SUUMAYA INDUSTRIES LIMITED
(Formerly known as Suumaya Lifestyle Limited)
CIN: L18100MH2011PLC220879

SUUMAYA

Reference No. SUULD/NSE/21-22/052

Date: September 7, 2021

To,
The Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block G,
Bandra- Kurla Complex,
Bandra (E), Mumbai - 400 051

Symbol - **SUULD**

Sub: Annual Report for the financial year 2020-21 and Notice convening the 10th Annual General Meeting (AGM).

Dear Sir / Madam,

As required under Regulation 30 and Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, we submit herewith the Annual Report of the Company for the financial year 2020-21 along with the Notice convening the 10th Annual General Meeting scheduled to be held on Thursday, September 30, 2021 at 11 a.m. through video conferencing (VC)/ Other Audio-Visual Means (OAVM).

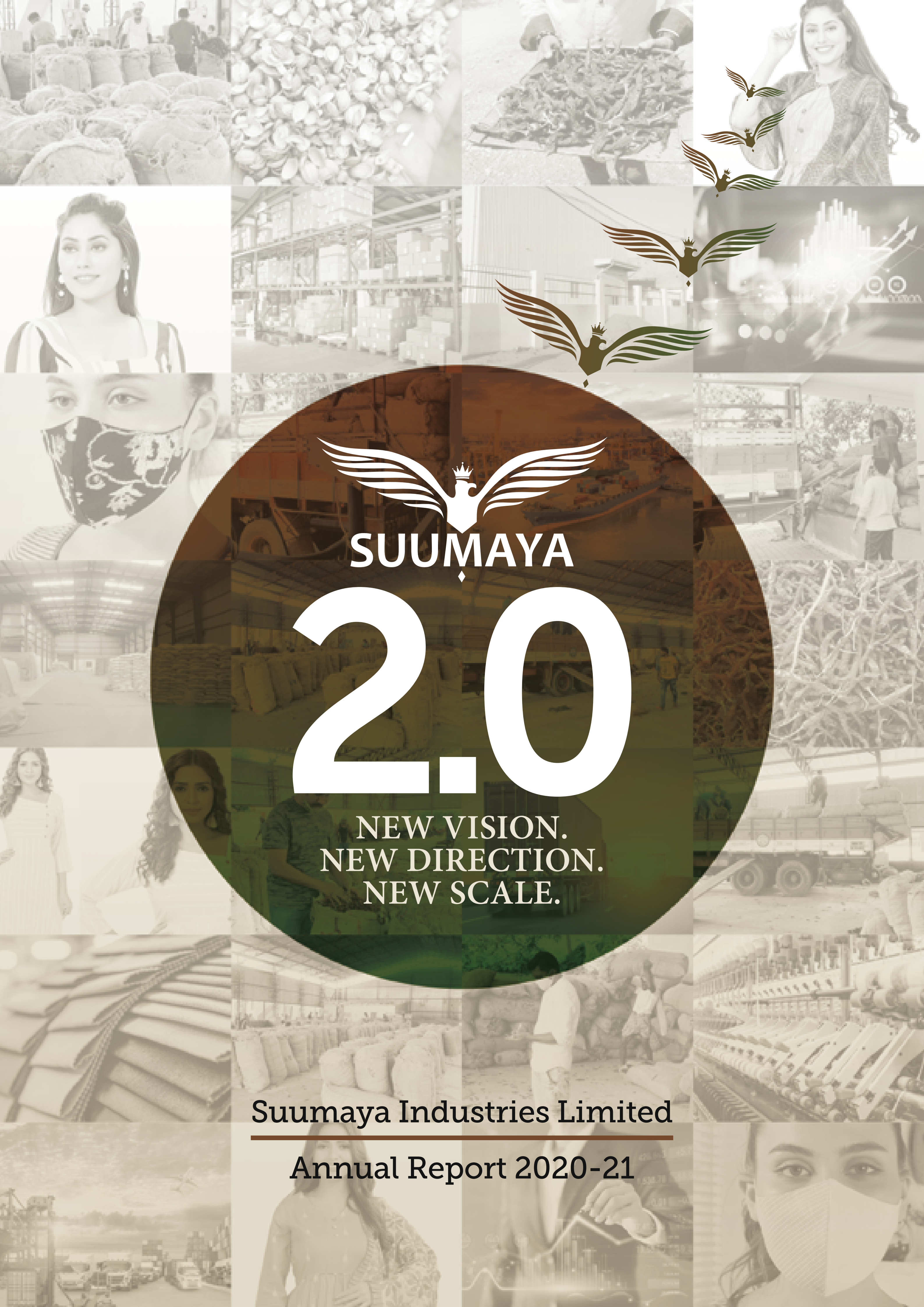
The same Notice and Annual report are also available on our website www.suumayalifestyle.com.

We request you to kindly take the above on record.

Thanking you
For Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

ushik mahesh gala
Digitally signed by ushik mahesh gala
Date: 2021.09.07 19:39:47 +05'30'

Ushik Gala
Chairman and Managing Director
DIN: 06995765



SUUMAYA 2.0

NEW VISION.
NEW DIRECTION.
NEW SCALE.

Suumaya Industries Limited

Annual Report 2020-21

Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects. This report and other statements - written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

"The most powerful thing about time is that it changes and it changes very fast."

Ushik Gala
Chairman and Managing Director, Suumaya Industries Limited

Suumaya 2.0

New vision. New direction. New scale.

Suumaya is at an inflection point in its existence.

The family of the founders of Suumaya has been engaged in business for more than three decades, growing it from scratch to maturity.

The time has come for the Company to graduate to the second and more decisive phase of its existence, where it extends from one to multiple businesses.

In Suumaya 2.0, the Company intends to grow faster, creating multiple revenue engines that enhance value for all stakeholders.

Corporate snapshot

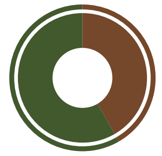
Suumaya Industries Limited.

Addressing the growth opportunities in India's agricultural sector.

Established player in India's large and vibrant textiles business.

Focused on enhancing value for all its stakeholders.

Shareholding pattern as on March 31, 2021



Promoter and promoter group: **41.68%**

Public: **58.32%**

Our business

Suumaya Industries Limited (formerly Suumaya Lifestyle Limited) enjoys which industry experience of three decades, backed by the multi-decade experience of knowledgeable promoters.

The family of Suumaya's promoters possess more than three decades of experience in the Indian ethnic merchandise market. The Company specialises in the development of patterns comprising the traditional and contemporary, enhancing owner pride.

The Company responded to the widening opportunities in India's agriculture sector. The Company addressed the large disintermediation potential within India's agri supply chain sector, starting from the last quarter of the last financial year. The timely decision was validated through improved financial outcomes (as measured by increased revenues and profits) that dominated the entire year's financial performance even though the business was in operation for only one quarter.

Geographic presence

The Company is a pan-India player in the segments of its business presence. The Company's scale has been derived through a significant geographic footprint that comprises Maharashtra (most industrialised State in India), Gujarat (marked by growing prosperity), West Bengal (the largest state in Eastern India), Madhya Pradesh, Tamil Nadu and Chhattisgarh, among others. These states account for a sizable proportion of India's upwardly mobile population, enhancing the effectiveness of the Company's strategic direction.

Our facilities

Agri produce supply value chain: The Company invested in modern infrastructure across a range of agriculture-intensive locations. During a short period of time during the last quarter of FY 2020-21, the Company's agri supply chain business commissioned warehouses in Binola (Haryana), Patna (Bihar), Bakoli (Delhi), Lucknow (UP) and Jaipur (Rajasthan).

The spread of these locations ensured a confidence-enhancing market presence, familiarity with ground realities and deep stakeholder partnerships.

Textiles: Suumaya boasts of an in-house Cut-Make-Trim-Packaging/Finishing cutting-edge manufacturing set-up in Mumbai. This ensures a wide range and consistently high products standard. The Company also established a world-class unit in Mumbai. The Company's technical textiles and branded apparels were manufactured in outsourced facilities, indicating an asset-light approach.

Our people

Suumaya's team comprises professional talent across business verticals, backed by a senior management team comprising the promoter's family possessing decades of business experience.

Listing

The Company migrated to the NSE Main Board during the year under review.

Our awards and recognition

A culture of excellence marks Suumaya's operations. This culture has been consistently celebrated by peers and external agencies. This has enhanced the Company's visibility and respect as a responsible corporate citizen.

Ushik Gala (Chairman and Managing Director) was recognised as one of the greatest leaders of India in FY 2018-19 by Asia One.

Suumaya Lifestyle Ltd was awarded as one of the Fastest Growing Women's Wear Brand by G2D Awards.

Ushik Gala was celebrated as Jewels of Gujarat by Maneesh Media. He was also recognised as one of Leading Global Gujarati Personalities.

Ushik Gala was invited to Paris, France, where his excellent achievements in the garment industry were celebrated.

Our Suumaya Group companies

Suumaya Agro Limited (WOS): Incorporated on September 26, 2020, the Company has its registered office in Gala No.5F/D, Malad Industrial Units, Kachpada, Ramchandra Lane, Malad West Mumbai 400064.

Suumaya Retail Limited (WOS): Incorporated on October 23, 2020, the Company has its registered office in Gala No.5F/D, Malad Industrial Units, Kachpada, Ramchandra Lane, Malad West Mumbai 400064.

Suumaya Protective Texcorp Limited (WOS): Incorporated in September 29, 2020, the Company has its registered office in Gala No.5F/D, Malad Industrial Units, Kachpada, Ramchandra Lane, Malad West Mumbai 400064.

