Facility Management LLP	-	17.74
Mitasu Realty LLP	17.13	-
Sharda Jangid	6.00	6.00
Kavita Nemlekar	12.00	8.50
Sumo Real Estate LLP	9.40	
Dhanshree Nemlekar	12.00	8.50
Rendering Services		
Sumit Kundil Joint Venture	77.88	132.16
Sumit Chetna Ventures	3.54	28.32
Sumit Snehashish Joint Venture	2.06	7.08
Sumit Snehashish Venture	7.08	7.08
Sumo Real Estate LLP	0.29	0.59
Sumit Abode Private Limited	4.72	3.54
Sumit Developers	4.72	3.54
Sumit Constructions	1.18	0.59
Mitasu Realty LLP	1.18	0.59
Sumit Realty Pvt Ltd	2.36	71.96
Sumit InfoTech Pvt Ltd	1.18	0.59
Second Home Resorts Ltd	1.18	0.59
Sumit Woods Goa Pvt Ltd	1.18	0.59
Mitasu Woods Pvt Ltd	1.18	-
Sumit Pragati Developers LLP	2.36	1.16
Payment of Salary		
Mitaram Ramlal Jangid	3.00	2.50
Subodh Ramakant Nemlekar	-	5.58
Bhushan Subodh Nemlekar	3.00	2.50
Priyanka Waghela	8.84	8.89
Sayli Munj	4.59	0.64
Amruta Jangid	12.00	12.00
Sitting Fees		
Subodh Ramakant Nemlekar	1.20	-
Interest on Loan Given		
Sumit Pragati Developers LLP		0.06
Interest on Loan Taken		
Sumit Developers	-	2.35
Yash Kumarpal Shah	3.76	0.36
Rohan Tejura	1.62	1.51
Ashish Hendre	6.35	
Interest on Capital		
Babita Narang	20.58	18.67
Nilesh Shah	30.47	27.95
Nimesh Shah	13.02	11.94
Sanjay Patel	41.05	35.63
Paresh Tajura	36.79	33.41
Loan Taken /(Repaid)		
Mitaram Jangid	416.17	100.73
Subodh Nemlekar	(40.00)	(7.30)
Bhushan Nemlekar	505.70	(37.95)
Sumit Realty Pvt Ltd	43.30	-
Nilesh Shah	-	120.00
Sumit Developers	(7.61)	(95.00)
Yash Kumarpal Shah	5.00	29.00
Rohan Tejura		9.00
Ashish Hendre	5.66	
Loan Given (Net)		
Sumit Pragati Develoeprs LLP	2.68	5.13

# ANNUAL REPORT 2019-2020

## 40.3 Details of related party closing balances

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade Payables			
Mitasu Woods Pvt Ltd	(18.12)	4.23	19.60
Deepak Jangid	(0.27)	(1.61)	-
Access Facility Management LLP	-	(1.05)	(1.30)
Sharda Jangid	(4.05)	(0.90)	(0.45)
Kavita Nemlekar	(2.70)	(1.80)	(0.45)
Mitasu Realty LLP	(0.52)	-	-
Dhanshree Nemlekar	(8.10)	(1.80)	(0.45)
Sumo Real Estate LLP	(8.92)	-	-
Salary Payable			
Mitaram Ramlal Jangid	(18.28)	(15.28)	(13.56)
Subodh Ramakant Nemlekar	(3.00)	(3.00)	(1.41)
Bhushan Subodh Nemlekar	(4.72)	(1.72)	-
Priyanka Waghela	-	(0.55)	(0.52)
Sayli Munj	(0.10)	(0.30)	-
Amruta Jangid	(5.98)	(1.78)	(0.89)
Trade Receivable			
Sumit Kundil Joint Venture	135.82	108.00	-
Sumit Chetna Ventures	-	-	68.50
Sumit Snehashish Joint Venture	-	-	1.74
Sumit Snehashish Venture	-	-	1.74
Sumo Real Estate LLP	-	-	-
Sumit Abode Private Limited	4.64	-	-
Sumit Developers	-	-	1.60
Sumit Realty Pvt Ltd	0.58	-	-
Sumit InfoTech Pvt Ltd	1.18	0.72	-
Second Home Resorts Ltd	1.80	0.64	-
Sumit Woods Goa Pvt Ltd	2.71	2.14	-
Sumit Pragati Develoers LLP	3.48	1.16	-
Loans & Advances (Assets)			
Sumit Realty Pvt Ltd	-	8.05	-
Sumit Pragati Develoers LLP	7.86	3.20	-
Vinod Shah	-	-	32.00
Loan Taken			
Sumit Realty Pvt Ltd	(43.30)	-	(56.99)
Sumit Developers	(11.67)	(19.28)	(112.16)
Mitaram Ramlal Jangid	(523.87)	(107.69)	(217.31)
Subodh Ramakant Nemlekar	(9.66)	(49.66)	(56.96)
Bhushan Subodh Nemlekar	(511.52)	(5.82)	(43.77)
Yash Kumarpal Shah	(37.38)	(29.32)	-
Nilesh Shah	(120.00)	(120.00)	-
Rohan Tejura	(22.24)	(20.78)	(10.42)
Ashish Hendre	(5.66)	-	-
Sumit Pragati Develoers LLP	-	-	(76.68)

