

**29<sup>th</sup>**  
**Annual Report**  
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**STERLING GREENWOODS LIMITED**

**CIN : L51100GJ1992PLC017646**

**CORPORATE INFORMATION:**

<b>BOARD OF DIRECTORS</b>	: Mr. Umesh Ghanshyambhai Lavingia Mr. Bharat Kumar Vijay Kumar Lekhi Mr. Milind Desai Mr. Shrenik Trivedi Mr. Shailesh Badrinarayan Singh  Mrs. Ila Gupta	Chairman Managing Director Director upto 9 <sup>th</sup> February 2021 Director upto 25 <sup>th</sup> February 2021 Director from 4 <sup>th</sup> December 2020 to 13 <sup>th</sup> May 2021 Additional Independent Director from 13 <sup>th</sup> February 2021
<b>COMPANY SECRETARY \ COMPLIANCE OFFICER</b>	: Ms. Purnima Jain	
<b>STATUTORY AUDITORS</b>	: M/s. Keyur Bavishi & Co. Chartered Accountants Ahmedabad	
<b>BANKERS</b>	: Canara Bank HDFC Bank Limited State Bank of India Union Bank of India	
<b>REGISTRAR &amp; SHARE TRANSFER AGENTS</b>	: Bigshare Services Private Limited E/2, Ansa Industrial Estate, Saki - Vihar Road, Sakinaka, Andheri (E), Mumbai - 400 072.	
<b>REGISTERED AND CORPORATE OFFICE</b>	: 25, Sunrise Center, Opp. Drive In Cinema, Thaltej, Ahmedabad - 380 054, (Gujarat) (CIN:L51100GJ1992PLC017646)	
<b>WEBSITE</b>	: <a href="http://www.sterlinggreenwoods.com">www.sterlinggreenwoods.com</a>	

**IMPORTANT COMMUNICATION TO MEMBERS:**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

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**NOTICE**

**NOTICE** is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of **M/s STERLING GREENWOODS LIMITED** will be held on Wednesday, the 29<sup>th</sup> September 2021, at 11.30 a.m. at the Greenwood Lake Holiday Resort, Chharodi Farm Complex, Off. Sarkhej-Gandhinagar Highway, Opp. Village Chharodi, Ahmedabad to transact the following business:-

**ORDINARY BUSINESS:****1. TO RECEIVE, CONSIDER AND ADOPT:**

- a. The Audited Standalone Financial Statements of the company for the financial year ended on March 31, 2021 together with the Auditors' Report thereon.

**“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

- b. The Audited Consolidated Financial Statements of the company for the financial year ended on March 31, 2021 together with Auditors' Report thereon.

**“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

**2. TO APPOINT A DIRECTOR IN PLACE OF MR. BHARAT KUMAR LEKHI (DIN: - 03363339) WHO RETIRES BY ROTATION AND IS ELIGIBLE FOR REAPPOINTMENT.**

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Bharat Kumar Lekhi (DIN: 03363339), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**SPECIAL BUSINESS****3. APPOINTMENT OF MRS. ILA GUPTA AS AN INDEPENDENT DIRECTOR:**

Regularisation of Additional Director, Mrs. Ila Gupta (DIN: 09064495) by appointing her as an Independent Director of the Company

To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT,** pursuant to provision of Section 149,150,152 read with Schedule IV to the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules,2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations,2015, Mrs. Ila Gupta (DIN: 09064495) who was appointed as an Additional Independent Director of the Company for a period of 5 years w.e.f 13th February 2021 in terms of Section 161(1) of the Companies Act,2013 and Article of Association of the Company, subject to approval of members at the ensuing Annual General Meeting of the Company and who holds office up to the date of this Annual General Meeting and who is eligible for re-appointment and who meets the criteria for Independence as provided under section 149 (6) of the Act along with rules framed thereunder and Regulation 16 (1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a recommendation from the Nomination and Remuneration Committee and notice in writing under Section 160 of the Companies Act, 2013 from a member of the Company proposing her candidature for office of Director be and is hereby re-appointed as an Independent, Non-Executive Women Director of the Company not liable to retire by rotation to hold office for period of 5 years w.e.f. 13.02.2021 to 12.02.2026.”

**4. INCREASE IN THE LIMITS OF BORROWING POWERS OF THE BOARD SECTION 180(1) (c) OF THE COMPANIES ACT 2013:**

To consider and, if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution:

**“RESOLVED THAT,”** pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions if any, authority be and is hereby given to the Board of Directors of the Company

(herein- after referred to as “the Board”) to borrow any sum or sums of money, from time to time, were the moneys to be Borrowed, together with the money already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose), provided that the total amount so borrowed shall not at any time exceed Rs. 30,00,00,000 (Rupees Thirty Crores only) and that the Board be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such moneys to be borrowed, from time to time interest, repayment, security or otherwise howsoever as it may deem fit, as also to execute all such deeds and documents as may be necessary or required for this purpose.”

**5. AUTHORISATION FOR DELEGATION OF POWERS TO THE BOARD TO SALE, LEASE OR OTHERWISE TO DISPOSE-OFF THE WHOLE / SUBSTANTIALLY WHOLE OF THE UNDERTAKING OF THE COMPANY AND TO CREATE CHARGE BY WAY OF HYPOTHECATION, MORTGAGE, PLEDGE, LIEN ON THE ASSETS OF THE COMPANY AS PER SECTION 180(1) (a) OF THE COMPANIES ACT 2013:**

To consider and, if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution:

“**RESOLVED THAT,**” consent of the members of the Company be and is hereby accorded under the provisions of Section 180(1)(a) of Companies Act 2013, read with relevant rules or any other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force and hereinafter collectively referred to as “Act”), authority be and is hereby given to the Board of Directors of the Company to create charge by way of mortgage and/or hypothecation, pledge or lien on the assets of the Company, where undertaking (both present and future) shall have the meaning as stated in explanation to Clause (a) of Sub-Section (1) of Section 180 of the Companies Act, 2013, or to sell, lease or otherwise dispose-off the whole / substantially whole of the Undertaking of the Company or at such time and on such terms and conditions as the Board may deem fit, in the best interest of the affairs of the Company.”

“**RESOLVED FURTHER THAT,**” the Board of Directors (for the purpose of this resolution, the “Board” would include any Director in single capacity and/or any Committee of Directors as may be authorized by the Board in this regard) shall have the power to create a charge by way of hypothecation and / or mortgage or otherwise offer as collateral substantial property, assets and/or undertakings of the Company in certain events, to banks/ financial institutions, non-banking Companies, other lending agencies, and/or trustees for the holders of debentures/bonds/other instruments, to secure any rupee loans, foreign currency loans and/or the issue of debentures whether partly or fully convertible or non-convertible and/or securities linked to equity shares and/ or rupee/foreign currency convertible bonds and/or bonds with share warrants attached thereto or sale, lease or otherwise dispose-off the whole / substantially whole of the Undertaking of the Company and also to do all such acts, deeds and other things as may be required or considered necessary or incidental thereto for giving effect to this resolution.”

Place : Ahmedabad  
Date : 1st September 2021

By Order of the Board of Directors of  
Sterling Greenwood Limited

**Bharat Kumar Lekhi**  
Managing Director  
(DIN: 03363339)

**Umesh Lavingia**  
Chairman  
(DIN: 02426615)

**NOTES**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting of the company with physical presence of members at its registered office or at any other place after receiving the permission from the relevant authorities.  
The Annual General Meeting will be conducted as per the general guidelines issued by authority for COVID-19 management i.e. face covering, social distancing, screening and hygiene, frequent sanitisation and etc.
2. A Member entitled to attend and vote at The Annual General Meeting (“Meeting/AGM”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the company. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10 percent of the total share capital of the company. However, A Member holding more than 10%, of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy in order to be valid and effective should be lodged / deposited with the company at its Registered Office at least 48 (Forty Eight) hours before the commencement of the Meeting.
3. Additional information pursuant to section 102 of the Companies Act, 2013, on directors recommended for reappointment at the Annual General Meeting, is given in this notice.
4. The Register of Beneficial Owners, Register of Members and Share Transfer Book of the Company shall remain closed from 22<sup>nd</sup> September, 2021 to 29<sup>th</sup> September, 2021 both days inclusive. Members/ proxies should bring their copy of the Annual Reports and Accounts along with Attendance Slip (duly completed) when attending the Meeting.
5. Members who hold shares in dematerialized form are requested to write their Client-ID and DP-ID Numbers and those who hold shares in Physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
6. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a “Green Initiative in Corporate Governance” and allowed companies to share documents with its shareholders through an electronic mode. A soft copy of the Annual Report has been sent to all those shareholders who have registered their email address. Members are requested to support this Green Initiative by registering/ updating their email address for receiving electronic communication.
7. Pursuant to Section 124 and 125 and other applicable provisions, if any, of the Act, all unclaimed/ unpaid dividend and application money, remaining unclaimed/ unpaid for a period of seven years from the date they became due for payment, have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claim.
8. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days, except Saturday between 11.00 a.m. to 1.00 p.m. prior to the date of AGM.
9. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
10. A route map showing directions to reach the venue of the 29<sup>th</sup> AGM is annexed.
11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company’s website [www.sterlinggreenwoods.com](http://www.sterlinggreenwoods.com) under ‘Investor Relations’ section.
12. Members are requested to intimate changes, if any pertaining to their name, postal address, email address, telephone/ mobile numbers, PAN and other details to their DPs in case the shares are held in electronic form and to the Company’s Registrar, M/S. Big Shares Services Private Limited situated at A/802, Samudra Complex, Near Klassic Gold, Girish Cold Drink, C.G.Road, Ahmedabad, Gujarat – 380 009, in case the shares are held in physical form, quoting their folio number. Further, Securities and Exchange Board of India (SEBI) has mandated the submission of

Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to M/S. Big Shares Services Private Limited.

13. As per the amendment to SEBI (LODR) Regulations, 2015, all the shareholders holding shares in physical form are hereby informed that w.e.f. December 5, 2018, requests for effecting transfer of shares shall not be processed by the Registrar and Transfer Agent unless the shares are held in the dematerialized form, with a depository. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
14. Details of Directors seeking Appointment/Re- Appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Further, the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India requires certain additional disclosures with respect to appointment of Director, which are mentioned below:

<b>Name of the Director</b>	<b>Mrs. Ila Gupta</b>
DIN No.	09064495
Date of Birth	17.04.1961
Date of Appointment	13/02/2021
Qualifications	B.A, P.G.Diploma in Personnel Management and Industrial Relations
Brief Profile	An accomplished and versatile Senior HR Professional with over 25 years of rich and diverse work experience, with capability of handling leadership position assignments. Have exposure of working in Global and Multi-cultural environment with focus on Diversity. Have spearheaded the Human Resource function of organizations at PAN India level and have been a key member of the apex leadership team. A committed individual with strong work ethics and integrity. Possess strong communication and people management skills with proven abilities in team work, planning and cross functional coordination.
Names of listed entities in which the person also holds the directorship as on 31st March, 2021 [excluding Private Limited Companies]	N.A.
No. of Shares held in Company	60,000 Shares

**15. VOTING IN ELECTRONIC FORM (E-VOTING):**

Process and manner for members opting for voting through Electronic means:

- (i). In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting").
- (ii). Members whose names are recorded in the Register of Members or in the Register of Beneficial owners maintained by the Depositories as on the Cut-off date i.e. 22<sup>nd</sup> September 2021 shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- (iii). A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 22<sup>nd</sup> September, 2021, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.

- (iv). The remote e-voting will commence on Sunday the 26<sup>th</sup> September, 2021 at 9.00 a.m. and will end on Tuesday, the 28<sup>th</sup> September, 2021 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. 22<sup>nd</sup> September 2021, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- (v). Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- (vi). The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, May also attend the Meeting, but shall not be entitled to cast their vote again.
- (vii). The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. 22<sup>nd</sup> September 2021
- (viii). The Company has appointed CS Ravi Kapoor, Practicing Company Secretary (CP No: 2407), to act as the Scrutinizer for conducting the remote e-voting process.
- (ix). **Shareholder instructions for E-Voting**

**Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <b>https://web.cdslindia.com/myeasi/home/login</b> or visit <b>www.cdslindia.com</b> and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at <b>https://web.cdslindia.com/myeasi/Registration/EasiRegistration</b>
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <b>www.cdslindia.com</b> home page or click on <b>https://evoting.cdslindia.com/Evoting/EvotingLogin</b> The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> . Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.