Suumaya Trends LLP: Incorporated in July 30, 2019, the Company's constitution was changed to effect a change in the name to Suumaya Trends Private Limited in May 18, 2021. The Company's registered office is located in Gala No.5F/D, Malad Industrial Units, Kachpada, Ramchandra Lane, Malad West Mumbai 400064.

The exciting world of Suumaya in numbers

8+

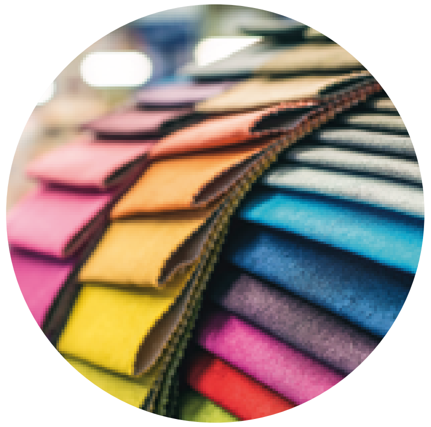
EBOs

4

Presence on online platforms

65.79

% of revenues derived from the agri business



20.27

% of revenues derived from the textile business

13.94

% of revenues derived from the retail business

485.44

(₹ crore) Market capitalisation as on March 31, 2021

35

Years of rich experience

The Suumaya story

1985

The year 1985 marked the foray of our founder Mr Mahesh Devchand Gala into the textile industry, emerging from the business of retailing unstitched suits for women in a small shop in Santa Cruz in Mumbai.

1997

Talent and hardwork knows no boundaries: in less than two years, Mr. Gala worked his way up to become the go-to name in the textile community, catering to all the needs of fashion-conscious women.

2015

In less than three decades, the brand created a name for itself, boasting of an infrastructure of more than 1200 machines and creating employment for more than 2500 individuals.

2017

The year 2017 was an important milestone for the Company since it marked the entry of young leaders like Mr Ushik Gala and Ms Ishita Gala in Suumaya.

2018

The young leaders in the organisation, left no stone unturned to ensure that the Company reached the highest echelons of success.

The Company was listed on NSE Emerge (SME portal).

2021

Suumaya migrated from SME Emerge Platform of NSE to the NSE Main Board.

Suumaya found its way into the list of the top 1000 listed companies by market capitalisation as on March 31, 2021.

How Suumaya's performance **rebounded sharply in the last quarter of FY 2020-21**

The financial health of our business

(₹ crore)

Year, FY 2020-21	Quarter one	Quarter two	Quarter three	Quarter four
Revenues	106.70	227.778	917.51	3011.42

(₹ crore)

Year, FY 2020-21	Quarter one	Quarter two	Quarter three	Quarter four
EBITDA	(3.41)	41.66	171.01	265.92

(₹ crore)

Year, FY 2020-21	Quarter one	Quarter two	Quarter three	Quarter four
Profit after tax	(3.67)	29.87	116.87	263.04

Review

There was a sharp increase in the Company's revenues and profits during the last quarter of FY 2020-21. The sharp outperforming improvement was the result of the launch of a new business – agri supply chain – driven by the management's conviction of responsible long-term intermediation. The management's conviction was validated; even though the Company was engaged in the business of agri produce business for only one quarter, it generated a handsome growth in revenues and profits

The financial hygiene of our business

(%)

Year, FY 2020-21	Quarter one	Quarter two	Quarter three	Quarter four
EBITDA margin	(3.20)	18.29	18.64	8.83

(x)

Year, FY 2020-21	Quarter one	Quarter two	Quarter three	Quarter four
Interest cover	(26.23)	58.68	166.03	35.04

(₹ crore)

Year, FY 2020-21	Quarter one	Quarter two	Quarter three	Quarter four
Interest outflow	0.13	0.71	1.03	7.59

Review

The Company reported exceptional growth during the last financial year. The fact that the Company continued to control its financial hygiene was reflected in a sharp increase in its interest cover (EBITDA divided by interest outflow).

India's golden decade and how Suumaya is **preparing to participate in India's vibrant story**

Big numbers

3.05

USD trillion, India's gross domestic product, FY 2020-21

6.4

USD billion, India's gross domestic product, 2030 (E)

7

Rank among the largest countries in the world by GDP, 2021 (E)

3

Rank among the largest countries in the world by GDP, 2030 (E)

(Source: Economic Times, Business Standard)

Overview

At Suumaya, we perceive India to be passing through one of the most dynamic periods in its history.

This period is being marked by the coming together of unprecedented realities.

India is reforming faster than ever, marked by increased government investments, national investment attractiveness, higher FDI and sustainable national growth possibilities.

At Suumaya, we see the present period as the beginning of one of the most attractive phases in India's history.

We are bringing to this reality a management vision to participate most extensively, diversify into areas with attractive long-term potential and create a responsive business model that maximises long-term value for all our stakeholders.

How FY 2020-21 proved to be inflection point in our existence, creating the Suumaya 2.0 foundation

Revenues

(₹ crore)

Definition
Sales net of taxes.

Why this is measured
It highlights the brand acceptance and reach of the Company in the market of its presence.

Performance
The Company has maintained steady growth over the years.

Value impact
Creates a robust growth engine on which to build profits.

Profit after tax

(₹ crore)

Definition
Profits earned during the year after deducting all expenses and provisions.

Why this is measured
It highlights the strength in the business model in generating value for its shareholders.

Performance
The Company reported a consolidated profit after tax of ₹406.09 crore in the year under review.

Value impact
Ensures that adequate cash is available for reinvestment and allows the Company's growth engine to sustain.

EBITDA

(₹ crore)

Definition
Earnings before the deduction of interest, depreciation, extraordinary items and tax.

Why this is measured
It is an index that showcases the Company's ability to optimise business operating costs despite inflationary pressures and can be easily compared with retrospective averages of sectoral peers.

Performance
The Company's EBITDA in FY 2020-21 increased to ₹475.19 crore, primarily on account of a higher scale of operations.

Value impact
Helps create a robust growth engine and allows the Company to build profits in a sustainable manner.

EBITDA margin

(%)

Definition
EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency.

Why this is measured
The EBITDA margin gives an idea of how much a company earns (before accounting for interest, depreciation and taxes) on each rupee of sale.

Performance
The Company reported an EBITDA margin that increased by 568 bps to 11.15% during the year under review primarily on account of a loss of sale in the first quarter due to the pandemic's impact.

Value impact
Demonstrates adequate buffer in the business, which, when multiplied by scale, enhances profitability.

RoCE

(%)

Definition
It is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed in the business.

Why this is measured
RoCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

Performance
The return on capital employed of the Company increased 6907 bps during the year under review to 97.64%, mainly due to various initiatives to evolve the business mix and enhance scale.

Value impact
Enhanced RoCE can potentially drive valuations and perception.

Debt-equity ratio

(x)

Definition
This is derived through the ratio of debt to net worth (less revaluation reserves).

Why this is measured
It is a measure of the Company's financial health, which indicates the financial leverage of the Company compared to shareholders' funds.

Performance
The Company's gearing stood at 0.12x in FY 2020-21 compared to 0.54x in FY 2019-20.

Value impact
Increases shareholder value by keeping the retained earnings higher and securing the benefit of a lower cost of debt.

Earnings per share

(₹)

Definition
It is the portion of a company's profit allocated to each outstanding share of common stock.

Why this is measured
This figure depicts the actual value the Company has created for its shareholders.

Performance
The Company's EPS for FY 2020-21 increased to ₹168.52 from ₹3.40 in the previous fiscal.

Value impact
Adds value in the hands of our shareholders through enhanced earnings per share.

Chairman's overview

Suumaya 2.0 is an inflection point in the Company's existence that promises attractive sustainable growth from this point onwards

Dear Shareholders

Overview

I am pleased to present an overview of a reinvented Suumaya 2.0.

This report comes at an interesting time in the existence of our Company and in the economic journey of the modern world.

In a pandemic-affected world, where the general consensus is to consolidate and move slower, Suumaya has selected to respond to emerging opportunities, enhance organisational velocity and take a decisive step towards emerging as a multi-business conglomerate.

The Suumaya 2.0 inflection point

Suumaya 2.0 is centred around a belief that the 2020s belong to India as the country graduates from the sixth largest economy to the third largest by the end of the decade. The Company has been woven around the priorities of a dynamic and growing India; what will be good for India through the decade will be good for Suumaya as well.

Suumaya 2.0 is the story of a homegrown Company possessing the vision to carve out a global niche – for India and itself. The Company intends to leverage infrastructure capital, relationship capital and financial capital to dream big for its country and stakeholders.

In doing so, the Company will leverage the value of its experienced Board of Directors and youthful employees.

Suumaya 2.0 pledges to enhance consumer value and delight through the right complement of products and value. The Company pledges to enhance employment value through the creation of sustainable livelihoods. It will create a B2B supply chain that enhances satisfaction, loyalty, trust and passion with the objective to enhance wealth and prosperity. In doing so, it will enhance stakeholder value, benefiting its shareholders, suppliers, financers, customers and employees. More importantly, Suumaya 2.0 will champion the Made in India direction of the government, widen livelihoods for its youth and make them active drivers of national potential and prosperity.

Suumaya 2.0 and a growing India story

A number of sectors in India are being driven by long-term policies, enhancing investor clarity and national direction. These reforms are being introduced across sectors as large and core as power, infrastructure, fuels, renewable energy, mining and agriculture. Our optimism is derived from the fact that even a moderate improvement in each can have a large national catalytic impact that translates into significant GDP growth. This is likely to graduate India towards the desired USD 5 trillion scale and position of the third largest economy during the course of this decade.

This large growth will generate opportunities across the core sectors being reformed, benefiting the nimble and prepared. At Suumaya, we are driven by the prospect of maximising value for all our stakeholders.