## 40.4 Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-term employee benefits	19.43	20.11
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Total	19.43	20.11
Sitting fee paid to directors	4.40	-

As the liabilities for defined benefit plan are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial persons are not included.

41Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	31.31	13.70
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

The Company has not received any intimation from the suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure required under the Act.

42The figures for the corresponding previous year have been regrouped / reclassified, wherever necessary, to make them comparable with the current year classification.

42First-time adoption of Ind-AS

42.1First time Ind AS adoption reconciliations

(i)Reconciliation of total equity as at March 31, 2019

Particulars	Notes	As at March 31, 2019	As at April 1, 2018
Total equity as per previous GAAP		7,630.94	4,950.23
Ind AS adjustments:			
Effect of measurement of financial liabilities at amortised cost	(a)	106.13	41.08
Unwinding of discount on security deposits given	(b)	8.99	-
Non-controlling interests presented as a part of total equity under Ind AS	(c)	4,011.34	4,380.65
Consolidation of LLP as a subsidiary under Ind AS	(d)	(538.42)	(295.76)
Joint venture and Associate accounted using equity method under Ind AS	(e)	509.40	406.75
Deferred tax using balance sheet approach	(f)	(29.79)	(8.25)
Total adjustments		4,067.65	4,524.47
Total equity		11,698.59	9,474.70

# ANNUAL REPORT 2019-2020

## (ii) Reconciliation of total comprehensive income for the year ended March 31, 2019:

Particulars	Notes	For the year ended March 31, 2019
Profit as per previous GAAP		676.86
Ind AS Adjustments:		
Effect of measurement of financial liabilities at amortised cost	(a)	14.23
Unwinding of discount on security deposits given	(b)	8.99
Share of non-controlling interests in profits of subsidiaries/LLPs adjusted under previous GAAP to arrive at the profit of the Group now considered as an allocation of the profit for the year	(c)	(62.24)
Consolidation of LLP as a subsidiary under Ind AS	(d)	(191.84)
Joint venture and Associate accounted using equity method under Ind AS	(e)	102.65
Transaction cost related to equity debited to security premium under Ind AS	(g)	81.62
Actuarial (gain) /loss on defined benefit plan	(h)	(2.12)
Deferred tax using balance sheet approach	(f)	(20.95)
Total effect of transition to Ind AS		(69.66)
Loss under Ind AS		607.20
Other comprehensive income		
Re-measurement (loss)/gain on defined benefit plans (net of taxes)	(h)	1.53
Total Comprehensive Income		608.73

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

## (iii) Adjustments to Statement of Cash Flow

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

## 42.2 Notes to reconciliation

- (a) Under Previous GAAP, the Company accounted for long term borrowings measured at transaction value. Under Ind AS, the Company has recognised the long term borrowings initial at fair value less loan processing fees/transaction cost and subsequently measured at amortised cost using effective interest rate (EIR).
- (b) Under Previous GAAP, the Company accounted for deposits at transaction value. Under Ind AS, the deposits with inherent significant financing element are initially recorded at fair value with the difference between transaction value and fair value being treated as contract asset. The deposits are subsequently measured at amortised cost.
- (c) Under previous GAAP, non-controlling interests were presented in the consolidated balance sheet separately from liabilities and the equity of the parent's shareholders, Under Ind AS, non-controlling interests are presented in the consolidated balance sheet within total equity, separately from the equity attributable to the owners of the parent. Further, under previous GAAP, the share of non-controlling interests in the profit or loss of subsidiaries is adjusted in order to arrive at the profit of the Group whereas under Ind AS, this is reflected as an allocation of the profit or loss for the period to the parent and non-controlling interests.
- (d) Under previous GAAP, an entity controls another entity when it has ownership, directly or indirectly, of more than one-half of the voting power of the other entity or control over the composition of board of directors so as to obtain economic benefit from its activities. Based on a control assessment carried out under Ind AS 110 Consolidated Financial Statements, Limited liability partnership (LLPs) is considered to be a subsidiary of the Company under Ind AS because the Group has a sufficiently dominant voting interest to direct the relevant activities of LLPs.
- (e) Under previous GAAP, Joint Ventures was classified as a jointly controlled entity and accounted for using the proportionate consolidation method. Joint ventures whose legal form confers separation between the parties to the joint arrangement and the joint venture itself. Furthermore, there is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, based on an assessment under Ind AS 111 Joint Arrangements, joint ventures has been accounted for using the equity method.
- (f) In the financial statements prepared under Previous GAAP, deferred tax was accounted as per the income statement approach which required creation of deferred tax asset/liability on temporary differences between taxable profit and accounting profit. Under Ind AS, deferred tax is accounted as per the Balance Sheet approach which requires creation of deferred tax asset/liability on temporary differences between the carrying amount of an asset/liability in the Balance Sheet and its corresponding tax base. The application of Ind AS has resulted in recognition of deferred tax on new temporary differences which were not required to be recognised under Previous GAAP. In addition, the above mentioned transitional adjustments have also led to temporary differences and creation of deferred tax thereon.
- (g) Under previous GAAP, transaction cost related to equity debited to security premium were recognised in profit or loss. Under Ind AS, transaction cost related to equity are adjusted against security premium.
- (h) Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/ asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss.