- (i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting **website [www.evotingindia.com](http://www.evotingindia.com)**.
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

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

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN of the Company i.e. 210906053 to vote..
- (vi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz. cs.sterlinggreenwoods@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to helpdesk.evoting@cdslindia.com.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sterlinggreenwoods.com](http://www.sterlinggreenwoods.com) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com) within three days of the passing of the Resolutions at the 29th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

**CONTACT DETAILS:**

**Company:**

**Sterling Greenwood's Limited**

25, Sunrise Centre, Opp. Drive in Cinema, Thaltej, Ahmedabad - 380052.  
CIN: L51100GJ1992PLC017646  
Email id: cs.sterlinggreenwoods@gmail.com

**Registrar and Transfer Agents:**

**M/s. Bigshare Services Pvt. Ltd.**

A- 802, Samudra Complex, Near Klassic Gold Hotel,  
Girish Cold Drink, Off C G Road, Navrangpura, Ahmedabad - 380009.  
Tel.: 079-40024135 E-mail: bssahd@bigshareonline.com

**E-Voting Agency:**

**Central Depository Services (India) Limited**

E-mail ID: helpdesk.evoting@cdslindia.com  
Phone: 022- 22723333/ 8588

**Place : Ahmedabad**

**Date : 1st September 2021**

**By Order of the Board of Directors of  
Sterling Greenwood's Limited**

**Registered Office:**

25, Sunrise Centre,  
Opp. Drive-in-Cinema,  
Ahmedabad – 380054.  
Phone: 079-26851680, 26850935,  
Email Id: cs.sterlinggreenwoods@gmail.com  
Website: [www.sterlinggreenwoods.com](http://www.sterlinggreenwoods.com)  
CIN: L51100GJ1992PLC017646

**Bharat Kumar Lekhi**

Managing Director  
(DIN: 03363339)

**Umesh Lavingia**

Chairman  
(DIN: 02426615)

**ANNEXURE TO NOTICE****Explanatory Statement Pursuant To Section 102(1) of the Companies Act, 2013****ITEM NO.3****REGULARIZATION OF ADDITIONAL DIRECTOR, MRS. ILA GUPTA (DIN: 09064495) BY APPOINTING HER AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

To consider and, if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

Mrs. Ila Gupta (DIN: 09064495 ) was appointed as an Additional Independent Director with effect from February 13th, 2021, in accordance with the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office up to the date of ensuing Annual General Meeting of the Company. The Board is of the view that the appointment of Mrs. Ila Gupta (DIN: 09064495) on the Company Board is desirable and would be beneficial to the Company and hence it recommends the said resolution No 3 for approval by the members of the Company. None of the Directors / Key Managerial Personnel of the Company / their relatives except Mrs. Ila Gupta herself, in any way concerned or interested, in the said resolution.

Mrs. Ila Gupta, Non-Executive Director of the Company, has given a declaration to the Board that she meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mrs. Ila Gupta fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and she is independent of the management.

The board recommends the said resolution to be passed as an ordinary resolution.

None of the Directors except Mrs. Ila Gupta DIN: 09064495 and relatives of Directors and Key Managerial Personnel of the Company is directly/indirectly interested in the above resolution except to the extent of their respective interest as shareholders of the Company.

**ITEM NO. 4 & 5****INCREASE IN THE LIMITS OF BORROWING POWERS OF THE BOARD AS PER THE SECTION 180(1) (C) OF THE COMPANIES ACT 2013 AND AUTHORIZATION FOR DELEGATION OF POWERS TO THE BOARD TO SALE, LEASE OR OTHERWISE TO DISPOSE-OFF THE WHOLE / SUBSTANTIALLY WHOLE OF THE UNDERTAKING OF THE COMPANY AND TO CREATE CHARGE BY WAY OF HYPOTHECATION, MORTGAGE, PLEDGE, LIEN ON THE ASSETS OF THE COMPANY AS PER SECTION 180(1) (A) OF THE COMPANIES ACT 2013.**

To consider and, if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution:

Keeping in view the Company's existing position more effected by the Covid-19 situation where business cycles were substantially impacted owing to pandemic and Government restriction arising thereof and considering the time frame required to recover from the present circumstances and keeping in view the future financial requirements to support its business operations, the Company will need additional funds. Considering the above its proposed to authorize the Board of Directors of the Company to borrow money up to the paid up capital and free reserves of the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) not exceeding of Rs. 30 Crores (Rupees Thirty Crores only) and create security on the assets of the Company in favor of the banks and financial institution to extend of that amount. Authority is also proposed to be given to the Board to create a charge by way of hypothecation or mortgage or otherwise offer as collateral substantial property, assets and/or undertakings of the Company or to sale, lease or otherwise dispose-off the whole / substantially whole of the Undertaking of the Company.

Pursuant to provisions of 180(1) (a) & sec 180(1) (c) of the Companies Act, 2013 a special resolutions is required to be placed at General Meeting of the Company accordingly.

Board recommends the above resolution for approval of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the above resolution.

**DIRECTORS' REPORT**

To  
The Members of  
**STERLING GREENWOODS LIMITED**

Your Directors have pleasure in presenting 29<sup>th</sup> Annual Report together with the Audited Accounts of the company for the year ended 31<sup>st</sup> March, 2021.

**1. FINANCIAL HIGHLIGHTS:**

<b>Particulars</b>	<b>2020-21 (Rs. In Lacs)</b>	<b>2019-20 (Rs. In Lacs)</b>
Income for the Year	254.88	319.21
Profit before interest, depreciation and tax (PBIDT)	55.12	(09.87)
Less:		
Exceptional Items	Nil	Nil
Financial Expenses	34.98	102.92
Depreciation	57.10	46.68
Profit / (Loss) before tax	(36.96)	(159.47)
Provision for taxation		
(i) Current Income Tax	Nil	Nil
(ii) Tax Expenses relating to prior years	Nil	Nil
(iii) Deferred Tax	5.73	
(iv) Mat Credit Entitlement	Nil	Nil
Profit after tax	(31.23)	(116.14)
Add / (Less): Prior Period Adjustment	0.00	0.00
Profit available for appropriation	(31.23)	(116.14)

**2. OPERATIONS:**

The founder Chairman has the aim and vision to convert the Company's resort into the star category. After the sad demise of the founder chairman, the existing management has decided to move forward as per his vision and convert Company's resort into star category. The Company has decided to carry out the development of the resort based on the plan approved by the founder Chairman. The founder chairman divided the development of the resort in four phases. The first phase of the development was completed; however the remaining phase could not be completed due to ongoing litigation, lack of funds, COVID and various other reasons.

The novel coronavirus COVID 19, a global pandemic has affected not just human health but severely impacted on the real estate and hospitality business of the Company. The Company has taken several measures to sustain the operations, optimization of financial resources and cost control.

During the year under review the adverse impact of COVID-19 continued and it is assumed that in near future also the same will be continued. COVID-19 severely impacted the real estate and resort business segment and eventually the Company. The service sector is hard hit by the COVID-19 pandemic, particularly the hospitality industry, based on the accommodation and food and beverages segments. One way to control the spread of COVID-19 was the lockdown, which was the main reason for the cancellation of economic activities. The hospitality industry was also affected by it as national and international flights were halted, and there was no tourism, business trips, meetings, and staying at the hotels and resorts. Furthermore, hotel operations such as restaurants, conferences, seminars, and banquets were also restricted, severely affecting economic and financial performance.

The management has taken several measures to minimal the impact of the effect of Covid -19 Pandemic. The fear of the Pandemic has impacted the consumer sentiments, spending habits and lot. The measures to revive the operations are on hold as there is no visibility for the revival of the business in near future. These reasons have also affected the current operation of the resorts which is ultimately resulted into the loss during the year under review. Detailed Discussions has been included in Management Discussion and Analysis.

During the year Company has not changed nature of business.

**3. DIVIDEND:**

During the year under review, the Company has incurred the loss hence the management of the Company decided to retain the existing resources for the future developments hence the directors of the Company do not recommend dividend.

**4. INDUSTRIAL RELATIONS:**

Industrial relations remained cordial throughout the year. Your Directors place on record their deep appreciation of the contribution made by the employees at all levels.

**5. TRANSFER TO RESERVE**

During the year under review Company has not transferred any amount to reserves.

**6. CORPORATE SOCIAL RESPONSIBILITY**

Section 135 of the Companies Act, 2013 and framed Rules thereunder provides that certain companies are require to spend 2% of its average net profit during 3 preceding years on CSR activities. It also provides formation of CSR committee of the Board. The Rules prescribe the activities qualify under CSR and the manner of spending the amount.

The Company is not covered under section 135 of the Companies Act, 2013 and the Rules framed thereunder for the financial year under report. CSR Committee of the Board will be constituted at the time of applicability of section 135 of the Act. Hence CSR report is not required to be annexed.

**7. DISCLOSURE UNDER COMPANIES ACT, 2013**

**(i) Number of Meetings**

During the year under review, 06, (six) Board Meetings were convened and held on 26<sup>th</sup> June 2020, 9<sup>th</sup> September 2020, 13<sup>th</sup> October 2020, 10<sup>th</sup> November, 2020, 4<sup>th</sup> December ,2020 and 13<sup>th</sup> February, 2021. The details of which are given below. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**(ii) Statement on Declaration Given by Independent Director**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013.

**(iii) Independent Directors' Meeting**

The Independent Directors met on 4<sup>th</sup> December 2020 without attendance of Non-Independent Directors and members of the Management. The Directors reviewed performance of the non-Independent Director and the Board as whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**(iv) Particulars of loans, guarantees or investments:**

The Company has neither given any loans or guarantees nor made investments covered under the provisions of Section 186 of the Companies Act, 2013

**(v) Composition of Audit Committee**

During the year under review, Audit Committee met five times on 26<sup>th</sup> June 2020, 9<sup>th</sup> September 2020, 13<sup>th</sup> October 2020, 10<sup>th</sup> November, 2020, and 13<sup>th</sup> February 2021. The intervening gap between two meetings did not exceed one hundred and twenty days.

The Composition of the Audit Committee and details of attendance of the members at the committee meetings during the year are given below:

Name	Category	No. of Meetings during the year	
		Held	Attended
Shri Milind Desai	Independent Director	4	4
Shri Shrenik Trivedi	Independent Director	5	5
Shri Bharat Kumar Lekhi	Managing Director	5	5

Mr. Milind Desai, Independent Director of the Company ceased as a Director of the Company with effect from 9<sup>th</sup> February 2021.

Mr. Shrenik Trivedi, Independent Director of the Company ceased as a Director of the Company with effect from 25<sup>th</sup> February, 2021.

The Managing Director, Chief Financial Officer, Company Secretary and representatives of Statutory Auditors are invited to the meetings of the Audit Committee.

The Committee discharges such duties and functions generally indicated in Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated to the Committee by the Board from time to time.

**(vi) Nomination & Remuneration Committee:**

During the year under review, Nomination & Remuneration Committee met twice on 4<sup>th</sup> December 2020 and 13<sup>th</sup> February 2021. Following is the composition of the Committee:

Name	Category	No. of Meetings during the year	
		Held	Attended
Shri Milind Desai	Independent Director	1	1
Shri Shrenik Trivedi	Independent Director	2	2
Shri Umesh Lavingia	Chairman	2	2
Shri Bharat Kumar Lekhi	Managing Director	1	1

**8. CORPORATE GOVERNANCE**

Pursuant to Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, since the equity paid up share capital of the Company and net worth is below the threshold limits prescribed under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Hence Corporate Governance provision is not applicable to the Company for the year under review.

**9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to regulations of SEBI (Listing Obligations and Disclosures) Regulations 2015, Management Discussion and Analysis Report form part of this report is enclosed as **"Annexure-A"**.

**10. BUSINESS RISK MANAGEMENT**

The management is aware of the risk element in the operations of the Company and has taken the various steps to minimize/eliminate the risk. The Covid-19 is the prime risk for the business operations of the Company and the management has taken various steps to overcome the same.

**11. INTERNAL CONTROL SYSTEM**

The Company has laid down Internal Financial Control Policy under Section 134 (5) (e) of the Companies Act, 2013 which helps in ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit is being carried out by a firm of Chartered Accountants and evaluates the efficacy and adequacy of Internal Control System in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

## 12. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

## 13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Shailesh Singh was appointed as an additional director on 4th December 2020 and been regularized as a Director on 30<sup>th</sup> December 2020 in Annual General Meeting and he has resigned from the post of director and ceased as a Director of the Company with effect from 13<sup>th</sup> May 2021.

Mr. Milind Desai, Independent Director of the Company resigned from his post and ceased as a Director of the Company with effect from 9<sup>th</sup> February 2021.

Mr. Shrenik Trivedi, Independent Director of the Company resigned from his post and ceased as a Director of the Company with effect from 25th February, 2021.

Mrs. Ila Gupta has been appointed as an Additional Independent Director of the Company w.e.f. 13th February 2021. She holds the term up to the ensuing AGM. Accordingly the necessary resolution for her regularization as a director is given in the notice of AGM. Accordingly the necessary resolution for her reappointment is included in the notice of AGM

In accordance with the provisions of the Companies Act 2013 AND the Articles of Association of the Company, Shri Bharat Kumar Lekhi, Managing Director of the Company, retire by rotation at the ensuing Annual General Meeting. The Board of the Directors has recommended his re-appointment.

The events occurred after the year end but before the signing of the directors' report; has been disclosed here to update the shareholders.

Pursuant to the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out an evaluation of its own performance, the directors individually including Non-Executive and Independent Directors as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

At present the Company does not have the policy of payment of remuneration to Non-Executive directors except by way of sitting fees for attending the meeting of the Board or a committee thereof.

The Company has policy for determining and accounting for the remuneration of Executive Directors. Their remuneration is governed by external competitive environment; track record, potential, individual performance and performance of the Company. The remuneration determined for the Executive Directors is subject to the approval of Remuneration Committee of the Board of Directors.

## 14. DIRECTOR RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the Directors would like to state that:

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) The Directors had prepared the annual accounts on a going concern basis;
- (v) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**15. DEPOSIT:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**16. RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. The disclosure of related party transaction as required under section 134(3) (h) of the Companies Act, 2013 in form AOC-2 is not applicable.

**17. SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS**

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations. However following are the some of cases in the name of Company as on date.