Rather than merely extend our response to market realities in a 'business as usual' manner, the management responded with a decisive structural shift that is best captured in its 'Suumaya 2.0' positioning. This positioning indicates that the Company has made a decisive break from its past, that prospects from this point will be attractively and disproportionately different and that the Company will enhance value for stakeholders in a sustainable manner.

Our vision

At Suumaya, our structural shift has been inspired by a compelling vision of where we see ourselves a decade from now, as a multi-business conglomerate by the end of this decade.

We see ourselves as a governance-driven organisation driven by systems and processes that have been clearly defined, resulting in decision-making visibility, transparency and predictability.

We are committed to enhance value for all our stakeholders.

We perceive a long-term opportunity in widening our business portfolio in line with the growing priorities of a dynamic India.

Each business vertical of our Company is headed by a professional accountable to the Board for performance and growth.

The Company reported 70.63% of its revenues, 55.98% of EBITDA and 64.77% of profit after tax in the last quarter of FY 2020-21, indicating the attractiveness of the opportunity in a full year's working.

We are addressing the global climate change challenge as an environmentally responsible company that will seek to enhance its presence in sustainable lines of business.

India outlook

In Suumaya 2.0, we will ensure that our business model is increasingly aligned with the needs of a growing India.

The growing India will not be limited to lifestyle trends alone; a modernising India will be driven by enhanced efficiency, superior resource utilisation, lower income inequality and financial inclusion.

We believe that whereas some of our businesses will address the lifestyle opportunity of an aspiring India, some will address the above mentioned factors.

We believe that while the qualitative churn will continue, the country will experience a widening of its consumption pyramid. India will continue to add more than 1.0% to its population each year; this will translate into a nearly 16-million increase in annual headcount, the largest population increment anywhere in the world; this could make India the most populous country towards the end of this decade. Besides, the aspirational churn in India is expected to widen the market for a range of products faster than we have possibly seen in our existence. (Source: Medindia.net)

Financial performance and Balance Sheet

During the year under review, a reinvented Suumaya capitalised with speed to the evolving environments.

Following the outbreak of the pandemic, the Company was quick to discern a rising demand for medical textiles used in personal protecting equipment. The Company was quick to address this reality; it utilised its longstanding experience within the textile sector to emerge as a dependable supplier of medical textiles that enhanced protection for users during the pandemic. The result is that textiles accounted for ₹863.92 crore of revenues during the year under review.

The Company entered this space of agri supply chain business during the year under review. Within the space of a single quarter, the Company reported a substantial performance in revenues and profits. The scale of our agri supply chain business proved far larger than our other businesses, to the point that the longstanding personality of our Company was transformed. From this point onwards, the principal recall of Suumaya will be that of a growing and dynamic agri supply chain company that addresses the needs of the country and its people.

The result is that the Company strengthened its turnover 19-fold in FY 2020-21 over the previous financial year; EBITDA increased 40-fold over the previous year; profit after tax strengthened 49-fold. The Company's EBITDA margin was 11.15% in FY 2020-21 compared with 5.47% in the previous year. The Company reported an earnings per share of ₹168.52 in FY 2020-21 compared with ₹3.40 in the previous year, indicating that the Company's business model enhanced shareholder value.

The Company reported 70.63% of its revenues, 55.98% of EBITDA and 64.77% of profit after tax in the last quarter of FY 2020-21, indicating the attractiveness of the opportunity in a full year's working.

Strategic direction

The Company's promoters are convinced that with the world's agricultural space being finite and population continuing to grow, humankind's next biggest crisis after climate change is likely to be the need to mobilise adequate food. This challenge and emerging mismatch will enhance the need for responsible interventions.

Besides, we believe that with the world increasing its focus on industrialisation and service-driven growth with a corresponding decline in agricultural investment, the time has come to make a decisive U-turn if humankind is to protect its nutritional intake. We believe that the skew will enhance opportunities in the transfer of agricultural products from countries and regions of surplus to those with deficiency, widening opportunities for those addressing the agri value chain.

We believe that the historical under-remuneration to farmers will need to be corrected with speed. As a forward-looking organisation, Suumaya's market linkages, financial assistance and other supports are expected to provide farmers with an incentive to grow more, strengthening in a small way the country's farm security.

Suumaya's robust supply chain – from farm to fork – will emerge as a robust growth driver with influence extending beyond the regional to the national to the international.

By strengthening a sector that is core to national progress and prosperity, we expect to contribute to India emerging as a super power.

In the coming decade, we will grow our agri produce value chain business, focus on widening the products addressed, deepening our domestic presence, establishing an international business, enhancing value in the hands of farmers, strengthening trust and creating a robust supply chain.

I am optimistic that our initiatives in this direction will enhance revenues and hence, value in the hands of all those associated with our Company. I must acknowledge the contribution made by all our stakeholders during the last financial year – our bankers, our shareholders, our employees, our customers, the government agencies that facilitated our growth and lastly, society as a whole. We are grateful for the faith reposed in us and will continue to sustain our growth across the coming years.

Ushik Gala
Chairman and Managing Director

The business lines of Suumaya 2.0

Supply chain: Agri, textile and logistics (including warehousing)

Retail: Fashion, kirana stores and consumer items

Infotech: Digitalisation of our supply chain and retail business

Financial services: STF and financing against commodities.

"We are engaged in extending our presence across the value chain to emerge as one of the dominant players across the entire agri supply value chain."

A perspective by **Mr Ushik Gala**
Chairman and Managing Director

The significance of Suumaya 2.0 – Returns. Re-birth and Re-incarnation

Suumaya 2.0 is a dramatic statement of change in line with the emerging needs of a modern India.

It is a statement of intent of how we have transformed in the last financial year and how we expected to keep transforming in line with the needs of a vibrant and rapidly growing nation.

Suumaya 2.0 is a decisive moment in our existence when we leave the past behind, broadbase our revenue engines, enter fast-growing verticals and set about creating a completely transformed organisation.

Suumaya 2.0 is a statement of how we expect to transform our processes, practices and mindsets to address an unprecedented national opportunity. The result is that we expect to emerge as a prominent diversified conglomerate directed to addressing the needs of customers on the one hand and national economic development on the other.

The transformation outcome

The Company leveraged its rich experience in the area of textiles when humankind was affected by its biggest pandemic crisis. Even as India was countering the pandemic, it experienced a surge in the demand for PPE kits and masks. We leveraged our rich sectorial experience and utilised our garmenting units to manufacture PPE kits and masks, which were in critically short supply. We pooled our vast trade experience to source the right raw material at the most competitive price; we ramped production at our job-workers' units; we delivered these medical essentials to the remotest corners of the country. Our extensive rural footprint and engagement provided us with an insight into the vast agri-business opportunity in the country.

The Company's diversification

When we extended across rural India to supply medical essentials, we recognised the potential of the agri supply chain business. This is what we experienced: farmers at the ground level encountered challenges in selling their agricultural produce at the right remunerative price on the one hand whereas consumers encountered challenges in buying products at affordable prices on the other. As a responsible citizen, focused on serving hard-working farmers and the national population at large, we forayed into the agri supply chain business with the objective to bridge the opportunity gap between farmers and consumers.

Our impressive FY 2020-21 performance

Within the first year of the enunciation of Suumaya 2.0, we reported handsome revenues of ₹4,263 crore, an unqualified achievement. Our profitability improved significantly in terms of EBITDA and margins. Our profit after tax of ₹406 crore in only the first year of the agri supply chain business (influence extending across one quarter only) indicates prudent strategy and implementation, auguring even better days ahead.

Our financial hygiene

In the initial part of the fourth quarter, we were engaged in building the blocks of our agri supply chain. The traction and a large part of the revenues materialised during the latter half of March 2021. We are conscious of the needs for superior working capital management; we are confident of improving our working capital cycle during the current financial year, marked by a stringent control on cash flows and the need to focus on free cash generation.

The Company's forward-looking strategy

We believe that our businesses are relevant across the future. The business of textiles is becoming increasingly relevant on account of a growing population and growth in social media providing consumers with an incentive to widen their wardrobes.

The agri business of the Company will continue to acquire a growing significance on account of increasing nutritional needs and increase in the number of mouths to feed.

There will always be a premium on better and timely service – on-time and in-full – that makes it imperative to work with the best supply chain partners.

There will be a need to work with credible partners who possess robust Balance Sheets that make scalable and sustainable growth a reality.

We evolved during the year under review our branded women's apparel personality to medical textiles to a leading player in India's agri supply chain business. Our agri supply chain business is likely to become our flagship business going forward. We will endeavour to carve out a presence across the entire value chain – contract / leased farming, strong sourcing network, processing, distribution to the B2B and B2C segments, food processing and the creation of value-added packaged products. We are engaged in extending our presence to emerge as one of the dominant players across the entire agri supply value chain.

Suumaya 2.0 is a statement of how we expect to transform our processes, practices and mindsets to address an unprecedented national opportunity.

CEO and Joint Managing Director's statement

"We are generating a growing proportion of our revenues from new businesses, renewing our income profile and broadbasing our organisational foundation"

Overview

We are pleased to present the performance of our Company for the year under review.

The Company reported a revenue of ₹4262.25 crore. Correspondingly, EBITDA strengthened from ₹11.52 crore to ₹475.19 crore; EBITDA margin increased from 5.47% to 11.15%; earnings per share increased from ₹3.40 to ₹168.52.

I must draw your attention to the last quarter when the Company reported revenues of ₹3011.42 crore, EBITDA of ₹265.92 and a profit after tax of ₹263.04 crore. I am delighted to communicate that much of this uptrend has extended FY 2021-22, marking the beginning of a long-term transformation in the Company's personality and financial performance.

Diversifying from adversity

At Suumaya, we recognise that the world is being increasingly marked by uncertainties.