43 Disclosure of additional information as required by the Schedule III:

(a) As at and for the year ended March 31, 2020

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of Consolidated profit or loss	Amount (₹ in Lakhs)	As % of Consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of consolidated total comprehensive income	Amount (₹ in Lakhs)
<b>Parent Company</b>	25.97%	3,472.16	-63.31%	(379.53)	100.00%	1.81	-62.82%	(377.72)
<b>Subsidiaries</b>								
<b>Indian</b>								
Mitasu Developers Pvt Limited	1.51%	201.65	6.63%	39.73	0.00%	-	6.61%	39.73
Mitasu Infra Developers Pvt Limited	0.00%	0.65	-0.05%	(0.27)	0.00%	-	-0.04%	(0.27)
Sumit Pragati Ventures LLP*	6.25%	835.07	-0.50%	(2.99)	0.00%	-	-0.50%	(2.99)
Milestone Construction & Developers LLP*	1.01%	134.46	-0.27%	(1.63)	0.00%	-	-0.27%	(1.63)
Sumit Garden Grove Construction LLP*	6.49%	866.99	90.81%	544.39	0.00%	-	90.54%	544.39
Sumit Pragati Shelters LLP*	3.63%	485.52	10.48%	62.82	0.00%	-	10.45%	62.82
Sumit Star Land Developers LLP*	18.34%	2,451.60	10.81%	64.80	0.00%	-	10.78%	64.80
Non-controlling Interests in all subsidiaries	20.30%	2,713.95	52.74%	316.13	0.00%	-	52.58%	316.13
<b>Joint Ventures (Investments as per the equity method)</b>								
Sumit Kundil Joint Venture	1.81%	241.69	4.38%	26.25	0.00%	-	4.37%	26.25
Sumit Chetna Ventures	3.19%	426.72	-3.26%	(19.55)	0.00%	-	-3.25%	(19.55)
Sumit Pramukh Ventures	2.02%	269.42	0.28%	1.69	0.00%	-	0.28%	1.69
Sun Sumit Ventures	0.91%	121.02	0.00%	-	0.00%	-	0.00%	-
Sumit Snehashish Joint Venture	0.00%	-	-8.30%	(49.76)	0.00%	-	-8.28%	(49.76)
Sumit Snehashish Venture	7.19%	961.09	0.93%	5.59	0.00%	-	0.93%	5.59
<b>Associates (Investments as per the equity method)</b>								
Sumit Realty Private Limited	1.39%	186.12	-1.37%	(8.21)	0.00%	-	-1.37%	(8.21)
<b>Total</b>	<b>100.00%</b>	<b>13,368.11</b>	<b>100.00%</b>	<b>599.46</b>	<b>100.00%</b>	<b>1.81</b>	<b>100.00%</b>	<b>601.27</b>

\* These entities are partnership firms (LLPs) which have been accounted for as subsidiaries in the consolidated financial statements for the year ended March 31, 2020