- (i) Special Notice and Requisition under section 100 (2) read with Section 169 of the Companies Act, 2013 and the rules framed there under received from one shareholder for removal of one of the Director of the Company. Pursuant to special notice Extra Ordinary General Meeting (EOGM) was held on 10<sup>th</sup> May 2017. However director approached National Company Law Tribunal (NCLT) under Section 241 & 242 of the Companies Act, 2013. NCLT has directed that results of voting at EOGM can be declared by the Company, however implementation have been stayed till the tribunal directs otherwise. The decision is still pending at NCLT.
- (ii) One of the Shareholder approach National Company Law Tribunal (NCLT) under section 58 & 59 of the Companies Act, 2013 for rectification of register of member. The decision is still pending at NCLT.
- (iii) The company has filed a case against one of the ex-Director of the Company Mrs. Meeta Mathur under section 452 of the Companies Act, 2013 and Section 403,404 and 406 of the Indian Penal Code for Eviction of the Company's Property Situated at Flat No. 201, Ambience Tower, Bodakdev, Ahmedabad, and Vide Case No. 46618 in the Metropolitan Court. The Court had already issued a summon to Director. The decision is still Pending.
- (iv) The Company has filed a FIR No. I/71/2018 at Vastrapur Police Station against Director and Ex Managing Director of the company. The case is pending at Gujarat High Court.
- (v) The Company has received letter dated 26<sup>th</sup> April, 2018 from an anonymous sender inter-alia alleging transfer of assets of the Company in the year 2009-10 without compliance of law. Subsequent to receipt of this letter the Company appointed M/s. D. Shah & Associates to investigate claims made in the said letter. M/s. D. Shah Associates vide his report dated 31<sup>st</sup> October, 2018 inter alia confirm non-compliance of various legislations referred in the said report. The Company therefore thereafter based on the said report filed following two suits:
  - (a) Special Civil Suit No. 32 of 2019 filed before the honorable the Court of the Civil Judge (Senior Division) at Kalol against M/s. Paksh Developers Private Limited, Mrs. Meeta Mathur, Ex-Director, Mr. Ankit Mathur, Ex- Managing Director, Mr. Kunal Mathur, Ex-Director, and Mr. Anurag Agarwal, Ex- Managing Director of the Company.
  - (b) Special Civil Suit No. 21 of 2019, in the Court of Civil Judge (Senior Division) at Sanand against M/s. Paksh Developers Private Limited, Mrs. MeetaMathur, Ex-Director, Mr. Ankit Mathur, Ex- Managing Director, Mr. Kunal Mathur, Ex-Director, and Mr. Anurag Agarwal, Ex- Managing Director of the Company.

**18. SUBSIDIARY COMPANY**

The Company has one Subsidiary Company i.e. Sterling Resorts Private Limited. A statement containing brief financial details of the subsidiary is included in the Annual Report.



As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 into with the Stock Exchanges, a consolidated financial statement of the Company and its subsidiary is attached. The consolidated financial statements have been prepared in accordance with the relevant accounting standards as prescribed under Section 129(3) of the Act. These financial statements disclose the assets, liabilities, income, expenses and other details of the Company and its subsidiary.

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed thereunder and pursuant to regulation 33(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company had prepared consolidated financial statements of the company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 forms part of the Annual Report.

## 19. AUDITORS

### (1) STATUTORY AUDITORS:

The Company had appointed M/s. Keyur Bavishi & Co. Chartered Accountants, Ahmedabad, (M.No. 13571 /FRN: 131191W) as auditors for the term of five years in 28<sup>th</sup> Annual General Meeting to audit Company's Financial Statements from the Financial Year 2020-2021 till 2024-2025.

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended on March 31, 2021. The Auditor's Report is self-explanatory and does not require any clarification.

### (2) SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Jayesh Thummar, a Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure B. Secretarial Auditor's Report is self-explanatory and does not require any clarification.

## 20. WEB LINK OF ANNUAL RETURN

The extract of Annual Return is no longer required to be attached with the Director's Report u/s 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management & Administration) Rules, 2014 vide notifications issued by Ministry of Corporate Affairs (MCA) dated 28/08/2020 and 05/03/2021.

Pursuant to Sub-section 3(a) of Section 134 and Sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the copy of the Annual Return of the Company for the Financial Year ended on 31.03.2021 in the Form MGT-7 is available on the website of the Company.

The link to access the Annual Return is <https://sterlinggreenwoods.com/wp-content/uploads/2021/09/ANNUAL%20RETURN-2020-2021.pdf>

## 21. CASHFLOW STATEMENT

As required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, the Cash Flow Statement is attached to the financial statements.

## 22. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the company and date of this report.

The Company has received a letter dated 26<sup>th</sup> April, 2018 from an anonymous sender, inter alia, alleging that certain transactions in relation to the Company's property were taken place in the year 2009-10 were illegal. The Company has subsequently also received communication from BSE as well as SEBI in this regard. The Company has initiated process to verifying the claims made in the said letter.

## 23. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

**24. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

During the year under review, there were no complaints pertaining to sexual harassment was received by the management.

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

As required under section 134 (3) (m) of the Companies Act, 2013 and the rules made therein, the concerned particulars relating to, the Company does not consume Energy in its business so matter of Energy Conservation is not applicable to Company. Company does not engage in such business to undertake any Technology Absorption. However to save the power, it has installed Solar Water Heating Systems and also installed CFL lamps at its Resort. Company does not have any Export Earnings in the Financial Year 2020-21; hence particulars of Foreign Exchange are not applicable to the Company.

**26. PARTICULARS OF EMPLOYEES**

No employees are drawing the salary beyond the specified limits hence no information is required to be given for the same mentioned in CA 2013

**27. ACKNOWLEDGMENT**

The Directors extend their sincere thanks to the Bankers, Financial Institutions, Central Government and State Government Authorities and all associated with the Company for the co-operation.

The Directors also place on record the efforts made by the employees, workers and all other associated with the Company for making their organization successful.

Place : Ahmedabad

Date : 1st September 2021

By Order of the Board of Directors of  
Sterling Greenwood Limited

**Bharat Kumar Lekhi**  
Managing Director  
(DIN: 03363339)

**Umesh Lavingia**  
Chairman  
(DIN: 02426615)

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**ANNEXURE: A**  
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**Global economy:**

It has been over a year since COVID-19 was declared a global pandemic. The past year has seen more than 145 million infections. While the recovery rate has been a good 85%, more than 3 million fatalities have been registered. Governments across the world responded to the pandemic first with global travel advisories, suspension of visas and international flights, prohibition against mass gatherings, cancellation of sporting and cultural events, and then with closure of offices and educational institutions, halting of inter-state transport, railways, and other measures to enforce lockdowns in their respective nations. The restrictions were gradually lifted within a regulated environment. Actions taken by government's differed basis their infrastructural preparedness, number of testing done, reported number of cases and political consensus, but they all followed a basic minimum approach with regard to social distancing, hygiene and call for wearing a mask. The pandemic and the consequent lockdowns had an immediate impact on most industries and sectors, leading to a steep decline in the gross domestic product (GDP) of most countries. Several industries had to re-invent their operating model and distribution system to adapt to innovative ways of working.

Most developed and large economies responded to the pandemic by deploying measures to stimulate the economy through liquidity support, tax cuts and other regulatory changes. Economic output losses were particularly severe for countries that rely on tourism and commodity exports and for those with limited policy space to respond. The pandemic overshadowed all other major global events extreme weather events and geo-political tensions closer home. The global economy is projected to grow at 6% in 2021, moderating to 4.4% in 2022. The US economy is projected to grow by 6.4% in 2021 and 3.5% in 2022, while the UK is projected to grow by 5.3% in 2021 and 5.1% in 2022.

The IMF projects a 12.5% growth rate for India in 2021 and 6.9% in 2022 while China is projected to grow by 8.4% in 2021 and 5.6% in 2022. Emerging and developing Asia is projected to grow by 8.6% in 2021 and 6% in 2022. In Sri Lanka, the economy is expected to grow by 4.0% in 2021 while the Maldives is expected to grow by 18.9%. (Source: IMF, World Economic Outlook, April 2021). In the US, the US\$ 1.9 trillion economic package is expected to deliver a significant jump in employment and economic growth. As per the Bank of England, with the UK aggressively pushing its vaccination programme, the country's economic growth could reach pre-pandemic levels comparatively quickly. In its March 2021 report, the World Bank has highlighted clear signs of an economic rebound for south Asia, with per-capita incomes expected to revert to their pre-COVID levels by 2022. However, it has also highlighted that Bhutan, Sri Lanka, Maldives, and Nepal, which is dependent on tourism, could take significantly longer to recover depending on the pace of vaccination, reduction in infections and removal of travel restrictions. All estimates are subject to an adverse impact of the recent wave of COVID-19 infections.

The US economy contracted by 3.5% and that of the UK by 9.9% during the year. Emerging and developing Asian economies contracted by 1.0%. Within this group, the Indian economy contracted by 8.0% while the economies of Sri Lanka, Maldives, Malaysia, Bhutan and Nepal contracted by 3.6%, 32.2%, 5.6%, 0.8% and 1.9% respectively. China was the only large economy to register a 2.3% growth in 2020 (Source: IMF, World Economic Outlook, April 2021).

Several organizations have looked inwardly at their supply chains and other processes and, wherever possible, directed employees to work from home for reasons of safety and health. Many organizations have restricted travel, conferences, and events and embarked on cost reduction and austerity measures to protect their own cashflows and profitability. The pandemic severely impacted travel and tourism globally, Domestic as well as internal visitor spends decreased by 45% while international visitor spends decreased drastically (Source: World Travel & Tourism Council, Economic Impact Reports 2020). With very little option, the hospitality industry explored ways to survive this period by exploring new revenue opportunities and optimizing costs there is threat of higher losses if government retention schemes are withdrawn before the industry revives.

**Indian Economy:**

Much like the rest of the world, the Indian economy has been deeply affected by the impact of the COVID-19 pandemic with its far reaching consequences on economic and social life. The lockdown in India that was imposed on 24th March 2020 has had an unprecedented impact on the economy owing to a steep fall in demand as well as supply.

We expect domestic travel to gradually pick up as the lockdown in various cities in India is lifted.

India is the most digitally advanced traveller nation in terms of digital tools being used for planning, booking, and experiencing a journey.

Arrivals through e-Tourist Visa (Jan-Nov) decreased by 67.2% YoY to 0.84 million. As of March 2021, the e-Tourist

Visa facility was extended to citizens of 171 countries. (Source: Indian Tourism and Hospitality Industry Report, June 2021)

By 2028, international tourist arrivals are expected to reach 30.5 billion and generate revenue over US\$ 59 billion. However, domestic tourists are expected to drive the growth, post pandemic. (Source: Indian Tourism and Hospitality Industry Report, June 2021)

International hotel chains are increasing their presence in the country, and it will account for around 47% share in the tourism and hospitality sector of India by 2021 and 50% by 2022. (Source: Indian Tourism and Hospitality Industry Report, June 2021)

As per the Federation of Hotel & Restaurant Associations of India (FHRAI), in FY21, the Indian hotel industry has taken a hit of >Rs. 1.30 lakh crore (US\$ 17.81 billion) in revenue due to impact of the COVID-19 pandemic. (Source: Indian Tourism and Hospitality Industry Report, June 2021)

India has emerged as the fastest growing major economy in the world and is expected to be one of the top economies of the world in the next couple of decades. Last few quarters are experiencing the lower growth rate in the economy. The government is tried to improve the economic scenario of the country by formulating and implementation of various policies and decision such as labour reforms, increase participation of the youth in various program, focus on higher and skilled education program. However higher reforms number of young work force, Lower interest rates, higher income and various other factors will continue to boost economies.

#### **Industry Structure and Developments:**

The year 2020 and 2021 proved to be a rather staid roller coaster ride for the real estate industry, with its share of 'highs' and 'lows' devoid of the convulsive stir that the industry had witnessed. The real estate sector is one of the most globally recognized sectors. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. In India, real estate is the second largest employment provider after agriculture and is stated to grow at 30 per cent over the next coming decade.

The growth in this sector is well complemented by the growth of the corporate environment and the demand for the commercial space as well as urban and semi-urban accommodations. The Indian real estate market is expected to touch US\$ 180 billion by 2021 contribute more than 10% of the Country's GDP. The market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of more than 10.00 per cent. Growing requirement of space from sectors such as education, healthcare, retail, logistic, and e-commerce will contribute aggressively in the demand for the real estate.

Nowadays it is very difficult to get non-agricultural permission for the land parcel which hampers the land business and also drag the overall performance.

#### **Investments**

As per various studies conducted housing demand is expected to decline almost by 40% in Financial Year 2021 with the affordable segment being the worst hit, due to the higher-than-anticipated slowdown caused by the COVID-19 pandemic. Demand-side risks combined with a rising uncertainty over credit availability for the sector in the light of increasing risk aversion by financial institutions.

#### **Government Initiatives**

The Indian Government has realised the country's potential in the tourism industry and has taken several steps to make India a global tourism hub.

Some of the major initiatives planned by the Government of India to boost the tourism and hospitality sector of India are as follows:

In May 2021, the Union Minister of State for Tourism & Culture participated in the G20 tourism ministers' meeting to collaborate with member countries in protecting tourism businesses, jobs and taking initiatives to frame policy guidelines to support the sustainable and resilient recovery of travel and tourism.

Government is planning to boost the tourism in India by leveraging on the lighthouses in the country. 71 lighthouses have been identified for development as tourist spots.

The Indian Railway Catering and Tourism Corporation (IRCTC) runs a series of Bharat Darshan tourist trains aimed at taking people to various pilgrimages across the country.