These uncertainties are increasing on account of global warming, geo-political tensions in a number of global pockets, disruption in trade between prominent countries, acts of terrorism, commodity price volatility, changes in government tariffs and a collapse of health care systems on account of virus emergence.

These realities are warranting the need for businesses to strengthen their de-risking. At Suumaya, we kept this reality in mind when we extended from the business of apparels to agri supply chain management (without winding down the former business) during the FY 2020-21. The business of agri supply chain has ticked a number of de-risking boxes and we are optimistic that this business possesses the potential to grow in a sustainable manner across the coming years without being impacted by external realities. In view of this, we believe that we have strengthened our foundation to grow in a sustainable manner well into the long-term.

Appreciating our journey

An index of where we are headed is influenced by where we have come from.

During the last three decades, the promoter family succeeded in growing its presence in India's large textiles sector.

We entered carefully-selected business niches that provided them with relative protection from cut-throat competition, room to build winning brands, presence extended to the retail consumer, extended the business to international markets and win appreciation from within the country and abroad.

The result is that the Company inherited a capability across the life cycle of its presence - from its capacity to perceive a business opportunity, mobilise adequate resources, progressively de-risk, graduate the business into the next orbit, enter adjacent business and establish business sustainability.

At Suumaya, it would have been limiting to utilise this rich business-growing experience across only the apparel vertical. We believe that the rich experience of the last three decades needs to be leveraged across other spaces that transforms Suumaya from a one-engine enterprise into a multi-engine business conglomerate.

Going global

At Suumaya, we are not merely addressing domestic prospects within our businesses.

We believe that in an emerging India, any successful company addressing a large sector, will, by the virtue of addressing a large market, enjoy global economies of scale, exposure and experience.

Over the coming years, we expect to retain or grow our global exposure, spread our presence across a number of international markets and emerge as a global respected citizen.

Investing in governance

At Suumaya, we recognise that the ability to identify a long-term business opportunity will need to be complemented by a high degree of governance. There is a priority the world over for companies to conduct themselves like responsible corporate citizens. This increased priority is the result of unforeseen developments of global significance transforming global economies realities almost overnight. There is also a conviction that a deep governance culture – as opposed to kneejerk response - enhances corporate stability, increases counter-cyclicality and lays the foundation for the creation of long-term stakeholder value.

At Suumaya, our employee engagement will be marked by professional recruitment, delegation, treatment, skill renewal (training) and attractive remuneration. We will seek to work with like-minded vendors who share our passion for world-class service, product quality, timely capacity investments and systemic predictability. We will adapt solutions around customers, making our presence integral to their existence and generating a sizable proportion if our revenues from long standing customers leading to revenue visibility. We will address the needs of the community, widening our circle of prosperity.

At Suumaya, our strategic direction will continue to be influenced by our Board of Directors, who comprise achievers of standing. Your Company is marking its entry into scalable businesses of the future. We will continue to invest in a bigger way in digitalisation with the objective to enhance primary customer delight, operating effectiveness, communication clarity, systemic integrity and cost management. We are an increasingly analytics-driven organisation based around informed decision-making. The management shares data with executives and distribution partners, helping mature the organisation around modern standards of competitiveness.

Outlook

At Suumaya, we have embarked on an attractive value-enhancing direction.

From this point onwards, we will generate a growing proportion of our revenues from new businesses that we have entered, renewing our income profile and broadbasing our organisational foundation.

This will empower the Company to address the positive traction in each, ride each sectoral wave, extend the benefits of formalisation to those spaces and generate disproportionate value across the foreseeable future.

Sumit Singh
CEO and Joint Managing Director

We believe that the rich experience of the last three decades needs to be leveraged across other spaces that transforms Suumaya from a one-engine enterprise into a multi-engine business conglomerate.

Annual operating review

'We do not see the effect of the pandemic affecting our business; we see a sustained traction from food consumption and the need for agri produce supply chain

CEO & Joint Managing Director **Mr. Sumit Pal Singh** reviews the Company's performance in FY 2020-21 and looks ahead

Performance overview, FY 2020-21

The management was pleased with the performance of FY 2020-21 for good reasons. The Company reported 1922.89% growth in revenues and a 4024.91% increase in EBITDA, indicating that the growth in the Company's financials was profitable. The growth was possibly the sharpest reported by any listed company during the year (without any impact if inorganic growth on the financials).

Performance drivers

The Company recognised the need to broadbase the organisation from its core business of traditional garments. The Company extended to the business of technical textiles in 2020 and diversified into the agri supply chain business in 2021. The broadbasing of the business protected the Company during the year under review. The revenue broadbasing translated into profit broadbasing as well: the garments business contributed 20.27% of revenues, the agri supply chain business generated 65.79% while the textiles retail business generated 13.94% of revenues.

Positive upsides

One of the most important drivers of our performance during the year under review was the manner in which we managed our working capital.

As a measure of prudence, the Company staggered its decision to expand into Modern Trade (especially exclusive brand outlets.

There was an improvement in the Company's working capital cycle for the branded textiles business, while the new businesses had a longer working cycle as we were new players in the segment. A sharp increase in business in March 2021 temporarily enhanced the working capital cycle of the business; the Company will focus on protecting all its parameters (margins, profitability, efficiency, capital efficiency, low leverage) through off-Balance Sheet funding.

Strengthening the business

The year under review was the first year that reflected the influence of Suumaya 2.0. The reinvented vision of the Company was formalised in early 2020 with the objective to broadbase a lifestyle-centric organisation towards responsible diversification intended to create multiple revenue engines.

The Company's three revenue engines are backed by potent drivers; the garments business leverages India's abundant availability of cotton and man-made fibres; India's vast home market provides a base for exports; India's labour costs will continue to be globally competitive. The agri supply chain business addresses a longstanding national need of responsible intermediation between farmers and markets and is aligned with the Prime Minister's vision of doubling farmer incomes. The technical textiles business reached its inflection point during the year under review following the outbreak of the COVID-19 pandemic.

The emerging agri supply chain business

Following the onset of COVID-19 pandemic, the notable sector that remained unaffected was that of the Essential Commodity 'Food and food-related products business'. The management researched the sector from source till consumption covering capacity building, networks, business model familiarity, finance needs, skilled manpower and determination to adapt. Besides, the Company researched the opportunities and threats at the grassroots level comprising the seasonal nature of business, products quality, demand and supply across various geographies, regional and national competition, margins and legal framework support (among other factors). The Company recognised that it could grow in a sustainable and profitable manner if it provided end-to-end goods and services by engaging with farmers and procuring and supplying foodgrain in bulk. The Company ventured into this space as an early bird, recruited agri economists and is venturing into various commodities to expanding its operational scale. The Company incorporated subsidiaries that will provide logistics and warehousing services, completing the value chain.

Capitalising on each business

During the year under review, the Company capitalised through its asset-lightness. By the virtue of being exposed to the textiles sector for more than 32 years, the Company developed insights into spare manufacturing capacities. Rather than commission a manufacturing facility (for garments or technical textiles), the Company engaged exclusive job workers for contract manufacturing; by staying asset-light, the Company was debt-free for long-term debt during the year under review. The Company's new venture into the agri produce value chain during the year under review proved to be a pathbreaking decision. The Company also helps its customers arranging financial assistance. We believe that by remaining asset-light, we do not lose value-addition that would have been effectively captured by our system; on the other hand, we believe that remaining debt-free and the freedom to move from one quality-driven vendor to another provides us with enhanced flexibility to respond to evolving external realities.

The Company reported a strong finish to FY 2020-21, not just protecting its Balance Sheet during a challenging pandemic-affected year but strengthened it.

Road ahead

The Company will seek to reinvest its accruals in scaling its business. The Company may evaluate inorganic opportunities based on their merit and fitment with the Company's business.

By the close of FY 2020-21, more than 65% of our revenues were derived from essential commodities. We do not see the effect of the pandemic affecting our business; we see a sustained traction from food consumption and the need for a competent agri supply chain; we see a growth in disposable incomes following a return to normalcy (post-pandemic environment) strengthening our garments business.

Broadbasing the organisation

The reality

- Second largest arable land mass in the world with 15 agro-climatic zones
- The largest producer of milk, spices, pulses, tea, cashew and jute; the second-largest producer of rice, wheat, oilseeds, fruits and vegetables, sugarcane and cotton
- Agriculture sector employing more than 54.6% of India's total workforce that sustains nearly 70% of its rural population
- India's foodgrain production estimated to rise 2.66% to a new record of 305.43 million tonnes in the current crop year FY 2020-21
- Foodgrain demand likely to increase to 345 million tonnes by 2030

(Source: ipl.org, downtoearth.org, Business Standard, India Today, ICAR)

The opportunity

Booming agriculture: The agriculture sector recorded the highest 103% growth in new business registrations at 12,368 in FY 2020-21, compared to 6,107 in the previous year.

Fewer land ownerships: In 2011, landless agriculture labour outnumbered cultivators.

Shrinking land: The average size of agriculture land shrunk from 2.28 hectare in FY 1970-71 to 1.08 hectare in FY 2015-16 - far lower than that of Australia (4,331 ha), Canada (315 ha), the US (180 ha) and the EU (16 ha).

Small, landless and marginal farmers: The number of marginal and small farmers (less than 1 ha and less than 2 ha, respectively) continue to be more than 85% of all farmlands.

Lack of private investment: The gross capital formation (GCF) in agriculture as a percentage of the total GCF in the economy declined from 8.5% in FY 2011-12 to 6.5% in FY 2018-19.

Suumaya 2.0, the Company's vision, structure and strategy

Overview

At Suumaya, we recognise that the New India Opportunity is large, spread across a number of sectors and multi-year in influence.