Sumit Woods Limited Notes forming part of the financial statements All amounts are ₹ in Lakhs unless otherwise stated	(b) As at and for the year ended March 31, 2019 Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of Consolidated profit or loss	Amount (₹ in Lakhs)	As % of Consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of consolidated total comprehensive income	Amount (₹ in Lakhs)
	<b>Parent Company</b>	16.19%	2,543.99	-64.37%	(390.84)	100.00%	1.53	-63.96%	(389.31)
	<b>Subsidiaries</b>								
	<b>Indian</b>								
	Mitasu Developers Pvt Limited	2.64%	414.38	11.88%	72.11	0.00%	-	11.85%	72.11
	Mitasu Infra Developers Pvt Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Sumit Pragati Ventures LLP*	5.14%	806.88	0.11%	0.64	0.00%	-	0.11%	0.64
	Milestone Construction & Developers LLP*	0.36%	56.99	0.18%	1.09	0.00%	-	0.18%	1.09
	Sumit Garden Grove Construction LLP*	11.94%	1,875.50	79.14%	480.50	0.00%	-	78.94%	480.50
	Sumit Pragati Shelters LLP*	8.04%	1,262.69	1.47%	8.90	0.00%	-	1.46%	8.90
	Sumit Star Land Developers LLP*	14.15%	2,222.45	22.30%	135.39	0.00%	-	22.24%	135.39
	Non-controlling Interests in all subsidiaries	25.53%	4,011.34	-10.25%	(62.24)	0.00%	-	-10.22%	(62.24)
	<b>Joint Ventures (Investments as per the equity method)</b>								
	Sumit Kundli Joint Venture	1.54%	241.69	10.19%	61.90	0.00%	-	10.17%	61.90
	Sumit Chetna Ventures	3.43%	538.11	44.64%	271.05	0.00%	-	44.53%	271.05
	Sumit Pramukh Ventures	1.70%	267.33	0.11%	0.69	0.00%	-	0.11%	0.69
	Sun Sumit Ventures	0.96%	151.56	0.00%	-	0.00%	-	0.00%	-
	Sumit Snehashish Joint Venture	2.61%	410.68	-2.63%	(15.99)	0.00%	-	-2.63%	(15.99)
	Sumit Snehashish Venture	4.53%	711.30	1.54%	9.34	0.00%	-	1.53%	9.34
	<b>Associates (Investments as per the equity method)</b>								
	Sumit Realty Private Limited	1.24%	195.03	5.71%	34.65	0.00%	-	5.69%	34.65
	<b>Total</b>	<b>100.00%</b>	<b>15,709.92</b>	<b>100.00%</b>	<b>607.19</b>	<b>100.00%</b>	<b>1.53</b>	<b>100.00%</b>	<b>608.72</b>

\* These entities are partnership firms (LLPs) which have been accounted for as subsidiaries in the consolidated financial statements for the year ended March 31, 2019

## Annexures to Directors' Report

### Annexure 1

#### 1. Annual Report on Corporate Social Responsibility activities for the financial year 2019-20

A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken and a reference to the web- link to the CSR policy and projects or programs

Corporate Social Responsibility is a Company's sense of responsibility towards the community and environment in which it operates. The Company is committed on remaining a responsible corporate entity mindful of its social responsibilities. Web link to the CSR policy of the Company

<http://www.sumitwoods.com/images/policies/CSR%20Policy.pdf>

#### 2. Composition of the CSR Committee and Responsibility Statement of the Corporate Social Responsibility Committee:

Name	Designation
Mr Bhushan Nemlekar	Chairman
Mr. Mitaram Jangid	Member
Mr. Gurunath Malavankar	Member

The composition of the Committee is in compliance with Section 135 of the Companies Act, 2013.

#### 3. Average Net Profit of the Company for Last Three Financial Years (INR in Lakhs)

Rs. 505.73

#### 4. Prescribed CSR Expenditure (INR in Lakhs)

Rs. 10.11

#### 5. Details of CSR Spent During the Financial Year (INR in Lakhs)

(a) Total amount spent for the financial year – Rs. 9.00

(b) Amount unspent, if any - Rs. 18.81

#### 6. Manner in which amount spent during the financial year, is detailed below

1	2	3	4	5	6	7	8
Sr. No	CSR projects/ activity identified	Sector in which the Project is covered	Projects/ Programme 1.) Local area/ others 2.) Specify the state/ district where the programme was undertaken	Amount outlay(budget project/ program e wise	Amount spent on the project/ program Subhead Direct expenditure on project/ programme	Cumulative spent during the reporting period	Amount spent directly through implementi ng agency
1	Akhil Bhartiya Jangid MahaSabha	Community Welfare	Delhi	8,00,000/-	8,00,000/-	8,00,000/-	8,00,000/-
2	PM CARES Fund	Healthcare	Mumbai	50,000/-	50,000/-	50,000/-	50,000/-
3	COVID 19	Healthcare	Mumbai	50,000/-	50,000/-	50,000/-	50,000/-

**7. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

Sumit Group has underspend of INR Rs. 18.81 Lakhs. The Company could not spend the balance allocated amount as it could not identify the suitable projects for undertaking the social welfare activities.