The Ministry of Tourism's 'DekhoApnaDesh' webinar series titled '12 Months of Adventure Travel' on November 28, 2020, is likely to promote India as an adventure tourism destination.

The Ministry of Tourism developed an initiative called SAATHI (System for Assessment, Awareness & Training for Hospitality Industry) by partnering with the Quality Council of India (QCI) in October 2020. The initiative will effectively

implement guidelines/SOPs issued with reference to COVID-19 for safe operations of hotels, restaurants, B&Bs and other units.

Ministry of Tourism launched Dekho Apna Desh webinar series to provide information on many destinations and sheer depth and expanse on the culture and heritage of India.

Statue of Sardar Vallabhbhai Patel, also known as 'Statue of Unity', was inaugurated in October 2018. It is the highest standing statue in the world at a height of 182 metre. It is expected to boost the tourism sector in the Gujarat and especially in Ahmedabad as heritage city and put it on the world tourism map.

Under Budget 2020-21, the Government of India has allotted Rs. 207.55 crore (US\$ 29.70 million) for development of tourist circuits under PRASHAD scheme.

(Source: Indian Tourism and Hospitality Industry Report, June 2021)

### The Challenges

The world of hospitality and travel has entered a new era of transformation. A combination of forces, including shifts in the global economy, game-changing innovation, geo-political turmoil, natural disasters, pandemics, and rising consumer demands have been reshaping the marketplace for year. The key challenges that the Indian real estate industry is facing today are:

- Lack of clear land titles;
- Financing and capital requirement;
- Continuous Tech Advancements;
- Retaining and Attracting Employees
- Unfavorable Supply Vs. Demand Dynamics;
- Increased cost of compliance and manpower
- Shortage of Skilled Manpower;Delays in project approval and other procedural difficulties;
- Rising Operating Costs;
- Lack of adequate sources of finance;
- Lower sales volume;
- Implementation of Technology
- Environmentally Friendly Practices
- Personalizing Customers Experience
- COVID 2019

### Road Ahead

India's travel and tourism industry has huge growth potential. The industry is also looking forward to the expansion of e-Visa scheme, which is expected to double the tourist inflow in India. India's travel and tourism industry has the potential to expand by 2.5% on the back of higher budgetary allocation and low-cost healthcare facility according to a joint study conducted by Assocham and Yes Bank. (Source: Indian Tourism and Hospitality Industry Report, June 2021)

The hospitality business is dependent on global and domestic economic conditions The ongoing COVID-19 pandemic has brought global economic activity to almost a standstill. The Company is assessing the short term and long term impact of COVID-19 pandemic on its operations, profitability, liquidity position and demand for its services etc. The Company has taken several measures to sustain the operations, optimization of financial resources and cost control. Some of them are here-

1. To explore the other avenues of the income within the current business operations.
2. To diversify the use of the Land and other assets of the Company.
3. To further optimize the Human Resource Operation
4. To explore opportunity to lease / rent out options for the Company's Assets/ properties.
5. To explore opportunities for contract farming or such other options to use the Agricultural Land of the Company.
6. To refinance the financial structure of the company.

Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalization, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the

shift from family owned businesses to that of professionally managed ones. Staycation is seen as an emerging trend where people stay at luxurious hotels to revive themselves of stress in a peaceful getaway. To cater to such needs, major hotel chains such as Marriott International, IHG Hotels & Resorts and Oberoi hotels are introducing staycation offers where guests can choose from a host of curated experiences, within the hotel.

#### Financial Performance:

Particulars	Year ended 31.03.2021 (Rs in Lacs)	Year ended 31.03.2020 (Rs in Lacs)
Income for the year was	254.88	319.21
The year's working shows a Gross Profit of	20.14	-112.79
Out of which, Provisions have been made for :- Depreciation	57.10	46.68
Exceptional item Provision for Taxation :		
(i) Current Income Tax	Nil	Nil
(ii) Deferred Tax	Nil	Nil
(iii) Mat Credit Entitlement	Nil	Nil
Provision for doubtful debts		
Previous year expenses		
Profit after Income Tax	(31.23)	(116.14)

#### Outlook on Risks and Concerns:

Your Company is exposed to a number of risks such as economic, regulatory, taxation and environmental risks and also the investment outlook towards Indian Real Estate Sector. Some of the risks that may arise in its normal course of its business and impact its ability for future developments include inter-alia credit risk, liquidity risk, regulatory risk, commodity inflation risk and market risk.

#### Internal Control System:

The Company has adequate internal control systems and procedures with regard to purchase, stores and raw materials and bookings and other service and for sale of goods. The Company has an adequate internal audit system commensurate with size and nature of its business. The Company has engaged a firm of Chartered Accountants for its internal audit function. Reports of Internal Auditors are reviewed in the meetings of the Audit Committee of the Board.

#### Industrial Relations & Human Resource Development:

The Company has always valued its human resources and considered them as the biggest assets of the Company. The Company believes in the infinite potential of each employee and focus on the overall development of each employee. Industrial relations continued to be harmonious and cordial throughout the year. The company employed 72 numbers of employees as on 31<sup>st</sup> March, 2021

#### Cautionary Statement:

With several factors disrupting the hospitality industry, a plethora of challenges erupts for the hospitality companies operating in such a dynamic business landscape. Statement in this report on Management's Discussion and Analysis describing the company's objectives, projections, estimates, expectations or predictions may be forward looking statements and are based on certain assumptions and happenings of future events. Actual result could however differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand-supply conditions, finished goods prices, raw material cost and availability, Changes in government regulations and tax structure, economic developments within India and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information and events.

The fall in COVID-19 cases across much of the world over the past three to four months weeks signals a new dawn in the fight against the disease. Vaccines are proving effective and rapidly scaling, bending the curve in much geography. This is a fragile dawn, however, with transmission and deaths still high, unequal access to vaccines, and variants of concern threatening to undo progress to date.

**SECRETARIAL AUDIT REPORT****FORM NO. MR-3****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**STERLING GREENWOODS LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sterling Greenwood's Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion read with **Annexure - I** forming part of this report, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- v. The Revised Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review and as per the explanations and clarifications given to me and the representation made by the Company, the Company has complied with the provisions of the Act, Rules made there under, Regulations, Guidelines etc. mentioned above, to the extent applicable *subject to late filing of certain Compliances with the Stock Exchange i.e. BSE Limited and certain e-forms with MCA except following;*

1. Being Listed Company,
  - a. has not filed Form MGT-14 for appointment of Internal Auditor for the financial year 2020-21 as per Section 138 read with section 117 of the Companies Act, 2013;
  - b. has not maintained functional website as required under Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - c. has not complied with regulation 47(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company as given in **Annexure – II**.

During the Period under review, provisions of the following Acts, Rules, Regulations and Standards were not applicable to the Company;

- i. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and circulars/guidelines/Amendments issued there under; - The Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed Bigshare Services Private Limited as Registrar & Share Transfer Agent as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and circulars/guidelines/Amendments issued there under;
- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and circulars/guidelines/Amendments issued there under;
- iv. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and circulars/guidelines/Amendments issued there under;
- v. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and circulars/guidelines/Amendments issued there under;
- vi. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and circulars/ guidelines/ Amendments issued there under; and
- vii. The 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.

**I further report that –**

The Board of Directors of the Company is duly constituted with Executive Directors, Non-Executive Director, Independent Directors and Woman Director in accordance with the act. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

**I further report that –**

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that –**

During the period under review, status of past cases is as under:

- i. Special Notice and Requisition under section 100 (2) read with Section 169 of the Companies Act, 2013 and the rules framed there under received from one shareholder for removal of one of the Director of the Company. Pursuant to special notice, Extra Ordinary General Meeting (EOGM) was held on 10th May 2017. However, director approached National Company Law Tribunal (NCLT) under Section 241 & 242 of the Companies Act, 2013. NCLT has directed that results of voting at EOGM can be declared by the Company, however implementation have been stayed till the tribunal directs otherwise. *The decision is still pending at NCLT.*
- ii. One of the Shareholder Approach National Company Law Tribunal (NCLT) under section 58 & 59 of the Companies Act, 2013 for rectification of register of member. *The decision is still pending at NCLT.*
- iii. The company has filed a case against one of the ex-Director of the Company Mrs. Meeta Mathur under section 452 of the Companies Act, 2013 and Section 403,404 and 406 of the Indian Penal Code for Eviction of the Company's Property Situated at Flat No. 201, Ambience Tower, Bodakdev, Ahmedabad, Vide Case



No. 46618 in the Metropolitan Court. The Court had already issued a summon to Director. *The decision is still Pending.*

- iv. The Company has filed a FIR No. 1/71/2018 at Vastrapur Police Station against Director and Ex-Managing Director of the company. *The case is pending at Gujarat High Court.*
- v. The Company has received letter dated 26th April, 2018 from an anonymous sender inter-alia alleging transfer of assets of the Company in the year 2009-10 without compliance of law. Subsequent to receipt of this letter the Company appointed M/s. D. Shah & Associates to investigate claims made in the said letter. M/s. D. Shah Associates vide his report dated 31st October, 2018 inter alia confirm non-compliance of various legislations referred in the said report. The Company based on the said report filed following two suits:
- a) Special Civil Suit No. 32 of 2019, filed before the hounrable the Court of the Civil Judge (Senior Division) at Kalol against M/s. Paksh Developers Private Limited, Mrs. Meeta Mathur, Ex-Director, Mr. Ankit Mathur, Ex- Managing Director, Mr. Kunal Mathur, Ex-Director, and Mr. Anurag Agarwal, Ex- Managing Director of the Company.
- b) Special Civil Suit No. 21 of 2019, in the Court of Civil Judge (Senior Division) at Sanad against M/ s. Paksh Developers Private Limited, Mrs. Meeta Mathur, Ex-Director, Mr. Ankit Mathur, Ex- Managing Director, Mr. Kunal Mathur, Ex-Director, and Mr. Anurag Agarwal, Ex- Managing Director of the Company.

**Jayesh V. Thummar**  
Practicing Company Secretary  
ACS No.: 51028  
COP No.: 18574  
UDIN: A051028C000864601

Date : August 31, 2021  
Place : Ahmedabad

**Note:** This Report is to be read with my letter of even date which is annexed as Annexure-I and Annexure-II which form integral part of this report.

To,  
The Members,  
**STERLING GREENWOODS LIMITED**

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. In respect of laws, rules and regulations other than those specifically mentioned in my report above, including the laws, rules and regulations mentioned in Annexure II, I have limited my review, analysis and reporting up to process and system adopted by the Company for compliance with the same and have not verified detailed compliance, submissions, reporting under such laws etc. nor verified correctness and appropriateness thereof including financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards and its proper and adequate presentation and submission in prescribed formats is the responsibility of management. My examination was limited to the verification of procedures on test basis and not its one to one contents.
6. The Secretarial Audit report is neither an assurance as to compliance in totality or the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Considering the limitations prevailing on account of global pandemic COVID - 19 and its severe repetition, particularly since March, 2021 and Lockdown and semi-lockdown situation, I am not able to verify all the information physically as well as in detail, and, therefore, in respect of some of the matters, I have relied up on the information and explanations as provided by the Company, its officers, agents and authorized representatives.

Date : August 31, 2021  
Place : Ahmedabad

**Jayesh V. Thummar**  
Practicing Company Secretary  
ACS No.: 51028  
COP No.: 18574  
UDIN: A051028C000864601

List of major General Acts applicable to the Company

1. The Maternity Benefit Act,1961 & Rules there under
2. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
3. The Minimum Wages Act,1948 & Rules there under
4. The Payment of Wages Act,1936 & Rules there under
5. The Child Labour (Prohibition and Regulation) Act, 1986
6. The Contract Labour (Regulation and Abolition) Act, 1970
7. The Employees' State Insurance Act, 1948
8. The Industrial Disputes Act, 1947
9. The Indian Contract Act,1872
10. The Transfer of Property Act,1882
11. The Gujarat Stamp Act, 1958
12. The Registration Act, 1908
13. The Negotiable Instrument Act, 1881
14. The Competition Act, 2002
15. The Consumer Protection Act, 1986
16. The Arbitration & Conciliation Act, 1996
17. The Trade Marks Act, 1999 under Intellectual Property Law
18. The Micro, Small and Medium Enterprises Development Act, 2006
19. The Income Tax Act, 1961
20. The Central Goods and Services Tax Act, 2017

Date : August 31, 2021  
Place : Ahmedabad

**Jayesh V. Thummar**  
Practicing Company Secretary  
ACS No.: 51028  
COP No.: 18574  
UDIN: A051028C000864601

**INDEPENDENT AUDITORS' REPORT**

TO,  
THE MEMBERS OF STERLING GREENWOODS LIMITED

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

We have audited the standalone financial statements of **STERLING GREENWOODS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the statement of Profit and Loss, Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2021**, and its **Loss** and other comprehensive income, changes in equity and cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone financial statements.

**Emphasis of Matters**

We draw attention to Note No.28.2.1 of the Standalone Financial Statement ,which describes the management assessment of uncertainties related to COVID-19 pandemic and its consequential impact including the recoverability of assets and operations of the Company

- 1) Regarding pending NCLT and other legal litigation by and against the Company, we draw attention to Note No. 28.2 of the standalone financial statements ,as informed and explained the matters are subjudice and in absence of that, we are unable to opine in respect of financial or other impact there on if any.

Our report is not modified in respect of these matters.