This opportunity is expected to accelerate industrialisation, moderate the country's carbon intensity, widen sectoral opportunities and deepen India's role in a globalised inter-connected world.

At Suumaya, we are addressing this unprecedented opportunity with a compatible organisational structure.

We believe that our existing structure will empower the aggregation of Group competencies and knowledge, and shrink the time taken to mature new businesses.

This approach was validated during the last financial year of FY 2020-21, when the Company added two new businesses – agri supply chain business and medical textiles – by leveraging the extensive insight of the promoters, without stretching the Balance Sheet.

How we have extended our business interests

Apparel

Medical textiles

Agri supply chain business

Suumaya 2.0 and India's agricultural opportunity

Overview

Agriculture contributes 17-18% to India's GDP. The sector sustains around 58% of India's population, arguably the largest population cluster sustained by this sector anywhere.

This conventional business has been marked by centuries-old traditions and working practices. However, in the last decade, new technologies emerged that promise to disrupt – in a positive way – this large sector.

These technologies address new genetic crop strains, new ways of raising crops, new ways to process them and new ways to market.

The aggregation of these realities across the last decade helped create one of the most potent enablers for the country's agriculture sector. During the last financial year, the Indian government made the most effective reforms intervention in the agriculture sector in decades.

At Suumaya, we believe that the increased role of the private sector in India's agriculture space represents one of the largest sectoral opportunities anywhere. Investments by the private sector shall enhance the role of technology, increase Indian farm yields in line with global standards, strengthen farmer earnings and empower Indian farm sector exports. As a result, India stands to reduce farm inefficiencies, enhance resource utilisation, strengthen supply chains, strengthen food security and reinforce its position as a food basket of the world.

In turn, we believe that farmer incomes will increase, rural India will reassert its position as an Indian economy driver and the sector will make a sizable increase in national wealth.

At Suumaya 2.0, we entered this space during the last financial year with the vision to participate in the golden Indian story through the Twenties, enhancing value for our stakeholders.

India ranks number 2 in the world in terms of farm output… and yet its farmers are among the poorest

India is among the largest producers of a range of crops but among the lowest when it comes to yield per hectare

Suumaya and the growing role of disintermediation

The benefits of disintermediation

- Direct engagement with the end buyer
- Increased investment in quality standardisation as the basis of payments
- Greater pass-through of realisation benefits to farmers
- Probable liberation from exploitative trade credit terms and the entry of formal financing channels
- Lower cost for the consumer
- Lower possibilities of black marketing

Overview

One of the biggest changes that we have seen in our lives in the last couple of decades has been that of the growing role in enhancing agri supply chain efficiency.

At Suumaya, we expect to play a decisive disintermediating role in one of the most intermediated spaces in India. In India's agriculture sector, the farmer receives only fraction of the cost at which the agricultural products are sold at the retail end; most farmers continue to eke out an existence in penury while others in the value chain make considerably larger incomes.

Through its agri supply chain business, Suumaya expects to address the inequities of the sector, access products from the farm end of the business, share the gains arising out of disintermediation with farmers, create robust supply chains and help moderate the price at which farm products are sold for the benefit of consumers.

In doing so, we expect to play an effective role in enhancing farm incomes at one end and moderating food inflation at the other, servicing national interests in an effective and sustainable way

Suumaya 2.0 and why this represents an inflection point in our existence

1.0	2.0
The Company was engaged in apparel marketing and distribution for three decades	The Company extended to the business of agri supply chain and medical textiles in FY 2020-21
The Company focused completely on the growth coming out of one sector	The Company has diversified across three spaces and this number could increase
The Company was listed on the SME segment of National Stock Exchange	The Company graduated to the main segment of National Stock Exchange in FY 2020-21
The Company was a small company by way of revenues until FY 2020-21	The Company reported the sharpest growth in its existence and possibly among listed companies in FY 2020-21
The Company was driven by promoter vision and capabilities	The promoters inducted experienced professionals to head businesses and functions to drive the next round of growth
The Company was engaged in its core textile business	The Company diversified to a focused f supply chain business
The name of the Company was 'Suumaya Lifestyle Limited' when it was engaged in apparel marketing and distribution	The Company changed its name to 'Suumaya Industries Limited' to reflect a wider business influence

How we reoriented our business with speed in a challenging FY 2020-21

When most businesses were responding with a 'wait and watch' approach, the management at Suumaya set out to reinvent the business model

- We moderated costs
- We extended from one business to three
- We graduated to the main board of National Stock Exchange
- We embarked on the recruitment of professionals to plug vacant positions
- We enhanced our commitment to growth through the issue of convertible warrants to the Company's promoters.

How we are building our business

Our asset-light approach

At Suumaya, we believe that our success has been principally derived from an asset-light approach. By the close of FY 2020-21, the Company generated ₹4262.25 crore in revenues against a gross block of a mere ₹210.70 crore.

The model: At Suumaya, we leveraged asset-light production resulting in a minimal investment in fixed assets. This provided us with the flexibility of selecting a vendor who would provide the largest value proposition (scale, cost, quality and timeliness of delivery).

Quality: The Company invested in its Quality Assurance that protected its quality (fabric treatment and stitching integrity) in line with demanding Indian global and standards. Thanks to the commitment of the management, an entire eco-system has been developed, benchmarked around proprietary standards.

Exclusivity: The Company works with vendors who are entirely dedicated to the Company's orders, ensuring a dedicated outsourcing arrangement. This has ensured that entire facilities belonging to our vendors are developed around Suumaya's standards, enhancing focus and timeliness.

Win-win: The asset-light-approach has resulted in an attractive volume-based discount provided by the vendor, enhancing revenue visibility for the vendor and conversion cost competitiveness for the Company.

Controlled conversion: The Company is engaged in providing raw material (fabric and ancillaries), packing costs and designs in exchange for labour and manufacturing costs incurred by the vendor.

Negotiation: The Company's ability to handpick vendors from a large field has helped it negotiate competitive costs, strengthening overall viability.

Scalability: The advantage of this model is that it provides the Company with considerable room to ramp up or down in line with market demand without needing to recruit afresh (during periods of high demand) or incurring overheads (during periods of low demand).

How we are building our business

Our Suumaya brand

Our garments business is driven by the power of our Suumaya brand.

A large part of the revenues generated from our garments business was derived from the Suumaya brand during the year under review.

Over the years, we established distinctive recalls through different brands addressing specific verticals.

The creation of brands has equipped the business with shock absorbers: the capacity to grow faster than the market average on the one hand, the capacity to resist declines more effectively and recover faster during periods of market recovery.

Each of our brands grew during the year under review, validating their respecting strengths.

The Suumaya brand was promoted on the social media, enhancing recall and offtake.

The three storylines of our Suumaya brands - Ekaa, Ira and Tag 9 – helped enhance consumer recall and retain distributor interest.

The Company intends to extend its brand across new segments (western wear and children's wear) while enhancing wallet share across existing segments.

Suumaya was one of the in-stadia advertisers of the Indian cricket team's tour of Australia, which enhanced visibility and trust

Our brands

Ekaa: This range reconciles traditional Indian fabrics and contemporary designs, directed towards bold customers seeing to experiment.

Ira: The Ira brand is represented by smart formal and casual wear that is affordable.

Tag9: This range is designed using imported fabrics and natural dyes provide a rich and elegant look.

Value-creation at our Company

How Suumaya is enhancing stakeholder value

How we protected our overall competitiveness in an integrated and inclusive way in FY 2020-21

Drivers of Suumaya's value

At Suumaya, we believe that the interplay of value that we have created for various stakeholders has translated into superior profitability.

Stakeholder: Our employees represent the aggregate knowledge of how to grow the business across a range of functions (procurement, branding, sales and distribution, finance etc.).

Focus: Our focus is to provide an exciting workplace, generate stable employment, and enhance productivity.

Stakeholder: Our shareholders provided capital when we went into business.

Focus: Our focus is to generate cash flows, growing RoCE and enhanced investment value.

Stakeholder: Our vendors provide credible and continuous supply of all types of materials/ components

Focus: Our focus is to maximise quality material procurement at declining average costs with the objective to widen our markets, strengthening sustainability.

Stakeholder: Our customers keep us in business through a consistent purchase of products (apparel, masks, PPE kits), generating the financial resources to sustain our business.

Focus: Our focus is to provide a diversified range of products (perfect blend of style, affordability and comfort) to our customers.

Stakeholder: Our communities provide the social capital (education, culture etc.).

Focus: Our focus is to support and grow communities through consistent engagement.

Stakeholder: Our governments (State and Centre) provide us with a stable structural framework that ensures law, order, policies etc.

Focus: Our focus is to play the role of a responsible citizen.

Stakeholder: Our lenders (banks and NBFCs) provide us the debt capital needed to fund the business.

Focus: Our focus is to timely pay off the debt and to avail that at lower interest rate.

The context of our sector

Income growth: India is reporting a consistent growth in per capita incomes (except for an interruption in FY 2020-21 when per capita income declined) that is translating into increased aspirations and consumption.

Social media: The social media is highlighting the need to look better, catalysing the offtake of garments - for different occasions, applications, locations and utilities.

Youth influence: The world is getting younger – not only in age but also mindsets, widening the market for products across colours, designs and sizes.

Transaction convenience: It is easier to buy garments with the click of a button after having screened hundreds of options and products delivered to the doorstep.

COVID-19 pandemic: The pandemic has boosted the business of PPE kits, masks and gloves.

Fashion market: The Indian fashion market size in financial year 2020 was estimated to be USD 67 billion and is expected to grow by 10% to reach USD 107 billion by 2025.

Millennial demand: India is a young country with a median age of 29. Millennials comprises 34% of the total population of the country and 47% of the nation's working population.