**7.A Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company**

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

By Order of the Board of Directors for **Sumit Woods Limited**  
(formerly known as *Sumit Woods Private Limited*)

Sd/-

**Bhushan Nemlekar Whole-Time Director DIN: 00043824**

**Place:** Mumbai

**Date:** September 05, 2020

## Annexure 2

### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> 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,  
M/s Sumit Woods Limited  
B-Wing, Office No-1101,  
Opp. Reliance Office,  
Express Zone, W.E.Highway,  
Malad-East Mumbai 400097

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by '**Sumit Woods Limited**' (CIN: L36101MH1997PLC152192) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2020, and made available to us, 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 to the extent of Regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable as the Company has not issued any shares during the financial year under review.)**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable as the Company has not granted any Options to its employees during the financial year under review.)**
  - (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (the Listing Regulations).

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable as the Company has not issued any debt securities during the financial year under review.)**

(g) 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;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.)**

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable as the Company has not bought back any of its securities during the financial year under review.)**

We 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 Stock Exchange i.e. National Stock Exchange Limited

#### **We 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/Committee Meetings, agenda and detailed notes on agenda were sent adequately in advance. Decisions at the Board meeting and Committee Meeting as represented by the management were carried out unanimously

**We further report that** as per the explanations given to me and the representations made by the Management and relied upon, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under review, as explained and represented by the management, there was no event / action having major bearing on company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For M/S. SCP & CO.**

**Practising Company Secretaries**

**Sd/-**

**Swapnil Pande**

**M.No A44893 C.P.No 21962**

**Place: Mumbai**

**Date: 21/08/2020**

**UDIN: A044893B000604947**

*(Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.)*

## “ANNEXURE A”

**To,  
The Members,  
M/s Sumit Woods Limited  
B-Wing, Office No-1101,  
Opp. Reliance Office,  
Express Zone, W.E.Highway,  
Malad-East Mumbai 400097**

Our report of even date is to be read along with this letter.

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

**For M/S. SCP & CO.  
Practising Company Secretaries**

**Sd/-  
Swapnil Pande  
M.No A44893 C.P.No 21962**

**Place: Mumbai  
Date: 21/08/2020  
UDIN: A044893B000604947**



## Annexure 3

### **Conservation of Energy, Technology absorption, Foreign Exchange Earning and Outgoing:**

#### **(A) CONSERVATION OF ENERGY:**

The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this initiative. Adequate measures are always taken to ensure optimum utilisation and maximum possible saving of energy at the offices and units of the Company.

The Company constantly improves on and installs various energy saving devices. The Company replaces old electrical drives and has been re-organizing production process by introducing improved systems which also conserves energy.

#### **(B) TECHNOLOGY ABSORPTION:**

##### **1. RESEARCH AND DEVELOPMENT**

Your Company, committing itself Research & Development activities, has always played an imperative role for cost-effective expansion of business development. Research & Development has been implemented with objectives like continual efficiency enhancement, reductions in material costs, improving speed and quality of processes and innovation. The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this initiative.

##### **2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

The Company continues to integrate the latest proficient technology, innovations and improvement as introduced and suitable to the manufacturing operations carried out by the Company. It also adopts and upgrades its technology to sustain and presence in the domestic and international market.

#### **(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

Not Applicable

**By Order of the Board of Directors for Sumit Woods Limited**  
*(formerly known as Sumit Woods Private Limited)*

Sd/-

**Bhushan Nemlekar**

**Whole-Time Director**

**DIN: 00043824**

**Place: Mumbai**

**Date: September 05, 2020**

**Annexure 4**

[Section 197(12), read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

**(i) DETAILS OF RATIO OF REMUNERATION OF DIRECTOR**

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr No.	Name of Director/KMP and designation	Remuneration to the Director/ KMP for the F.Y. 2019-20 (Rs.)	Percentage increase/decrease in remuneration in F.Y. 2019-20	Ration of remuneration of each director to the median remuneration of employees
1	Mr. Mitaram Jangid	3,00,000	-	0.91
2.	Mr. Bhushan Nemlekar	3,00,000	-	0.91
3.	Mr. Subodh Nemlekar	1,00,000	-	NA
5.	Mr. Gurunath Malvankar	1,60,000	-	NA
6.	Mrs. Pooja Chogle	1,60,000	-	NA
7.	Mrs. Priyanka Waghela	8,84,000	-	NA
8.	Ms. Sayli Munj%	4,59,000	-	NA

% Ms. Sayli Munj resigned w.e.f March 26, 2020

(ii) The median remuneration of employees of the Company during the financial year was Rs. 3,26,982;

(iii) In the financial year, there was an increase of Rs. 2,982 in the median remuneration of employees;

(iv) There were 32 permanent employees on the rolls of Company as on 31st March, 2020;

(v) Average percentage increase in the salaries of employees other than Executive Directors in the last financial year i.e. FY 2019-20 was 2.37% as compared to FY 2018-19.

(vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate statement and forms part of the Annual Report.

# ANNUAL REPORT 2019-2020

## Details of Top Ten Employees as on 31st March, 2020 in terms of remuneration drawn as required under Section 197 of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name of Employee	Designation	Remuneration (Monthly) (Rs.)	Nature of Employment	Educational Qualifications	Experience	Date of Joining	Age of Employee	Previous Employment	Equity shares held (In %)	Whether employee is related to Director
1	Mr. Clint P Dos Santos	Chief Engineer	1,06,025	Permanent	Engineer	22 Years	18/12/97	45	1 <sup>st</sup> job	0	No
2	Ms.Amruta Jangid	Head - Marketing & Branding Operations	1,00,000	Permanent	Interior Designing	4 Years	01/04/16	29	1 <sup>st</sup> job	0	Yes, Daughter of Mr.Mitar amJangid
3	Mr.Swapnil Ambre	Senior Architect	89,000	Permanent	Architect	10 Years	17/05/18	34	Romell Group	0	No
4	Mr.RohitUdyavar	Manager - Marketing	85,000	Permanent	MBA	10.6 Years	01/11/18	34	Shadows Ideas and Execution	0	No
5	Mr. Ramesh Sharma	Sr. Legal Executive	73,300	Permanent	LLB	15.7 Years	21/08/06	42	Swartik Ply & Timber	0	No
6	Ms.Priyanka Waghela	Assistant Manager- Accounts & Finance	69,440	Permanent	CA	6.5 Years	07/11/16	29	J.K Doshi & Co.	0	No
7	Mr. Manoj Jangid	Relationship Manager	53,260	Permanent	SSC	24.6 Years	10/09/96	50	1 <sup>st</sup> job	0	Yes, Cousin of Mr.Mitar mJangid
8	Mr. Harish Salian	Executive- Accounts & Finance	49,681	Permanent	M.Com	22 Years	01/03/12	47	Esque General Incl.	0	No
9	Mr.MohitDhalwanshi	Financial Accountant	48,000	Permanent	CA	2 Years	03/09/18	28	ShriBaidyanathAyurvedBhavan Pvt Ltd	0	No
10	Mr.Vinayak Manjrekar	Executive Accountant	46,456	Permanent	B.Com	23 Years	01/04/01	47	AnandCorru Box Co.	0	No

# SUMIT WOODS LIMITED

## Annexure 5 PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Sr. No	Name of the party	Nature of transaction	Amount at the beginning of the Year	Net transactions during the year	Balance at the end of the year
1	Mitasu Infra Developers Pvt Ltd.	Investment in Equity Share in Wholly own Subsidiary	0	1,00,000	1,00,000
2	Sumit Kundil Joint Venture	Investment in Joint Venture	3,13,70,598	-76,30,569	2,37,40,029
3	Sumit Snehashish Joint Venture	Investment in Joint Venture	2,42,00,091	-4,29,66,916	-1,87,66,824.80
4	Sumit Snehashish Venture	Investment in Joint Venture	5,81,29,876	2,46,00,000	8,27,29,876
5	Sumit Chetna Venture	Investment in Joint Venture	3,29,67,963	-89,83,275	2,39,84,687
6	Sumit Pramukh Venture	Investment in Joint Venture	2,66,23,384	39,710	2,66,63,093
7	Sun Sumit Venture	Investment in Joint Venture	1,51,56,075	-30,53,606	1,21,02,468
8	Sumit Pragati Ventures LLP	Investment in LLP	4,60,15,474	1641405	4,76,56,879
9	Milestone Construction & Developers LLP	Investment in LLP	28,49,799	40,50,000	68,99,798
10	Sumit Garden Grove Construction LLP	Investment in LLP	1,83,50,934	13,61,899	1,97,12,832
11	Sumit Pragati Shelters LLP	Investment in LLP	5,16,61,543	-4,28,22,637	88,38,906
12	Sumit Star Land Developers LLP	Investment in LLP	6,55,82,466	75,82,308	7,31,64,774
13	Mitasu Developers Pvt Ltd	Loan Given	3,59,27,200	-24561805	1,13,65,395
14	Sumit Garden Grove Constructions LLP	Co-borrower	for sanction limit of 22 Crore. Outstanding as on 31 March 2020 is Rs13.61 Crore.		
15	Mitasu Developers Pvt Ltd	Co-borrower	for sanction limit of 45 Crore. Disbursed amount is Rs 14.75 cr – outstanding Rs 12.26Cr		