**Key Audit Matters**

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

The Key Audit Matter	How our audit addressed the key audit matter
<p><b>A. Valuation of Inventories.</b> Refer to note 1.6 to the financial statements. As described in the accounting policies in note 1.6 to the financial statements, inventories are carried at the lower of cost and net realizable value. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realizable value below cost based upon future plans for sale of inventory.</p>	<p>We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by:-</p> <ol style="list-style-type: none"> <li>1. Completing a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk.</li> <li>2. Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification.</li> </ol>

	<p>3. Verifying for a sample of individual products that costs have been correctly recorded.</p> <p>4. Comparing the net realizable value to the cost price of inventories to check for completeness of the associated provision.</p>
<p><b>B. Valuation and existence of Non-Current and Current Investments</b></p> <p>Valuation and existence of Non-Current and Current Investments designated at fair value through profit or loss are valued at 123.61 lakh and classified as level 3 financial instruments in the fair value hierarchy. Further disclosures on the Investments are included in note 29.14 to the financial statements. This was an area of focus for our audit and the area where significant audit effort was directed. As at March 31, 2021, the Investments are in Equity Shares of Unquoted.</p>	<p>Our audit procedures over the valuation of the Investments included agreeing the fair valuation of all Investments held at March 31, 2021 to the Net Assets Value provided by the respective Equity Shares.</p> <p><b>Our Observation:</b></p> <p>Based on the audit procedures performed, we are satisfied with valuation and existence of non-current and current investment.</p>
<p><b>C. REVENUE RECOGNITION</b></p> <p>To ensure accuracy of recognition, measurement, presentation and disclosures of revenues and related accounts.</p>	<p><b>Principal Audit Procedures:</b></p> <p>We have assessed the Company's internal control surrounding its revenue transactions, We tested the key controls identified. We performed substantive detail testing by selecting sample revenue transactions that we considered appropriate to test the evidence of effectiveness of the internal controls and adherence to accounting policies in recognizing the revenue, and the rebates and discounts there against.</p>
<p><b>D. Tax Liability including MAT Credit</b></p> <p>Evaluation of uncertain Tax positions, the Company has uncertain Tax positions, including matter under dispute which involve significant judgment to determine the possible outcome of these disputes.</p>	<p><b>Principal Audit Procedures:</b></p> <p>Obtained details of computed tax assessments, demand and appeal there against as at 31<sup>st</sup> March, 2021. Review the management's underlying assumptions in estimating the Tax provisions and the possible outcome of the disputes, based on legal and other precedent in evaluating management's position on this uncertain tax position.</p>

#### Other Matter

The standalone financial statements of the Company for the year ended 31<sup>st</sup> March, 2020, were audited by another auditor who expressed an unmodified opinion on those statements on 26<sup>th</sup> June, 2020.

#### Other Information (or another title if appropriate, such as "Information Other than the Standalone Financial Statements and Auditors' Report Thereon")

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

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

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

#### Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act,

2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 in Our opinion and according to the information and explanation given to us, the details of the said Order specified in paragraph 3 and 4 of the order are given to the extent applicable in **Annexure A** to this Report.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on **31/03/2021** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2021** 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, we give report of the same in **Annexure B** to this Report.
  - (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, 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 financial statements as stated in Note No. 28.1 and 28.2.
    - 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 not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund by the Company. The question of delay in transferring such sums does not arise.

Date : 29<sup>th</sup> June,2021

Place : Ahmedabad

FOR KEYUR BAVISHI & CO.  
(Chartered Accountants)  
F.R.N. : 131191W

(CA KEYUR D. BAVISHI)  
Proprietor

M. No.: 136571

UDIN: 21136571AAAADI9499

**ANNEXURE A TO THE INDEPENDENT AUDITORS'S REPORT**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of the Independent auditor's report of even date to the members of the Sterling Greenwood Limited on the financial statement for the year ended 31<sup>st</sup> March, 2021)**

We report that:

- (i) In respect of Property ,Plant and Equipment.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except resorts assets which requires Up-dation.
  - (b) As per information and explanation given to us, the physical verification of its fixed assets have been carried out by the management at the end of year, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. As per the information and explanation given to us, no discrepancies have been noticed by the management on the fixed assets other than the resort's assets. The reconciliation of the renovated resort assets are in progress and in absence of the final out put we are unable to comment on resort assets. We have been informed that the discrepancies, if any, will be dealt in the books of accounts on completion of reconciliation.
  - (c) According to the Information and explanation given to us and the records examined by us as disclosed in Note No. 2 and based on the examination of the registered sale deed/purchase deed/ allotment letters – Allotment Certificate, share certificate etc. provided to us, we report that, the title deed, comprising immovable properties of lands and acquired buildings which are freehold except land valuing Rs. 22,42,400/- and property valuing Rs. 2,78,344/-, are held in the name of the company as at the balance sheet date. Further possession of property valuing Rs. 2,78,344/- is not with the Company.
- (ii) In respect of Inventories, as per the information and explanation given to us, the inventories have been physical verified by the management at the end of the year, which in our opinion is reasonable having regard to the size of the company and the nature of its activity. As per the information and explanation given to us no material discrepancies noticed on physical verification.
- (iii) In respect of Loans and Advances Granted during the year.
  - a) The Company has granted loans to its subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
  - b) In the case of the loans granted to its subsidiary company listed in the register maintained under section 189 of the Act, is not prejudicial to the Company's interest, the loans have been granted is interest free, further there in no stipulation for repayment of the loans granted hence, the question of regular in the payment of the interest is not relevant. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii) (b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
  - c) Since there is no stipulation in repayment of principal, there are no overdue amounts of more than ninety days in respect of the loans granted to its subsidiary company listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provision of Section 185 and 186 of the companies Act, 2013 in respect of grant of loans, making investments. However the Company has not provided any guarantees and securities.
- (v) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 73 to section 76 and other relevant provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits ) Rules, 2014 with regard to the deposits accepted from the members and the public.
- (vi) As per the information and explanation provided to us the company is not required to maintain the cost records as per the provisions of Companies (Cost Records and Audit) Rules 2014, hence Clause (vi) of the Companies (Auditor's Report) order, 2015 are not applicable.
- (vii) In respect of Statutory Dues  
According to the information and explanation given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues including Provident



Fund, Investor education and protection fund, Employees' state Insurance, income tax, Vat/Sales Tax, GST, Service Tax, Custom Duty, Excise duty, Cess and any other material statutory dues applicable to it with the appropriate authorities.

- (b) According to information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2021 for a period of more than six months from the date of becoming payable.
- (c) Details of dues of Income Tax and Service Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of the Statute	Nature of Dues	Year	Amount	Forum where dispute is pending
Service Tax	Service Tax Penalty	2004-05 to 08-09	2307073	Appellate Tribunal
Service Tax	Service Tax	2004-05 to 08-09	1128073	Appellate Tribunal

- (viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and des to the debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purpose for which they are raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company has been noticed or reported during the year. As regard to fraud on the Company, by its officers or employees, it has been noticed and reported that the Resort Manager has misappropriated an amount of Rs. 16.85 Lacs during the preceding year. The balance outstanding as on 31<sup>st</sup> March, 2021 is Rs. 16.36 Lacs.(P.Y. Rs.16.36)( Refer Note 28.2(c) )
- (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 Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (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 financial statements etc. 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 convertible debentures and reporting under clause (xiv) of CARO 2016 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 directors of the holding, subsidiary or associate company as applicable or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Date : 29<sup>th</sup> June,2021

Place : Ahmedabad

FOR KEYUR BAVISHI & CO.  
(Chartered Accountants)  
F.R.N. : 131191W

(CA KEYUR D. BAVISHI)  
Proprietor

M. No.: 136571

UDIN: 21136571AAAADI9499

**Annexure - 'B'**

**To the Independent Auditors' Report to the members of Sterling Greenwood Limited for the year ended 31<sup>st</sup> March, 2021 on the standalone financial statements**

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

Report on the Internal Financial Controls 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 standalone financial reporting of **Sterling Greenwood Limited** as at 31st March, 2021 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 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 31st March 2021, 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.

**Date : 29<sup>th</sup> June,2021**  
**Place : Ahmedabad**

**FOR KEYUR BAVISHI & CO.**  
**(Chartered Accountants)**  
**F.R.N. : 131191W**

**(CA KEYUR D. BAVISHI)**  
**Proprietor**  
**M. No.: 136571**  
**UDIN: 21136571AAAADI9499**

**BALANCE SHEET AS AT 31 March, 2021**

Particulars	Note	31/03/2021	31/03/2020
<b>I. Assets</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant & Equipments	2	234595687	242287332
(b) Capital Work-in-progress	2	2604961	2604961
(c) Other intangible assets			
(d) Financial Assets			
(i) Investment	3	12361366	12263551
(ii) Other financial assets	4	4107278	7152072
(c) Deferred tax assets (net)	5	10003733	9430464
(e) Other non-current assets	6	9690842	11328521
<b>Total Non-current assets</b>		<b>273363867</b>	<b>285066901</b>
<b>2 Current assets</b>			
(a) Inventories	7	33823204	35282358
(b) Financial Assets			
(i) Trade receivables	8	823580	2194275
(iii) Cash and cash equivalents	9	14365240	12883165
(iv) Other Financial assets	10	24161475	22315253
(c) Current tax assets (net)			
(d) Other current assets	11	322817	1540067
<b>Total Current assets</b>		<b>73496315</b>	<b>74215117</b>
<b>Total</b>		<b>346860182</b>	<b>359282018</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 EQUITY</b>			
(a) Equity Share Capital	12	42859960	42859960
(b) Other Equity	13	133004249	137762402
<b>Total Equity</b>		<b>175864209</b>	<b>180622362</b>
<b>2 LIABILITIES</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowing	14	24353964	24362605
(i) Other financial liabilities	15	5793115	6318312
(b) Deferred tax liabilities (net)		0	0
(c) Provisions	16	2196817	2196817
(d) Other Non-current liabilities		0	0
<b>Total Non-current Liabilities</b>		<b>32343896</b>	<b>32877734</b>
<b>(4) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	89305916	92762807
(ii) Trade payables	18	1028903	2098972
(iii) Other financial liabilities	19	47984622	49229864
(b) Deferred tax liabilities (net)		0	0
(c) Provisions		0	0
(d) Other Current liabilities	20	332637	1690279
<b>Total Current Liabilities</b>		<b>138652078</b>	<b>145781922</b>
<b>Total</b>		<b>346860182</b>	<b>359282018</b>

The notes referred to above are an integral part of Financial Statements.

Significant Accounting Policies and Notes as per Note '1' to '28'

As per our report of even date,

**For, KEYUR BAVISHI & CO.**

Chartered Accountant

Firm Reg. No.: 131191W

**CA KEYUR D. BAVISHI**

(Proprietor)

Membership No.: 136571

UDIN: 21136571AAAAD19499

Place : AHMEDABAD

Date : 29.06.2021

For and on behalf of the board,

**STERLING GREENWOODS LIMITED**

**BHARAT LEKHI**  
Managing Director  
(Din : 03363339)

**UMESH G. LAVINGIA**  
Chairman  
(Din : 02426615)

**KANTILAL PANCHAL**  
Chief Financial Officer

**PURNIMA JAIN**  
Company Secretary

Place : AHMEDABAD  
Date : 29.06.2021

(M.No. A 34071)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31/03/2021**

Particulars	Note	31/03/2021 (Figures in Rs.)	31/03/2020 (Figures in Rs.)
<b>I. Revenue from operations</b>	21	21481570	28400002
<b>II. Other Income</b>	22	4006495	3520880
<b>III. Total Revenue (I +II)</b>		<b>25488065</b>	<b>31920882</b>
<b>IV. Expenses:</b>			
Cost of Land purchased	23-A	0	0
Food, Beverages & Consumable consumed (Resorts)	23-B	1503984	4333507
Schemes Development Expenses	23-C	235800	307925
Increase/(Decrease) in inventories of finished goods, work-in-progress and Stock-in-Trade	24	1360674	61270
Employee benefit expense	25	7096524	14003560
Financial costs	26	3498346	10292469
Depreciation and amortization expense	2	7142230	6100260
Less: Transfer to Revaluation Reserve		-1431933	-1431933
Other expenses	27	9778552	14201381
<b>Total Expenses</b>		<b>29184178</b>	<b>47868439</b>
<b>V. Profit before exceptional and extraordinary items and tax</b>	(III - IV)	<b>-3696111</b>	<b>-15947557</b>
<b>VI. Profit before extraordinary items and tax</b>	(V-VI)	<b>-3696111</b>	<b>-15947557</b>
<b>VII. Extraordinary Items</b>		0	0
<b>VIII. Profit before tax (VII - VIII)</b>		<b>-3696111</b>	<b>-15947557</b>
<b>IX. Tax expense:</b>			
(1) Current tax		0	0
(2) Mat Credit Entitlement		0	0
(3) Tax Exp.relating to prior years		0	0
(4) Deferred tax		573269	4333051
<b>X. Profit(Loss) for the period from continuing operations (IX-X(1)+X(2))</b>		<b>-3122842</b>	<b>-11614506</b>
<b>XI. Profit/(Loss) from discontinuing operations</b>		<b>0</b>	<b>0</b>
XII. Tax expense of discounting operations		0	0
XIII. Profit/(Loss) from Discontinuing operations (XII - XIII)		0	0
<b>XIV. Profit/(Loss) for the period</b>		<b>-3122842</b>	<b>-11614506</b>
<b>XV. Earning per equity share of ₹.10/- Basic and Diluted</b>		<b>-0.74</b>	<b>-2.74</b>