Growing population: India ranks second in terms of population (~1.39 billion in 2020) and growing at 0.99% per year, the largest population increment anywhere.

Urbanisation: India's urban population is 34%; around 400 million more are estimated to become urban dwellers by 2050. As the population becomes larger, India's urban population is expected to grow to 40% by 2030.

Western wear demand: The western wear market was estimated at ₹1332.46 billion in 2018 and estimated to grow at a CAGR of 10.9% between 2020 and 2025. Owing to 40% of the population being economically productive and growing urbanisation, demand for western wear could grow.

Growing fashion consciousness: Increase in disposable income and access to digital and other media are making the consumers more aware.

Growing ecommerce: India's e-commerce is expected to reach USD 99 billion by 2024, growing at a 27% CAGR over 2019-24, with grocery and fashion/apparel likely to be key drivers.

Our responsive approaches

Broadbased: The Company's business has been broad-based across products, market segments, geographies and customers.

Variety: The Company offers a wide range of product (kurtis, pret wear, western wear) for its customers.

Shifting focus: Historically the Company was focused in B2B business, however on the last few years, it has shifted its focus from B2B to B2C business.

Dedication: The Company is driven by customer delight through the development of new products and unique designs.

Value-addition: The Company diversified into technical textiles and introduced value-added products such as masks, gloves and PPE kits.

New venture: The Company forayed into the agri supply chain business during the year under review. Within a short span, the Company developed a strong foothold. The Company has managed to put in place a strong team across the supply chain management and marketing functions to create a strong foundation for the business.

Online presence: The Company's products are available on online platforms such as Amazon, Ajio, Rajwadi and Vanita Kart.

Omni-channel presence: The Company has adopted the omni-channel sales strategy, presence across 1450+ multi-brand outlets (MBOs), 10 exclusive brand outlets (EBOs), 320+ shop-in-shops (SIS) and 4 online portals.

Promotion: The Company associated for in-stadia branding during the two-month Indian cricket team's tour to Australia. The campaign intends to brand its products and increase global visibility.

Eco-friendly: The garments are manufactured from sustainable fabrics like organic cotton, creating a niche in increasing awareness in friendly consumer market. The Company has pioneered and established its foothold in organic cotton, which gives it an edge over its peers.

Governance: At Suumaya, we believe that committed governance represents the foundation of organisational credibility. The Company comprises Directors with proven standing; it broad-based the Board with adequate Independent Directors supported by focused committees across specific functions.

Knowledge: Suumaya's competitiveness is derived from the knowledge of its experienced people.

Our resources going into value-creation

Financial capital: The financial resources driving the Company comprise mobilisation from investors, promoters, banks and financial institutions (debt or net worth).

Human capital: The Company's management, employees and contractual workers constitute its human capital.

Intellectual capital: The Company's repository of proprietary knowledge forms a part of its intellectual capital.

Social and relationship capital: The Company's enduring ties with the stakeholder community and brand partners influence its role as a responsible corporate citizen.

Our corporate social **responsibility**

Overview

Suumaya Industries is a responsible and sensitive corporate.

The Company is not only driven by the need to make the world a better place through the manufacture of responsible products or the delivery of much-needed services; it is also engaged in widening the prosperity circle.

The Company utilises natural and man-made resources for economical outcomes and bears an ethical and moral responsibility to recompense in some form to support society. The promoters of Suumaya possess a strong belief in empowering various sections of society with humility. The group has been engaged in contributing to society as a social responsibility even though they were not legally bound to do so. The Company's activities in various fields (medical care, animal welfare, education and food security) have brought about a positive change in the lives of communities.

The Company's corporate social responsibility initiatives are aligned with national and regional priorities. It partners specialised agencies who possess terrain experience and understanding. It believes in making investments where a moderate engagement can translate into a larger societal impact. It focuses on responsible engagement where we empower beneficiaries to assume control of their lives. It is engaged in programmes relevant to grass-root existences.

The Company is focused on various areas (health care, animal welfare, education and food security). The Company funded NGOs to organise blood donation camps and COVID-19 relief funds.

The Company incorporated a subsidiary (under Section 8 of the Companies Act) named Suumaya Foundation to sustain its CSR initiatives.

Case study

Our CSR engagements in FY 2020-21

Rural animal centres (goshala) provide shelter, food and medicines to animals. However, most are cash-crunched for operating expenditure on account of their remoteness and low awareness among city dwellers. The promoters of the Company enhanced awareness and donated a considerable sum to feed and provide medical facilities to animals.

The Company empowers children and youth by sponsoring quality education.

The Company contributed towards Covid relief measures where it provided quarantine facilities to the affected at nominal rates and food supplies to the needy during the lockdown.

Board of Directors, KMP and Senior Management

1.

Ms. Ishita Gala

Managing Director (resigned w.e.f January 2, 2021), Vice President (Brands) w.e.f. January 3, 2021

B.Com, Semi Actuary. Has wide exposure and experience in the field of textiles and apparels and an expert in business administration and human resource management.

2.

Mr. Ushik Gala

Chairman & Managing Director

B.Com. Experience of more than a half decade in textile industry and looks after finance, expansion, business development, marketing and brand building activities.

3.

Mr. Sumit Pal Singh

Chief Executive Officer & Jt. Managing Director

Graduate Diploma in Business Administration. Has over 10 years of experience in technical environments and worked with mid-size corporates.

4.

Mr. Sharad Jain

Lead Independent Director

B.Com, MBA (Middlesex Business School, London). Has around 20 years of experience in working in various sectors across the globe and dealing with various aspects of equity investment.

5.

Mr. Satish Khimawat

Independent Director

B.Com. Has over eighteen years of sharp business experience in different sectors and industries.

6.

Mr. Ishtiaq Ali

Independent Director

B.Sc., LL.M, Founding Partner at Orbit Law Services, 31+ years of experience as an in-house counsel at IFCI and successful private practice in corporate laws.

7.

Ms. Shruti Chaudhary

Independent Director, (appointed w.e.f. March 31, 2021)

B.Com, Chartered Accountant. Has over 17 years of experience in Corporate Banking, Project Finance, Investment Banking, Private Equity, Syndication & Fund Raising.

8.

Dr. M. Narendra

Non- Executive Independent Director, (appointed w.e.f. August 13, 2021)

B.Com, LLB, Ph.D., Certified Member of Indian Institute of Bankers (CAIIB). Has over 40 years of experience in Corporate Advisory, Strategic Business Planning, Human Resource Management, Organisational Development, Training & Development, Strategic Alliances & Partnerships, Value Creation, Financial Advisory, Credit Risk Mitigation.

9.

Mr. Sejal Doshi

Non- Executive Director, Finance

B.Com, Chartered Accountant. Has around twenty years of experience in finance, taxation and equity markets.

10.

Mr. Deepak Kantilal Jain

Non- Executive Director

B.Com. Has over 9 years of experience in Telecom Sector and also 21+ years of experience of Gold Manufacturing, Wholesaling & Retailing.

11.

Mr. Kshitish Shastri

Non- Executive Director, (resigned w.e.f June 30, 2021)

Post-Graduation Diploma in Hotel Management & Marketing Management. Has 28+ years of Experience. 9+ years as General Manager with Frontier Protective Wear Pvt Ltd.

12.

Ms. Sneha Shah

Chief Financial Officer (CFO), (Appointed w.e.f November 2, 2020)

B.Com, Chartered Accountant. Has over 9 years of cross functional experience in accounting, corporate finance, transaction advisory, credit, financial consulting and audit.

13.

CS Heena Shah

Company Secretary & Compliance Officer

B.com, Company Secretary. Over 15 years of experience in field of Secretarial and Legal compliances.

14.

Ms. Dhwani Dattani

Head - Finance & Credit

B.Com, Chartered Accountant and semi qualified CFA. Has over four years of experience of working with reputed organisations across functions like valuation of equity shares, Fund-raising and Investment Banking transactions, across various sectors. manufacturing, textiles, NBFC, entertainment, supply chain finance, etc.

Management Discussion and Analysis Report

ECONOMIC REVIEW

Global

As per the International Monetary Fund (IMF), the global economy witnessed an unprecedented contraction of 3.3% in FY 2019-20 due to the COVID-19 pandemic, despite the policy support provided by different governments. This disrupted the process of manufacturing and supply chain across the globe.

The GDP growth scenario improved in the second half as lockdown restrictions were eased (between the first and the second waves of infection) and economies adapted to new ways of working.

The collapse of the global economy had an adverse effect on the informally employed and the contract-intensive sector. China was the first economy to rebound from the pandemic with a growth of 3.2% in the second quarter of 2020. Most European countries including UK, France and Italy recorded four consecutive quarters of GDP degrowth.

COVID-19 impact

The COVID-19 pandemic raised unprecedented global health challenges and policy dilemmas. The pandemic accentuated the economic deceleration by causing severe demand and supply disruptions. April 2020 witnessed a global lockdown with the world economic activity at a near standstill, leading to a steep decline in output from the second quarter of 2020. The pandemic hit the developed economies hardest due to a strict and prolonged lockdown in European countries and parts of US, while the contraction was milder in developing countries.

The COVID-19 crisis delivered a significant trade shock, restricting cross-border travel, disrupting international production and depressing demand. Global trade in goods and services shrank by an estimated 7.6% in 2020, only marginally less than the global financial crisis. International travel reduced to a fraction of its pre-pandemic level, although global merchandise trade recovered since mid-2020 on the back of a strong demand for electric and electronic equipment, pharmaceuticals and personal protective equipment. The recovery in merchandise trade was led by China and other East Asian economies, which had better success in containing the virus spread and experienced a faster-than-expected economic rebound.