By Order of the Board of Directors  
For **Sumit Woods Limited**  
(Formerly known as **Sumit Woods Private Limited**)

Sd/-  
**Bhushan Nemlekar**  
**Whole-Time Director**  
**DIN: 00043824**

**Place:** Mumbai  
**Date:** September 05, 2020

## Extract of Financial Statements of Subsidiaries

Mitasu Developers Pvt. Ltd.			
Statement of profit and loss for the year ended March 31, 2020			
All amounts are ₹ in Lakhs unless otherwise stated			
	Note No.	For the year ended March 31, 2020	For the period ended March 31, 2019
I Revenue from operations		-	-
II Other Income		18.97	8.99
III Total Income (I + II)		18.97	8.99
IV Expenses			
Purchases of stock-in-trade		93.31	198.43
Changes in inventories of stock-in-trade		(1,237.35)	(302.43)
Employee benefits expense		12.63	2.01
Constructions & Development Expenses		1,060.39	52.30
Finance costs		71.24	3.97
Depreciation and amortisation expense		0.43	-
Other expenses		2.58	0.60
Total expenses (IV)		3.23	(45.12)
V Profit/(Loss) before tax (III - IV)		15.74	54.11
VI Tax expenses			
Current tax		-	-
Deferred tax		-	-
VII (Loss)/Profit for the year (V - VI)		15.74	54.11
VIII Other comprehensive income			
<u>Items that will not be reclassified to profit or loss</u>			
- Remeasurements of the defined benefit plans (net of taxes)		-	-
IX Total comprehensive (loss)/income for the year (VII + VIII)		15.74	54.11
Earnings per equity share			
(1) Basic (in ₹)			
(2) Diluted (in ₹)			
See accompanying notes to the financial statements			

Mitasu Infra Developers Pvt. Ltd.		
Statement of profit and loss for the year ended March 31, 2020		
All amounts are ₹ in Lakhs unless otherwise stated		
	Note No.	For the period ended March 31, 2020
I Revenue from operations		-
II Other Income		-
III Total Income (I + II)		-
IV Expenses		
Other expenses		0.66
Total expenses (IV)		0.66
V (Loss)/Profit before tax (III - IV)		(0.66)
VI Tax expenses		
Current tax		-
Deferred tax		-
VII (Loss)/Profit for the year (V - VI)		(0.66)
VIII Other comprehensive income		-
IX Total comprehensive (loss)/income for the year (VII + VIII)		(0.66)
Earnings per equity share		
(1) Basic (in ₹)		
(2) Diluted (in ₹)		
See accompanying notes to the financial statements		



**SUMIT WOODS LIMITED**

**CIN: L36101MH1997PLC152192**

**Registered Office:** B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097

**Tel. No.:** +91-022 2874 9966 / 77 **Fax No.:** +91-022 2874 3377

**E-mail:** [cs@sumitwoods.com](mailto:cs@sumitwoods.com) **Website:** [www.sumitwoods.com](http://www.sumitwoods.com)

**Form No.  
MGT -11  
PROXY  
FORM**

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

<b>Name of the member(s)</b>	
<b>Registered address</b>	
<b>E-mail Id</b>	
<b>Folio No./ DP ID &amp; Client ID</b>	

I/We, being the holder(s) of \_\_\_\_\_ Shares of the above named Company, hereby appoint:

<b>1. Name</b>	<b>E-mail Id</b>
<b>Address:</b>	<b>Signature:</b>

or failing him/her

<b>2. Name</b>	<b>E-mail Id</b>
<b>Address:</b>	<b>Signature:</b>

or failing him/her

<b>3. Name</b>	<b>E-mail Id</b>
<b>Address:</b>	<b>Signature:</b>

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Tuesday, the 29th day of September, 2020 at 4:00 P.M at B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097 and at any adjournment thereof in respect of such resolutions as are indicated below:



**Note:**

Item No.	Resolutions		Optional*	
			For	Against
Ordinary Business				
1. a	Ordinary Resolution for adoption of Audited Standalone Financial Statement of the Company for the Financial Year ended 31 <sup>st</sup> March, 2020			
1. b	Ordinary Resolution for adoption of Audited Consolidated Financial Statement of the Company for the Financial Year ended 31 <sup>st</sup> March, 2020			
2	Ordinary Resolution for appointment of a Director in place of Mr. Bhushan Subodh Nemlekar, (DIN: 00043824), who retires by rotation and being eligible, offers himself for re-appointment			

\* It is optional to put a (✓) in the appropriate column against the resolutions indicated in the Box. If you leave the „For“ or „Against“ column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this ..... day of ..... 2020.