The notes referred to above are an integral part of Financial Statements.  
Significant Accounting Policies and Notes as per Note '1' to '28'

As per our report of even date,  
**For, KEYUR BAVISHI & CO.**  
Chartered Accountant  
Firm Reg. No.: 131191W

**CA KEYUR D. BAVISHI**  
(Proprietor)  
Membership No.: 136571  
UDIN: 21136571AAAADI9499

**Place : AHMEDABAD**  
**Date : 29.06.2021**

For and on behalf of the board,  
**STERLING GREENWOODS LIMITED**

**BHARAT LEKHI**  
Managing Director  
(Din : 03363339)

**KANTILAL PANCHAL**  
Chief Financial Officer  
**Place : AHMEDABAD**  
**Date : 29.06.2021**

**UMESH G. LAVINGIA**  
Chairman  
(Din : 02426615)

**PURNIMA JAIN**  
Company Secretary  
(M.No. A 34071)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

PARTICULARS	2020-21	2020-21	2019-20	2019-20
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit/(Loss) before tax & extraordinary items		(3,696,111)		(15,947,558)
Adjusted for :				
Depreciation	5,710,297		4,668,327	
Provision for Deferred Tax	-		-	
Dividend received	-		-	
Loss on Sale of asset	249,978		-	
Interest (Net)	2,670,184		8,147,105	
		<b>8,630,459</b>		<b>12,815,432</b>
<b>Operating Profit Before working capital changes</b>				
Adjustments For:				
Inventory	1,459,154		98,678	
Trade Receivables	1,370,695		(1,399,132)	
Other non-Current Assets	1,637,679		139,065	
Non current investments	-		-	
Short Term Loans & Advances	(1,846,222)		(6,121,037)	
Other Long Term Liabilities	(525,198)		(2,537,224)	
Trade payables	(1,070,069)		1,215,596	
Other Current Liabilities	(1,357,642)		(6,855,979)	
Long Term Provisions	-		-	
Short Term Provisions	-		-	
Other Financial Liabilities	(1,245,242)		-	
Other Current Assets	1,217,250		(134,168)	
Short Term borrowing	-		-	
Direct Taxes (Paid)/Received on Refund of Income Tax deposited	3,044,794	2,685,195	-	(15,594,200)
<b>Net Cash flow from operating activity (A)</b>		<b>7,619,543</b>		<b>(18,726,325)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets	(121,670)		(989,602)	
Capital WIP	-		-	
Sale of Fixed Assets	220,753		-	
Profit on Sale of Asset	(3,021)		-	
Increase in Investment	(97,814)		200,009	
<b>Net Cash used in investing activities (B)</b>		<b>(1,752)</b>		<b>(789,593)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Long Term Loans & Advances	-		-	
Long Term Borrowing	(8,641)		(642,951)	
(Decrease)/Increase in Equity/Other equity	-		-	
Short Term Borrowing	(3,761,881)		26,770,769	
Interest Paid	(3,463,613)		(10,231,984)	
Interest Received	793,429		2,084,879	
<b>Net Cash in Flow from Financing Activities (C)</b>		<b>(6,440,706)</b>		<b>17,980,714</b>
<b>Net Increase in cash and Cash Equivalent (A+B+C)</b>		1,177,084		(1,535,204)
<b>Cash and Cash Equivalents as at 01/04/20 (Opening Bal.)</b>		1,807,734		3,342,939
<b>Cash and Cash Equivalents as at 31/03/2021 (Closing Bal.)</b>		2,984,821		1,807,734

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.....)**

**Notes to the Cash Flow Statement for the year ended on 31.03.2021.**

- (1) The Cash Flow Statement has been prepared in accordance with the requirements of Ind AS 107 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- (2) Figures in bracket indicate cash Outflow.
- (3) The previous year figures have been regrouped/restated wherever necessary to conform to this year's classification.
- (4) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprises the followings:

Particulars	As at 31.03.2021	As at 31.03.2020	As at 31.03.2019
Cash on hand	27243	18962	120979
Balance with Banks	14337997	12864202	12916582
Less : Working Capital Credit Facilities- FDOD A/c	11380419	11075430	9694622
<b>Cash and Cash Equivalents for Cash Flow Statement</b>	<b>2984821</b>	<b>1807734</b>	<b>3342939</b>

As per our report of even date,

**For, KEYUR BAVISHI & CO.**

Chartered Accountant

Firm Reg. No.: 131191W

Managing Director

**CA KEYUR D. BAVISHI**

(Proprietor)

Membership No.: 136571

UDIN: 21136571AAAADI9499

**Place : AHMEDABAD**

**Date : 29.06.2021**

For and on behalf of the board,

**STERLING GREENWOODS LIMITED**

**BHARAT LEKHI**

Chairman

**(Din : 03363339)**

**KANTILAL PANCHAL**

Chief Financial Officer

**Place : AHMEDABAD**

**Date : 29.06.2021**

**UMESH G. LAVINGIA**

**(Din : 02426615)**

**PURNIMA JAIN**

Company Secretary

**(M.No. A 34071)**

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Balance	
<b>A. Equity Share Capital</b>		
As at 31st March 2019	42859960	
Changes in equity share capital during the year	0	
As at 31st March 2020	42859960	
Changes in equity share capital during the year	0	
As at 31st March 2021	<u>42859960</u>	
Particulars	As at 31/03/2021	As at 31/03/2020
<b>B. Other Equity</b>		
<b>Revaluation reserve</b>		
Balance as per last year	92271125	93703058
Less: Revaluation Reserve written back on sales of assets		
Less: Up-Lift dep. Transfer from Profit & Loss A/c	1431933	1431933
Balance	90839192	92271125
Surplus in the Statement of Profit & Loss		
As at Commencement of the Year	45491277	57105783
<b>Add:</b> Transferred from Profit & Loss Account	-3122842	-11614506
<b>Add:</b> Excess Provision of Depreciation Written Back*	-203378	0
<b>Net Surplus as per Statement of Profit &amp; Loss</b>	<u>42165057</u>	<u>45491277</u>
<b>Total Other Equity (A+B)</b>	<u>133004249</u>	<u>137762402</u>

As per our report of even date,

**For, KEYUR BAVISHI & CO.**

Chartered Accountant

Firm Reg. No.: 131191W

**CA KEYUR D. BAVISHI**

(Proprietor)

Membership No.: 136571

UDIN: 21136571AAAADI9499

**Place : AHMEDABAD****Date : 29.06.2021**

For and on behalf of the board,

**STERLING GREENWOODS LIMITED****BHARAT LEKHI**

Managing Director

**(Din : 03363339)****KANTILAL PANCHAL**

Chief Financial Officer

**Place : AHMEDABAD****Date : 29.06.2021****UMESH G. LAVINGIA**

Chairman

**(Din : 02426615)****PURNIMA JAIN**

Company Secretary

**(M.No. A 34071)**



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**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**
**1. CORPORATE AND GENERAL INFORMATION**

**STERLING GREENWOODS LIMITED** (“the company”), is a public limited Company incorporated as limited company in 1992 and subsequently converted to public limited company. The company’s shares are listed on Bombay Stock Exchange. The registered office of the Company is located at Sunrise Shopping Centre, Opp. Drive in Cinema, Ahmedabad- 380054.

**1.1. BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES****(A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS****1.1 Statement of Compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (“the Act”), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in-India.

**1.2 Basis of Measurement**

The financial statements have been prepared on historical cost convention, except for following:

- Financial assets and liabilities (including derivative instruments ) that are measured at fair value/ amortised cost;
- Non-current assets held for sale are measured at the lower of the carrying amount and fair value less cost to sell;

**1.3 Functional and Presentation Currency**

The financial statements have been presented in Indian Rupees (Rs.), which is also the Company’s functional currency. All financial information presented in (Rs.) has been rounded off to the nearest Rupee as per the requirements of Schedule III, unless otherwise stated.

**1.4 Use of Estimates and Judgments**

The preparation of financial statements require judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/materialised.

**1.5 Current Vs. Non-Current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it is:

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

All the other assets are classified as non current.

A liability is classified as current when:

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

The Company classifies all other liabilities as non-current.

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

**(B) SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies applied in the preparation of the financial statements are given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

**1.6 Inventories**

Inventories are valued at the lower of cost and net realizable value.

- The inventories of materials, stores and consumables etc., are valued at lower of cost and net realizable value. Cost includes cost of purchase, non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition. Cost is computed on weighted average basis.
- Land inventory including plots have been valued at lower of cost or net realisable value. Land which is under development/in near future is classified as current asset. Land which is held for undetermined use or for future development is classified as fixed assets.
- Work in progress (Fencing) is valued at cost or net realizable value. Cost includes direct material and labour and direct expenses.
- Finished Goods: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing cost. Cost is determined on weighted average cost basis.
- Traded Goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

**1.7 Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

**1.8 Income Tax**

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

**a) Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

**b) Deferred Tax**

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e. tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of

part or that entire deferred tax asset to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

- Deferred tax relating to items recognised outside the statement of profit and loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly inequity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to setoff current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.
- **Minimum alternate tax (MAT)** paid in a year is charged to the statement of profit & loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the guidance note on accounting for Credit Available in respect of Minimum Alternate Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT credit entitlement" The company reviews the "MAT credit entitlement" asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

## 1.9 Property, Plant and Equipment

### a) Recognition and Measurement

- Property, plant and equipment held for use in the and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation/ amortization and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including non-refundable import duties and taxes, as per deducting any trade discounts and rebates, borrowing cost, if capitalization criteria is met and any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located the cost includes excise duty, value added tax and service tax etc. However, w.e.f 01.07.17, G.S.T. is excluded to the extent credit of the duty or tax is availed of.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the statement of profit and loss. Gain or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within Other Gain/Losses.

### b) Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for any component accounted for as a separate asset is derecognised when replaced.
- Major inspection /repairs /overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any un amortised part of the previously recognised expenses of similar nature is derecognised.

### c) Depreciation and Amortisation-Tangible Assets

- Depreciation on property, plant and equipment is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.
- Each part of items of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.
- The residual value for all the assets are retained at 5% of the cost
- Useful life of the Tangible assets as per Part C of Schedule II of the Act read with notification dated 29.08.2014 of Ministry of corporate affairs is as follows :

Category of assets as per Schedule II	Useful life of Asset
Building	30 Years
Electric installation	10 Years
Computer	6 Years
Vehicles	6 Years
Office Equipment	5 Years
Furniture & Fixtures	10 Years

**d) Reclassification to Investment Property**

When the use of a property changes from owner-occupied to investment property, the property is re classified as investment property only when it has substantial value on the date of reclassification and if so it is reclassified at its carrying amount.

**1.10 Amortization of Intangible Assets**

Intangible assets acquired are accounted at their acquisition cost and are amortised over its useful life.

**1.11 Impairment of Non Financial Assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which these are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**1.12 Leases**

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

**As a lessee**

**i) Right-of-use assets**

The Company recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right- of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

**ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured

at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities under financial liabilities in the Balance Sheet.

**iii) Short term leases and leases of low value of assets**

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low- value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

**As a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**1.13 Revenue Recognition**

- Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.
- The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

**a) Sale of Goods**

Revenue from the sale of developed plot/land and other rights is recognized when significant risks and rewards of ownership are transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

**b) Sale of Services**

Revenue from services is recognized in the accounting period in which the services are rendered and when invoices are raised.

**c) Interest Income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate

(EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument ( for example, prepayment, extension, call and similar options ) but does not consider the expected credit losses.

**d) Dividend Income**

Dividend income from investments is recognised when the Company's right to receive payment has been established.

**1.14 Employee Benefits**

**a) Short Term Employee Benefits**

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months as at 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.

**b) Other Long Term Employee Benefits**

The known liabilities for earned leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

**c) Post Employment Benefits**

• **Defined Benefit Plans**

The known liability, if any, recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. If any liability in a financial year it is charged to Statement of Profit and Loss account. The defined benefit obligation if any, is calculated annually by Actuaries using the projected unit credit method. In other cases, such expenditure are charged to Statement of Profit and Loss Account considering it as Short Term Benefits when it is crystalizes.

• **Defined Contribution Plan**

Defined contributions, if any, to Statutory Schemes are charged to the statement of profit and loss of the year.

**d) Termination Benefit**

Expenditure incurred on Voluntary Retirement Scheme is charged to the statement of profit and loss immediately.

**1.15 Foreign Currency Transactions**

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions.
- Foreign Currency Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are recognised in profit or loss in the year in which they arise.
- Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

**1.16 Borrowing Cost**

- Borrowing Costs consist of interest and other costs that an entity incurs in connection with the borrowings of funds.

- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalised as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use. The Company considers a period of twelve months or more as a substantial period of time.
- All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

### 1.17 Financial Instruments

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

#### a) Financial Assets

- **Recognition and Initial Measurement:**

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Classification and Subsequent Measurement:**

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

- ∅ Measured at amortised cost;
- ∅ Measured at fair value through other comprehensive income (FVTOCI);
- ∅ Measured at fair value through profit or loss (FVTPL); and
- ∅ Equity Instruments measured at fair value through other comprehensive income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- ∅ **Measured at amortised cost**

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

As per initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

- ∅ **Measured at FVTOCI**

A financial asset is measured at the FVTOCI if both the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

Financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognised in the statement of profit and loss in interest income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in other comprehensive income reserve is transferred in the statement of profit and loss.

- ∅ **Measured at FVTPL**

FVTPL is a residual category for financial assets. Any financial assets, which does

not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. Financial asset included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. Interest / dividend income on financial instruments measured at FVTPL are presented separately under other income.