Timely stimulus measures, amounting to USD 12.7 trillion, prevented a total collapse of the world economy. Unprecedented monetary responses have complemented the fiscal measures. Since March 2020, 92 central banks have cut policy rates a total of 241 times, many taking additional monetary and prudential measures to boost liquidity and ensure financial stability. Several monetary authorities also announced changes in their monetary policy frameworks to enhance policy flexibility and improve monetary transmission.

Outlook

As per IMF's World Economic Outlook (WEO) April 2021, global growth is projected at 6% in 2021, moderating to 4.4% in 2022. The projections for the two years were stronger than the WEO projections from October 2020. The upward revision is demonstrated by additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of 2021, and continued adaptation of economic activity to decreased mobility. In developed economies, regional restrictions will likely be necessary at times to deal with new strains of the virus. A large part of contact-intensive activities are expected to resume post the vaccination and drive a significant pickup in growth in these countries.

In emerging market and developing economies, vaccine procurement data suggest that effective protection will remain unavailable for a large part of the population in 2021. Therefore, lockdowns and containment measures may be needed from time to time in 2021 and 2022 than in advanced economies, increasing the likelihood of medium-term adverse effects on the potential output of these countries.

Indian

At the start of 2020, India was among the seven largest global economies; its economic growth rate was the fastest among major economies (save China); its market size at 1.36 billion the second largest in the world; its rural population of the under-consumed is the largest in the world.

Post the announcement of lockdown and muted market sentiments, the Indian economy had severe impact during the first quarter of the year under review. The economy is estimated to have contracted by 7.3% in FY 2020-21. In the first quarter, the economy contracted by 23.9%, from which it slowly went into a recovery mode. Consumption patterns normalised towards the third quarter with increasing levels of demand for consumer and in-home food products. Economic indicators like Good and Services Tax collections, automobile and tractor sales, power demand is showing growth compared to last year. Given the gradual easing of restrictions and revival of several infrastructure projects by the government, manufacturing activity has increased.

Also during the COVID-19, online sales and deliveries showed a sharp rise not only in food delivery section but also in groceries, agri produce, apparels, lifestyle products, pharma etc. This gave rise to innovation and development in the sector of technology backed sales. The country of 1.39 billion population quickly adapted to such changes which led to increase in consumption of products in various sectors even during the lockdown.

India witnessed a gradual resumption of economic activity from Q2FY 2020-21. The initial recovery was driven by government spending on infrastructure, exports and rural economy. The recovery gained momentum since August 2020 with pickup in consumption demand driven by festive buying and return of urban consumption.

COVID-19 impact

The impact of coronavirus pandemic on India proved majorly disruptive in terms of economic and life impact. Almost every sector was adversely affected as domestic demand and exports plummeted with some notable exceptions.

Economists slashed GDP growth expectations due to the lockdown impact. It was estimated that the country could recover because of its industry composition, with unorganised markets largely dominant. Losses from the organised sectors amounted to an estimated ₹9 trillion in late March 2021, projected to increase following the prolonging of the lockdown. The most affected industries included services and manufacturing, specifically travel & tourism, financial services, mining and construction, declining upto 23% between April and June 2020. Towards the end of 2020, the country witnessed a recovery in certain sectors, the result of easing restrictions, controlled infection and festive demand.

India's economic activity was affected from March 2021 on account of the second pandemic wave. GDP forecasts were muted, putting losses at over USD 38 billion based on local lockdowns until June 2021. Unprecedented numbers in terms of infections and deaths led to another set of lockdowns, stretching the healthcare system.

Since agriculture represented the backbone of the country and an essential category, the impact was likely to be low on primary agricultural production and usage of agro-inputs. Various State governments permitted the free movement of fruit, vegetables and milk, among others. Online food grocery platforms were affected due to unclear restrictions on the movements and stoppage of logistics vehicles.

(Source: Times of India, Statista)

The Indian economy in numbers

Y-o-Y growth of the Indian economy

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Real GDP growth (%)	7	6.1	4.2	(7.3)

Growth of the Indian economy, FY 2020-21

	Q1	Q	Q3	Q4
Real GDP growth (%)	(23.9)	(7.5)	0.4	1.6

(Source: Economic Times, IMF, EIU, Business Standard, McKinsey)

Outlook

The growth projections for FY 2021-22 have been revised to be below 9.5% due to the acute resurgence of the virus in the country, as many cities and states went into lockdown. While the growth will depend upon the trajectory of the pandemic, the overall impact on the economy is expected to be less severe than last year. This outlook is supported by mass vaccination drive, additional fiscal support and accommodative RBI monetary policy, strong rebound of private consumption (led by large government capital expenditure push) and growth in investment.

India is expected to witness a full economic recovery in H2FY 2021-22 driven by the following realities:

(a) Ongoing vaccination supporting the current recovery momentum;

(b) Restart of investment cycle with significant spending on infrastructure and

(c) Continued recovery in consumption supported by urban demand, accentuated by work-from-home and preferences for personal mobility along with rising rural income and affordability.

However, normalised growth could emerge only in FY 2022-23, provided no further economic disruption occurred coupled with a successful vaccination drive.

As the country navigated the crisis, the Government and the Reserve Bank of India took measures to create a robust recovery. The Union Budget 2021 focused on recovering growth through measures comprising stable tax rates and enhancing infrastructure investments. The agriculture sector performed creditably, leading to a strong rural performance. The impact of COVID-19 was more pronounced in metros and bigger towns, resulting in a slower urban recovery.

With the initiatives taken by the Government to relax FDI norms in various sectors like defence, contract manufacturing and single brand retail trading, it has enabled entrepreneurs to attract foreign investment in the country.

> Suumaya has ventured into the agro business due to the firm belief of our Chairman that the crisis of food will be next big crisis for the human race. Suumaya, with its various types of businesses pledges to be among the major contributors to the society and mankind.

Suumaya 2.0

With our new mantra, 'New vision. New direction. New scale.' and with change in millennial leadership and our efficient human capital, we could turn the adversities that COVID-19 brought along with it into a vast pool of opportunities.

The beginning of the pandemic brought about the urgent requirements of medical textile on a nation-wide scale. India needed huge quantities of masks and PPE kits in an urgent basis. With our rich legacy of three decades in the textile sector, we were proactive enough to transform our manufacturing facilities into Covid-essential production units. This opened up new opportunities for us to be one of the bulk suppliers of masks and PPE kits in the country.

We led to the foundation of our agro business in these tough times which is one of our core businesses at present. We ventured into trading of agricultural commodities during this difficult period which has validated our mantra of having new direction and scale. Suumaya has ventured into the agro business due to the firm belief of our Chairman that the crisis of food will be the next big crisis for the human race. Suumaya, with its various types of businesses pledges to be among the major contributors to the society and mankind.

Strategy Suumaya 2.0

The current year was important for us as the business strategy shifted from branded apparels to medical textile and agri produce value chain. We focused on successfully transforming and integrating our business verticals to create a unified organisation, processes and realise synergies. This encompassed myriad activities, including a relook at the operating model and organisation structure, harmonising processes between our businesses verticals by benchmarking with the best practices in the industry, redesigning the sales and distribution infrastructure to make it future-ready to support multiple categories. We also looked at end-to-end digitisation across supply chain and distribution partners and steps to channelise cost synergies and human capital.

Our core business policies are underlined as under:

- Strengthen our business verticals
- Digital innovation
- Exploring new opportunities and markets
- Making future ready organisation
- Agility to transform
- Create a responsible and sustainable business environment

Our business verticals

Agri produce value chain

i. Global economy and outlook

Trade in agricultural and food products has changed over time, with the food we eat and the clothing we wear largely being delivered by global production systems that cross many borders. Wheat produced in Australia and the Ukraine, for example, is processed into flour in Indonesia and Turkey, and then exported to make noodles in China, and bread in Africa and the Middle East.

These global value chains (GVCs) connect producers of food and fibre to consumers across the world and help deliver stable supplies of food and textiles and present greater choice to consumers, and at the same time generate incomes for producers.

For agriculture and food sectors, participation in agro-food value chains helps enhance the overall sector growth – improving the returns to farmers and food makers along the value chain. In particular, making use of inputs from other countries to produce agro-food products, and having access to foreign consumers through these chains, has helped grow agro-food sectors and increase the share of gains flowing to farmers and producers.

Against this background, governments and producers are becoming increasingly interested in how they can position their agricultural and food sectors to make the most out of the opportunities created from agro-food GVCs. The manner, in which producers in different sectors participate in value chains is heavily influenced by the nature of the products they produce – with products such as fresh vegetables more likely to go relatively directly from producer to consumer through GVCs, compared to oilseeds, wheat and many fibres such as wool and cotton, which feed into food and clothing manufacturing processes and which can cross borders multiple times before reaching the end consumer.

But while the product itself influences GVC participation, differences across agro-food sectors around the world indicate that it is not the only influence – much of what determines the gains from agro-food GVC participation relates to policy factors.

(Source: www.oecd.org)

ii. Indian economy and outlook

India is the largest producer of spices, pulses, milk, tea, cashew and jute, and the second-largest producer of wheat, rice, fruits and vegetables, sugarcane, cotton and oilseeds. India has the second-largest arable land resources in the world. With 20 agri-climatic regions, all 15 major climates in the world exist in India. The country also possesses 46 of the 60 soil types in the world.

Agriculture is the primary source of livelihood for ~54.6% of the population in India. In FY 2020-21, food grain production reached a record of 303.34 million tonnes. The government has set a target to increase production by 2% in FY 2021-22. As per the Union Budget FY 2021-22, ₹1.33 lakh crore was allocated to the Ministry of Agriculture.