Signature of Member (s) .....

Signature of Proxy holder (s) .....

Affix Rs. 1  
Revenue  
Stamp

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be member of the Company.
3. In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such authorization should be attached to the Proxy Form.
4. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.



**SUMIT WOODS LIMITED**  
**CIN:** L36101MH1997PLC152192  
**Registered Office:** B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097  
**Tel. No.:** +91-022 2874 9966 / 77 **Fax No.:** +91-022 2874 3377  
**E-mail:** [cs@sumitwoods.com](mailto:cs@sumitwoods.com) **Website:** [www.sumitwoods.com](http://www.sumitwoods.com)

**ATTENDANCE SLIP**

I/We, hereby record my/our presence at the 24th ANNUAL GENERAL MEETING of the Company on Tuesday, the 29th day of September, 2020 at 4:00 P.M at at B - 1101, Express Zone, Diagonally Opp. to Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097.

Registered Folio No./ DP ID & Client ID*	
No. of Shares held	
Name and address of the Member	
Joint Holder 1	
Joint Holder 2	

\*DP ID & Client ID is applicable for Members holding shares in electronic form.

If Member, please sign here	If proxy, please mention name and sign here	
	Name of Proxy	Signature

Shareholder/Proxy holder, as the case may be, is requested to produce the attendance slip duly signed at the entrance of the AGM venue.

## NOTES

Growth story of Sumit Woods, Mr. Mitaram Jangid and Mr. Bhushan Nemlekar in Cover  
Story of "Construction Week" India – August 2020 Edition! View at  
[https://mags.itp.com/ConstructionWeekIndia/CW\\_01\\_08\\_2020/#page=1](https://mags.itp.com/ConstructionWeekIndia/CW_01_08_2020/#page=1)

WPP License no. MR/TECH/WPP-77/NORTH/2019-21 License to post without prepayment Postal Registration No. MCN/146/2019-2021  
Published on 28th of every previous month. Posting date: 3rd & 4th of every months Posted at Patrika Channel Sorting Office, Mumbai-400001  
Registered with Registrar of Newspapers under RNI No. MAHENG/2008/33387

NEWS, ANALYSIS, PROJECTS & BUSINESS INTELLIGENCE FOR THE CONSTRUCTION INDUSTRY

Total number of pages 46

VOLUME 11 • ISSUE 12

AUGUST 2020 • MUMBAI • ₹100

# CONSTRUCTION WEEK

PUBLISHED BY ITP MEDIA (INDIA)

[WWW.CONSTRUCTIONWEEKONLINE.IN](http://WWW.CONSTRUCTIONWEEKONLINE.IN)

A DEDICATED HINDI PORTAL FOR NEWS  
ABOUT THE CONSTRUCTION INDUSTRY

कंस्ट्रक्शन वीक

[WWW.CONSTRUCTIONWEEKHINDI.COM](http://WWW.CONSTRUCTIONWEEKHINDI.COM)

**BUILDING & INFRA EQUT**  
**NEW MOVES**

**HIGH-RISES**  
**SAFER NOW**

## BUILT ON TRUST

Mitaram Jangid, promoter, and Bhushan Nemlekar, director, Sumit Woods, have a reputation for being transparent in their dealings and delivering projects in good time





### **The Monarch, Dahisar West.**

The project is registered with MahaRERA with number :  
P51700006499

Available at <https://maharera.mahaonline.gov.in/>

### **Sumit Garden Grove, Borivali West.**

The project is registered with MahaRERA with number :  
P51800009864



SUMIT  
**BELLS-III**  
ROW HOUSES, NUVEM, MADGAON

### **Sumit Bells III, Nuvem, Madgaon- Goa.**

The project is registered with GoaRERA with number : PRGO06180472 and available at <https://rera.goa.gov.in/reraApp/>



If undelivered , please return to;

**SUMIT WOODS LIMITED**

CIN: L36101MH1997PLC152192

Registered Office: B - 1101, Express Zone, Diagonally Opp. to  
Oberoi Mall, W.E. Highway, Malad (East), Mumbai – 400097

Tel. No.: +91-022 2874 9966 / 77 Fax No.: +91-022 2874 3377

e-mail: [cs@sumitwoods.com](mailto:cs@sumitwoods.com) Website: [www.sumitwoods.com](http://www.sumitwoods.com)