Ø **Equity Instruments measured at FVTOCI**

All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no reclassification of the amounts from OCI to the statement of profit and loss, even on sale of investment.

• **Derecognition**

The Company derecognises a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

• **Impairment of Financial Assets**

In accordance with Ind As 109, the company uses Expected Credit Loss (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses measured through a loss allowance at an amount equal to:

- 1) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- 2) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates.

For other assets, the company uses 12 month ECL, if any, to provide for impairment loss where there is no significant increase in credit risk. If there significant increase in credit risk full lifetime ECL is used.

b) **Financial Liabilities**

• **Recognition and Initial Measurement**

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

• **Subsequent Measurement**

Financial liabilities are measured subsequently at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.



- **Derecognition**  
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.
- **Offsetting Financial Instruments**  
Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

### 1.18 Provisions, Contingent Liabilities and Contingent Assets

#### a) Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions, if any, are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

#### Onerous Contracts:

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

#### b) Contingent Liabilities

Contingent liability is a possible obligation arising from past events and 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 but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in other notes to financial statements.

#### c) Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent assets are not recognised though are disclosed, where an inflow of economic benefits is probable.

### 1.19 Investment properties

- Investment property, if any, is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, used in the production or supply of goods or services or for administrative purposes.
- Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the balance sheet at cost, less accumulated depreciation/amortisation and accumulated impairment losses, if any.
- Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the statement of profit and loss.
- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.
- Leasehold land if any, is amortised on a straight line basis over the period of lease.
- Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their

disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

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

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss, if any, is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Non-current assets (or disposal group), if any, classified as held for sale are presented separately in the balance sheet. Any profit or loss, if any, arising from the sale or Remeasurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

#### 1.21 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the period are adjusted for the effects of all dilutive potential ordinary shares.

#### 1.22 Cash dividend distribution to equity holders

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

#### 1.23 Measurement of Fair Values

A number of the accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

- **Level 2** — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided by the management of the Company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

#### 1.24 Significant Judgments and Key sources of Estimation in applying Accounting Policies

Information about significant judgments and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

##### a) Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

##### b) Useful lives of depreciable/ amortizable assets (property, plant and equipment)

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets.

##### c) Provisions and Contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

##### d) Impairment of Financial Assets

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

##### e) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The input to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

#### 1.25 GLOBAL HEALTH PANDEMIC ON COVID-19

**The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.**

**The Government of India ordered a nationwide lockdown for certain period of time during the year to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.**

**In assessing the recoverability of Company's assets such as Investments, Loans, assets, Trade receivable etc. the Company has considered internal and external information. The Company has performed sensitivity analysis on the assumptions used basis the internal and external information/indicators of future economic conditions, the Company expects to recover the carrying amount of the assets.**

## NOTE - 2 - PROPERTY, PLANT &amp; MACHINERY

PARTICULARS	TANGIBLE ASSETS										TOTAL	
	LAND	BUILDING MACHINERY	PLANT &	VEHICLE	FURNITURE	TOTAL	CAPITAL W.I.P. (RETHAL)	TOTAL				
<b>ASSETS</b>												
<b>COST OR VALUATION</b>												
<b>Assets</b>												
<b>AS AT 1ST APRIL 2019</b>	<b>43974397</b>	<b>212794956</b>	<b>51132195</b>	<b>5251480</b>	<b>26888753</b>	<b>340041781</b>	<b>2604961</b>	<b>342091845</b>	<b>2604961</b>	<b>342091845</b>	<b>989602</b>	<b>989602</b>
ADDITION	0	547198	420777	0	21627	989602	0	989602	0	989602	0	989602
UPLIFTMENT	0	0	0	0	0	0	0	0	0	0	0	0
DISPOSAL	0	0	0	0	0	0	0	0	0	0	0	0
Retain Earning	0	0	0	0	0	0	0	0	0	0	0	0
OTHERADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0
Less : Revert Back	0	0	0	0	0	0	0	0	0	0	0	0
Less : Write Off	0	0	0	0	0	0	0	0	0	0	0	0
<b>AS AT 31ST MARCH 2020</b>	<b>43974397</b>	<b>213342154</b>	<b>51552972</b>	<b>5251480</b>	<b>26910380</b>	<b>341031383</b>	<b>2604961</b>	<b>3436336344</b>	<b>2604961</b>	<b>3436336344</b>	<b>121670</b>	<b>121670</b>
ADDITION	0	0	121670	0	0	121670	0	121670	0	121670	0	121670
UPLIFTMENT	0	0	0	0	0	0	0	0	0	0	0	0
DISPOSAL	0	0	1741310	0	10780	1752090	0	1752090	0	1752090	0	1752090
OTHERADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0
Less : Revert Back	0	0	0	0	0	0	0	0	0	0	0	0
Less : Write Off	0	0	0	0	0	0	0	0	0	0	0	0
<b>AS AT 31ST MARCH 2021</b>	<b>43974397</b>	<b>213342154</b>	<b>49933332</b>	<b>5251480</b>	<b>26899600</b>	<b>339400963</b>	<b>2604961</b>	<b>342005924</b>	<b>2604961</b>	<b>342005924</b>		
<b>DEPRECIATION</b>												
<b>AS AT 31ST MARCH 2019</b>	<b>0</b>	<b>40909075</b>	<b>27703384</b>	<b>3796390</b>	<b>20234942</b>	<b>92643791</b>	<b>0</b>	<b>92643791</b>	<b>0</b>	<b>92643791</b>		
TOTAL DEPRECIATION	0	3600542	1480377	173333	846007	6100260	0	6100260	0	6100260		
UPLIFTMENT	0	1431933	0	0	0	1431933	0	1431933	0	1431933		
DISPOSAL	0	0	0	0	0	0	0	0	0	0		
CHARGE FOR THE YEAR	0	0	0	0	0	0	0	0	0	0		
OTHERADJUSTMENTS	0	0	0	0	0	0	0	0	0	0		
<b>AS AT 31ST MARCH 2020</b>	<b>0</b>	<b>44509617</b>	<b>29183761</b>	<b>3969723</b>	<b>21080949</b>	<b>98744051</b>	<b>0</b>	<b>98744051</b>	<b>0</b>	<b>98744051</b>		
TOTAL DEPRECIATION	0	3604874	1247521	173333	832121	5857849	0	5857849	0	5857849		
LESS:UPLIFTMENT	0	1431933	0	0	0	1431933	0	1431933	0	1431933		
LESS: DISPOSAL	0	0	1274140	0	10241	1284381	0	1284381	0	1284381		
OTHER ADJUSTMENTS (Refer note no 2.1)	0	0	143593	0	59785	203378	0	203378	0	203378		
CHARGE FOR THE YEAR	0	3604874	2521661	173333	842362	7142231	0	7142231	0	7142231		
<b>AS AT 31ST MARCH 2021</b>	<b>0</b>	<b>48114491</b>	<b>30574875</b>	<b>4143056</b>	<b>21972855</b>	<b>104805278</b>	<b>0</b>	<b>104805278</b>	<b>0</b>	<b>104805278</b>		
<b>NET BLOCK</b>												
<b>AS AT 31ST MARCH 2020</b>	<b>43974397</b>	<b>168832537</b>	<b>22369211</b>	<b>1281757</b>	<b>5829431</b>	<b>242287332</b>	<b>2604961</b>	<b>244892296</b>	<b>2604961</b>	<b>244892296</b>		
<b>AS AT 31ST MARCH 2021</b>	<b>43974397</b>	<b>165227663</b>	<b>19358457</b>	<b>1108424</b>	<b>4926745</b>	<b>234595687</b>	<b>2604961</b>	<b>237200646</b>	<b>2604961</b>	<b>237200646</b>		

**Note:-** 2.1 Excess provisions of earlier year/s written back.

**Note:-** 2.2 Out of the Block of Building, block of Rs. 43,00,231/- (P.Y.Rs. 43,00,231/-) is pledged by way of first charge of equitable mortgage of the immovable Commercial property of the company situated at Sunrise Centre-1, Drive in Cinema Road, Thaltej.

## Notes to the Financial Statements for the Year Ended 31st March, 2021

Particulars	Year ending 31 March, 2021 (Figures in Rs.)	Year ending 31 March, 2020 (Figures in Rs.)
<b>NOTE - 3 - NON-CURRENT INVESTMENTS</b>		
<b>Long Term Investment</b>		
<b>Non Trade and Unquoted (at cost)</b>		
<b>(a) Investment in Subsidiary</b>		
64179 (P.Y. 64179) Equity shares of Sterling Resorts Pvt. Ltd. Face value Rs.10/- each fully paid.	7123869	7123869
<b>(b) Investment in related parties - Subsidiary Company</b>		
Sterling Resorts Pvt Ltd	5237497	5139682
	<b>12361366</b>	<b>12263551</b>

**NOTE- 4 - NON-CURRENT OTHER FINANCIAL ASSETS**

<b>A) Secured Advances</b>	0	0
<b>B) Unsecured Advances</b>		
(i) Mat Credit Entitlement	1796319	1796319
(ii) Income Tax Refund Due	709699	1246916
(iii) INCOME TAX Deposited against disputed demand) (Refer Note 4.1)	1601260	410883
	<b>4107278</b>	<b>7152072</b>

**4.1 Long-term loans and advances :**

During the year company received ITAT order for A. Y. 1997-98 and learned ITAT has deleted substantial addition made by the learned Income Tax officer, (set aside by CIT(A) and the company has preferred appeal against ITAT.) Further, against order of CIT(A) for A.Y. 1995-96, 2001-02 & 2002-03, the department has preferred appeal before ITAT, the orders have been received deleting the substantial additions made by learned Income Tax officer, however the effect of re-computation of Income as per CIT(A) & ITAT order and computation of Tax and Interest for relaxant assessments years are yet not done/ adjusted against tax Deposited/ Paid. Further, during the year the company has received refund of Rs. 25,07,577 the same has been adjusted against deposits made against the disputed demand in absence of details regarding year wise refund and interest if any thereon. The balance deposit outstanding Rs. 16,01,260/- (P.Y. Rs. 41,08,837/-) is subject to refund/ interest receivable and tax payable/ adjusted if any on finalisation of computation of income.

**NOTE - 5 - DEFERRED TAX ASSET (NET)****Tax effect of items constituting deferred tax assets**

Balance as per last year	9430464	5097413
(A) Add/(Less): On difference of depreciation between book depreciation and depreciation as per I T Act. (Net of up-liftment)	-655948	-795287
(B) Add/(Less): On account of loss as per Income Tax for the Year	1229217	5128338
	<b>10003733</b>	<b>943046</b>

**NOTE- 6 - OTHER NON CURRENT ASSETS**

<b>A) Secured Advances</b>	0	0
<b>B) Unsecured Advances-LONG TERM</b>		
Unsecured - Considered Good	410376	1790677
Unsecured - Considered Doubtful	1380301	0
Less: Expected Credit Loss	-1380301	0
Net Un-secured Advances - Long Term	410376	1790677
<b>C) Advances paid to Supplier</b>	41125	0
<b>D) Long Term Trade Receivables</b>		
Unsecured, considered Good	9239341	9537844
Unsecured, considered Doubtful	0	0
Unsecured which have significant increase in Credit Risk	0	0
Unsecured which have credit impaired	0	0
	<b>9690842</b>	<b>11328521</b>

## Notes to the Financial Statements for the Year Ended 31st March, 2021

Particulars	Year ending 31 March, 2021 (Figures in Rs.)	Year ending 31 March, 2020 (Figures in Rs.)
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**NOTE - 7 - INVENTORIES (AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)****(At Lower of Cost or Net Realisable Value)**

1. Land Stock (Refer Note No. 7.1)	33651741	33774281
2. W.I.P. of Fencing work SC-II	0	1238134
3. Stock at Resort	171463	269943
	<b>33823204</b>	<b>35282358</b>

**NOTE - 7.1** - Stock in trade of Rs 24,99,000/- held in the name of director/ex director

**NOTE - 8 - TRADE RECEIVABLE****a. Debtors outstanding for a period exceeding six months**

- Considered Good	0	91395
- Considered Doubtful	0	0
- Increase in significant credit risk	0	0
- Credit Risk impaired	0	0

**b. Other Debtors ( other than Note 8.a)**

- Considered Good	823580	2102880
- Considered Doubtful	0	0
- Increase in significant credit risk	0	0
- Credit Risk impaired	0	0

**823580**                      **2194275**

**NOTE- 8.1** - Outstanding Balances are subject to confirmation and reconciliation, if any.

**NOTE - 9 - CASH & CASH EQUIVALENTS**

(a) Cash in Hand	27243	18962
	27243	18962
<b>(b) Balance with Nationalized Banks :</b>		
In Current Accounts	354868	101931
In Fixed Deposit Accounts	13983129	12729350
<b>(c) Balance with Scheduled Banks :</b>		
In Current Accounts	0	32921
In Fixed Deposit Accounts	0	0
	<b>14337997</b>	<b>12864203</b>
<b>Total of (a) + (b)</b>	<b>14365240</b>	<b>12883165</b>

**NOTE - 10 - OTHER FINANCIAL ASSETS**

<b>A) Secured Advances</b>	1000000	0
<b>B) Unsecured Advances</b>		
- Advance to Ex- Director (Refer Note No 10.1)	11970335	10687799
- Advances to others	9411199	9946503
- Advance Recoverable	13504	13504
- Advance to Staff (Refer Note No.29.2.5 (c))	1766436	1667447
<b>C) Unsecured considered Doubtful</b>	0	0
	<b>24161475</b>	<b>22315253</b>

**NOTE NO.10.1:** The company during the F.Y. 2016-17 year has made payment of Rs. 69,28,725/- to the Ex-Director/ Director of the Company in terms of Affidavit cum Indemnity Bond executed duly notarized for purchase of property, pending documentation. The subject matter is disputed between the parties. However, as per board resolution dt. 20/03/ 2018 interest @12% p.a. Rs.12,82,536/- (Previous year Rs.11,47,922/-). have been charged. Balance outstanding as on 31.03.2021 Rs. 1,19,70,335/- (P.Y.Rs.1,06,87,799/-).

## Notes to the Financial Statements for the Year Ended 31st March, 2021

Particulars	Year ending 31 March, 2021 (Figures in Rs.)	Year ending 31 March, 2020 (Figures in Rs.)
<b>NOTE - 11 - OTHER CURRENT ASSETS</b>		
Shangar Hospitality-Lease Rent etc. out standing (Refer Note No. 11.1)	0	1131575
Balance with Govt. Authorities	217997	227885
Prepaid Expenses	104820	180607
	<b>322817</b>	<b>1540067</b>

**NOTE - 11.1 :** As per Arbitral Tribunal consent award dt.23.03.16 & MOU dt.23.02.16 with Shangar Hospitality, Municipal Tax, Electricity Exp., Land Revenue and other Statutory due recoverable Rs. 0/- as on 31.03.2021 are shown as receivable. (Previous year Rs. 1131575/-)

**NOTE - 12 - EQUITY SHARE CAPITAL**

<b>Authorised :</b> 50,00,000 Equity Shares of Rs. 10/- Each	50000000	50000000
Issued 4322788 Equity Shares of Rs. 10/- Each		
Subscribed and fully paid up 4239688 Equity Shares of Rs. 10 /- Each	42396880	42396880
Forfeited Equity Shares (71600 Forfeitted Equity Shares)	463080	463080
	<b>42859960</b>	<b>42859960</b>

**NOTE - 12.1 - The reconciliation of the number of shares outstanding is set out below**

Particulars	As at 31st March, 2021 No. of Shares	As at 31st March, 2020 No. of Shares
Equity Shares at the beginning of the year	42,39,688	42,39,688
Add: Shares issued	0	0
Less : Shares cancelled	0	0
Equity: Shares at the end of the year	42,39,688	42,39,688

**NOTE - 12.2 -TERMS ATTACHED TO EQUITY SHARE**

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 the equity shares would 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 the equity shares held by the shareholders.

**NOTE - 12.3 - THE DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES**

Name of the Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% held	No. of Shares	% held
1 Umesh Lavingia & Bharat Lakhi (On behalf of B.Kumar Family Trust)	2054182	48.45%	2054182	48.45%
2 Meeta Mathur	646204	15.24%	646204	15.24%

**NOTE - 12.4 -** As per the records of the Company including its Register of Shareholder/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represent both legal & beneficial ownership of the shares. However, the legal heirs of Late Mr. B Kumar have filed suit in the court, the final holding is subject to final verdict of the court (Note No. 29.2.2)

## Notes to the Financial Statements for the Year Ended 31st March, 2021

Particulars	Year ending 31 March, 2021 (Figures in Rs.)	Year ending 31 March, 2020 (Figures in Rs.)
<b>NOTE - 13 - OTHER EQUITY</b>		
<b>(A) Revaluation Reserve</b>		
Balance as per last year	92271125	93703058
LESS:-Up-lift dep Transfer from P&L A/c.	1431933	1431933
<b>Balance</b>	<b>90839192</b>	<b>92271125</b>
<b>(B) Surplus in the Statement of Profit &amp; Loss</b>		
As at Commencement of the Year	45491277	57105783
<b>Less</b> : Transferred from Profit & Loss Account for the year	-3122842	-11614506
<b>Less</b> : Excess Provision of Depreciation Written Back*	-203378	0
<b>Net Surplus as per Statement of Profit &amp; Loss for the year</b>	<b>42165057</b>	<b>45491277</b>
<b>TOTAL OTHER EQUITY (A+B)</b>	<b>133004249</b>	<b>137762402</b>
* Excess depreciation of earlier year/s (Refer note no. 2.1)		

## NOTE - 14 - NON-CURRENT LIABILITIES - BORROWINGS

<b>A) Secured Loans</b>		
<b>FROM BANKS</b>		
<b>Term Loan (Refer Note : 14.1)</b>		
Canara Bank	8742576	9416940
Vehicle Loans	0	60279
	8742576	9477219
Less : Current maturity of long Term Debt (Refer Note 20)	-2384981	-1800000
<b>Balance</b>	<b>6357595</b>	<b>7677219</b>
<b>Long Term Loans - Others</b>		
<b>A) Unsecured Loans</b>		
Deposit from Directors, Ex.Directors & Directors Relatives		
(a) Interest free	937839	0
(b) Interest bearing @9% p.a.	17058530	16685386
	<b>24353964</b>	<b>24362605</b>

## NOTE - 14.1 - SECURED LOAN ABOVE:-

- Rs. 8742576/- (P.Y. Rs. 9416940/- ) is secured by way of first charge of equitable mortgage of the immovable Commercial property of the company situated at Sunrise Centre-1, Drive in Cinema Road, Thaltej with Canara Bank additionally secured by personal guarantee of Managing Director and then Chairman and then Director/ Ex.Director. (Refer Note No. 2.2)

## Vehicle Loan

- a) Rs. NIL/- (P.Y. Rs. 60279/-) Vehicle term loan from HDFC bank against hypothecation of vehicles financed and personal guarantee of the Ex-Chairman, Managing Director.



## Notes to the Financial Statements for the Year Ended 31st March, 2021

## NOTE - 14.1 - SECURED LOAN ABOVE:- (CONTD.....)

- Unsecured loan above:-

The Unsecured Deposits/Loans, as informed, are from Directors and Director's relatives.

SR.	TYPE OF VEHICLE	As on 31/03/2021 (Figures in Rs.)	As on 31/03/2020 (Figures in Rs.)	EMI Amount (Rs.)	Mode of Payment	No. of Install- ments	Date of Commen- cement of installment	LastLAST Installment- Due On	Rate OF Interest (%)
1.	Canara Bank Term Loan	8742576	9416940	268559	Monthly	120	25/01/14	25/12/23	13.65%
	<b>TOTAL</b>	<b>8742576</b>	<b>9416940</b>						
	<b>VEHICLE LOAN- HDFC BANK</b>								
2	Maruti Eeco Car loan	0	60279	7810	Monthly	36	05/12/16	05/11/20	13-14%
	<b>TOTAL</b>	<b>0</b>	<b>60279</b>						
	<b>Grand Total</b>	<b>8742576</b>	<b>9477219</b>						

Particulars	Year ending 31 March, 2020 (Figures in Rs.)	Year ending 31 March, 2019 (Figures in Rs.)
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## NOTE - 15 - OTHER FINANCIAL LIABILITIES - NON CURRENT

<b>A. Trade Payables (Refer note 15.1 &amp; 15.2)</b>	22500	154635
<b>B. Others</b>		
- Amount due to GWLR scheme members	5498915	5891977
- Other Advances	146700	146700
<b>C. Lease Security Deposit</b>	<b>125000</b>	<b>125000</b>
	<b>5793115</b>	<b>6318312</b>

**NOTE - 15.1** - Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act 2006" as at March 31st 2021 and 2020.

**NOTE - 15.2** - Outstanding Balances are subject to confirmation and reconciliation, if any.

## NOTE - 16 - PROVISIONS

## For Other

GEB DUTY PAYBLE-GWLR	2196817	2196817
	<b>2196817</b>	<b>2196817</b>

## Notes to the Financial Statements for the Year Ended 31st March, 2021

Particulars	Year ending 31 March, 2021 (Figures in Rs.)	Year ending 31 March, 2020 (Figures in Rs.)
<b>NOTE - 17 - BORROWINGS</b>		
<b>A) Secured Loans</b>		
<b>From Banks</b>		
i) Canara Bank (FDOD - A/C) (Refer Note 17.1)	11380419	11075430
<b>B) Unsecured Loans</b>		
<b>From Others</b>		
Inter-Corporate Deposit (interest free for the year, Previous year interest @9% p.a.)	77925497	81687378
	<b>89305916</b>	<b>92762807</b>

**NOTE - 17.1 - SECURED LOAN ABOVE:-**

Rs.11380419/- (P.Y.Rs. 11075430/-) is secured by way of Company's Fixed Deposit with Canara Bank amounting to Rs. 13522866/-(P.Y. Rs.12729350/-)

**NOTE - 18 - TRADE PAYABLE:****Sundry Creditors for goods & services**

(i) Total Outstanding dues of MSME (Refer note no. 18.1)	0	0
(ii) Outstanding other than (i)	1028903	2098972
	<b>1028903</b>	<b>2098972</b>

**NOTE - 18.1 - 18.1** Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act 2006" as at March 31st 2021 and 2020.

**NOTE - 18.2 - 18.2** Outstanding Balances are subject to confirmation and reconciliation, if any.

**NOTE - 19 - Other Financial Liabilities**

1 Current maturities of long term debt (Refer Note no. 14.1)	2384981	1800000
2 Creditors for Capital Expenditure	0	389341
3 Outstanding Liabilities	1183953	1633433
4 Amount due to society/ NTC	28709539	31791924
5 Other Advances	15706149	13615167
	<b>47984622</b>	<b>49229864</b>

**NOTE - 20 - OTHER CURRENT LIABILITES****Other Payables**

Statutory Remittances - Duties & Taxes payable	332637	1690279
	<b>332637</b>	<b>1690279</b>

## Notes to the Financial Statements for the Year Ended 31st March, 2021

Particulars	Year ending 31 March, 2021 (Figures in Rs.)	Year ending 31 March, 2020 (Figures in Rs.)
<b>NOTE - 21 - SALES</b>		
<b>Resort Operation and Room Occupancy</b>		
Room Income	3546893	7631337
Food & Beverage Income	4505677	12087366
Resort Membership Fees	399663	414659
Sale of Scrap	1768	0
<b>Sales on Real Estate /Development Income</b>		
Sale of scheme Land	13017400	8266640
Sales of Resale of Land	0	0
Development Charges from Society / NTC	0	0
Plot Surrender Income	0	0
Service Income from Plot Hoders	10170	0
	<b>21481570</b>	<b>28400002</b>
<b>NOTE - 22 - OTHER INCOMES</b>		
Interest on Bank FDR	732998	852559
Amount Written Back	0	0
Property certifiante Deposit Written off	682105	0
Sundry Credit Balances w/off	115067	501287
Sundry Cr.Balance W/off. GWLR	653453	400000
Hoarding Rent/income	337887	522803
Misc. Income	1184	0
Interest on Income Tax Refund	53229	4543
Interest -Ind As	7202	7368
Profit on Sale of Assets	3021	0
Other Interest (Refer Note No. 10.1)	1420349	1232320
	<b>4006495</b>	<b>3520880</b>
<b>NOTE - 23-A - COST OF LAND PURCHASED</b>		
<b>Cost of Land Purchased and expenses</b>		
Purchased Stock in Trade	0	0
	<b>0</b>	<b>0</b>
<b>NOTE - 23-B - FOOD, BEVERAGES &amp; CONSUMABLES</b>		
Opening Stock	269943	307351
Add:Purchases	1405504	4296099
<b>SUB-TOTAL</b>	<b>1675447</b>	<b>4603450</b>
Less: Closing Stock	171463	269943
Material consumed	<b>1503984</b>	<b>4333507</b>
<b>NOTE - 23-C - SCHEMES DEVELOPMENT EXPENSES &amp; FENCING</b>		
Development Expenses - Schemes	235800	307925
	<b>235800</b>	<b>307925</b>

## Notes to the Financial Statements for the Year Ended 31st March, 2021

Particulars	Year ending 31 March, 2021 (Figures in Rs.)	Year ending 31 March, 2020 (Figures in Rs.)
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**NOTE - 24 - INCREASE/(DECREASE) IN STOCKS****Land**

Closing Stock of :

Land

33651741

33774281

**Total (A)****33651741****33774281**

Opening Stock of :

**Total (B)****33774281****33835551**

Increase/(Decrease) in Stock (A-B)

**122540****61270****Fencing Stock**

Closing Stock of :

Fencing

0

1238134

**Total (A)****0****1238134**

Opening Stock of :

Fencing

1238134

1238134

**Total (B)****1238134****1238134**

Increase/(Decrease) in Stock (A-B)

**1238134****0****Total****1360674****61270****NOTE - 25 - EMPLOYEES REMUNERATION & BENEFITS**

Salary, Wages, Allowances &amp; other Benefits

6718505

12720001

P. F. Contribution

364867

590473

Staff Welfare Expenses

13152

693086

**7096524****14003560****NOTE - 26 - FINANCIAL COST**

Interest on Bank Borrowings

2039132

2212260

Interest on other than Bank Borrowings

1417279

8012356

Interest Ind AS

7202

7368

Bank charges

34733

60485

**3498346****10292469****NOTE - 27 - OTHER EXPENSES****A) Selling & Distribution Expenses**

Advertisement &amp; Publicity

35794

72482

Sale Promotion Expenses

0

0

Sale Commssion &amp; Discount Allowed

0

0

Discount

0

0

**Sub Total (A)****35794****72482**























































































