After remaining stagnant for the last three years, the export of agriculture and allied products in FY 2020-21 grew by 17.34% to USD 41.25 billion from USD 35.16 billion in FY 2019-20 on the back of government's policy-level interventions as well as the expansion of products into new markets. The largest markets for India's agricultural products are the US, China, Bangladesh, the UAE, Vietnam, Saudi Arabia, Indonesia, Nepal, Iran and Malaysia.

The agri-input sector is on a growth trajectory, owing to normal monsoons for two consecutive years. Despite the concerns and challenges rose by the pandemic, the government's support to farmers through higher procurement at Minimum Support Prices further helped in propelling demand for agri-inputs. In FY 2021-22, domestic tailwinds from strong liquidity among farmers and a normal monsoon will be the drivers in sustaining double-digit industry growth. The new Agriculture Export Policy aims to increase India's agricultural export to USD 60 billion by 2022.

The government passed three bills – Farmers' Produce Trade and Commerce (Promotion and Facilitation) Bill, 2020, Farmers (Empowerment and Protection) Agreement on Price Assurance and

Farm Services Bill, 2020 and Essential Commodities (Amendment) Bill 2020.

The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Bill, 2020 aims to permit the sale of agricultural produce outside the *mandis* regulated by the Agricultural Produce Marketing Committees (APMC) constituted by different State legislations.

The Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Bill, 2020, provides for contract farming.

The Essential Commodities (Amendment) Bill 2020 deregulates the production, supply, distribution of food items like cereals, pulses, potatoes, onion and edible oilseeds.

The new bill encourages farmers to trade inter-state and also farmers can partner private players or agencies for contract farming.

(Source: Business Standard, IBEF)

iii. Suumaya performance and outlook

During the last quarter of the financial year under review, the Company entered the agri supply chain business. The foundation of the agri supply chain business plan roots back to 2015. The Company's visionary promoters have a firm belief that the next human crisis could be related to agriculture, making responsible interventions essential for survival.

With the vision to create an organisation that contributes to nation building, the Company intends to organise a largely unorganised market of farmers, *mandis* and agri-commodities, strengthening rural prosperity.

The Company is engaged in the bulk B2B trading of unbranded agricultural commodities (rice, wheat, pulses, sugar, chilly, maize, soyabean and chickpeas). The Company's procurement efficiencies ensure timely bulk deliveries. The Company procures from *aadhatiyas* and *mandis* and sells to medium-to-large corporates, mill owners and MSMEs at regional and local level. The Company also optimises physical trade flows to create trade finance-generated liquidity in emerging markets for customers.

The segment generated ₹2,804.25 crore during the year under review and contributed 65.79% to overall revenues of the Company.

iv. Opportunities and threats

Opportunities

- To provide basic necessities to more Indians, the government intends to invest deeper in the agricultural sector.
- The country's population is estimated to rise from 1.39 billion in 2020 to 1.52 billion by 2030, driving demand for basic agricultural necessities.
- The growth of the country's agriculture sector is expected to be driven by labour cost arbitrage and headroom for farm productivity.

Threats

- A third COVID-19 wave could affect agricultural output.
- Increasing demand for imported food products could have a negative impact on the domestic sector.
- Erratic rainfall can post a threat for farmers dependant on rain-fed water sources.

With the vision to create an organisation that contributes to nation building, the Company intends to organise a largely unorganised market of farmers, *mandis* and agri-commodities, strengthening rural prosperity.

Textiles

Medical textiles

i. Global economy and outlook

The global medical textiles market was estimated at about USD 13 billion in 2020. The market is expected to grow at a CAGR of 4% between 2021 and 2026 to a value of nearly USD 17 billion by 2026. North America and Europe are some of the major markets for medical textiles, driven by a rising spending on healthcare, ageing population and technological advancements in the wound care segment. The rising government investments in the sector are also expected to propel the growth of the medical textiles market in the regions. One of the primary drivers of the market growth is the prospering medical and health industry, along with a growing awareness of healthcare practices by the consumers. Moreover, the pandemic shifted focus towards hygiene products (masks and PPE kits).

(Source: expertmarketresearch.com)

ii. Indian economy and outlook

The rise of the novel coronavirus pandemic led to an increased demand for a variety of medical devices and products, especially for face masks and PPE kits. Since these kits were used in bulk during this period, therefore, the medical textiles market experienced robust growth.

Medical textiles are utilised across medical or healthcare applications to minimise exposure risks to hazardous substances, minimising cross-infections. The healthcare and hygiene categories represent the backbone of the medical textiles market. The products included in the healthcare and hygiene category comprise PPE kits, bedding, mattress covers, surgical gowns, wipes, surgical masks, among others.

The pre-pandemic era saw the use of medical textiles being applied widely for pressure garments, bandages and more. Even as demand was sustained for these applications following the pandemic outbreak, a sharp rise in the use of PPE kits and surgical masks strengthened the demand trajectory within the medical textiles market. An unprecedented demand for PPE kits and surgical masks could shape the growth of the medical textiles market.

In a pandemic-influenced environment, PPE kits and surgical masks emerged as prominent safeguards for the frontline workers (doctors, nurses, ambulance drivers and healthcare staff), their demand growing exponentially.

From facing a huge shortage of PPE kits and masks to becoming the second-largest manufacturer of PPE kits, India has become one of the front runners in the medical textile industry. Over 4,50,000 units are produced daily by more than 1,000 Indian manufacturers. With eased restrictions on regulations and quicker approvals, India scaled its PPE production, becoming self-reliant in terms of PPE production and one of the largest producers by volume. The rise in PPE kits production and surgical masks proved directly proportional to the growth of the medical textiles market.

As the COVID-19 pandemic continues to spread, demand for PPE kits and surgical masks is expected to sustain, strengthening the medical textiles market.

iii. Suumaya performance and outlook

During the year under review, the Company diversified into the medical textile business. The segment is involved in manufacturing personal protective gear. During the pandemic, the Company identified a growing opportunity in the medical textiles space. The Company intends to produce other medical textile products (surgical gowns and surgical drapes, among others), which are finding greater acceptance.

iv. Opportunities and threats

Opportunities

- Huge growth potential in domestic and international market
- Huge market potential
- Emerging retail industry and malls provide huge opportunities for apparel and other segments

Threats

- Increased competition from local and big players
- Our operations are in unorganised sector and are prone to changes in government policies
- Any change or shift of focus of government policies may adversely impact our financials

Textiles and apparels

i. Global economy and outlook

The year 2020 was the most challenging year in the Company's existence. The COVID-19 pandemic brought the entire world to a standstill, affecting markets and supply chains. The pandemic triggered the biggest economic contraction since

World War II, affecting countries and industries. Consumer purchase of textile and apparel was affected due to the global lockdown and recession. The global apparel market declined by 22% to USD 1,280 billion in 2020 from USD 1,635 billion in 2019. However, in 2021 the industry is expected to revive following accelerated vaccination, growth in e-commerce and resumption in the global supply chain. Apparel consumption is expected to reach pre-Covid levels over the next couple of years and retrace its growth to USD 2,007 billion by 2025.

The global textiles market was estimated at USD 942. 8 billion in 2020 and expected to reach USD 1,230 billion by 2024. There is growing awareness of personal protective equipment (PPE) in the manufacturing industry on account of stringent regulations for worker safety, expected to lead to an increased demand for engineered fibre products. Technological innovation in terms of new upholstery products derived from coated fabrics and spider silk are expected to open avenues.

(Source: Globalnewswire, Wazir advisors)

ii. Indian economy and outlook

The Indian textile and apparel industry is estimated to have declined from USD 106 billion in FY 2019-20 to USD 75 billion in FY 2020-21, witnessing a 30% decline in its market size. This industry contributes to 2% of India's GDP and is anticipated to grow at a CAGR of 10% between the time spanning FY 2019-20 and FY 2025-26. The Government made investments under Integrated Textile Parks Scheme and the Technology Upgradation Fund to encourage private investments. The country is among one of the largest producers of textile and apparel. The Indian textile and apparel industry contribute to 7% of global industry output in terms of value and 12% through exports. In terms of employment, the Indian textile industry is the second largest employer in the country after the agricultural sector, providing direct and indirect employment to around 100 million people.

India's textiles and apparel exports declined from USD 33.5 billion in FY 2019-20 to an estimated USD 28.4 billion market size in FY 2020-21. Due to the impact of COVID-19, India's T&A exports are expected to fall around 15% to reach USD 28.4 billion in FY 2020-21. The country's exports in this sector are further anticipated to rise to USD 65 billion by FY 2025-26, recording a CAGR growth of 11%.

The country's textile and apparel sector's imports declined from USD 8.6 billion in FY 2019-20 to an estimated USD 5.6 billion in FY 2020-21. Moreover, the imports of this sector are anticipated to grow at a CAGR of 10% and reach USD 15.2 billion by FY 2025-26.

The second wave of COVID-19 had a less severe impact on the textiles and apparel industry as against the first wave. The major disruption was seen in the supply chains as there were partial lockdowns imposed in major textile hubs, which are Surat, Ludhiana, Tirupur, and Bhilwar, leading to a shortage of raw material inputs, which are yarn and fabric. Even though the price of raw material increased, the final product price didn't exhibit a sharp rise. This supply chain disruption may lead to a 20-30% year-on-year reduction in top lines in Q1 FY22.

The women's apparel market is projected to reach USD 39 billion by the year 2025 in India, recording a significant increase from 2018. The rise in the working women population in the country is anticipated to be a major growth factor for the apparel market over the next decade, among other reasons. Ethnic wear had the largest market value within this sector. Festivals and special occasions were the primary reasons for ethnic wear purchase among Indians. On the other hand, casual wear had the largest value in the men's clothing segment, which accounted for a 27% share in 2018.

iii. Suumaya performance and outlook

The Company is respected for delivering one of the world's finest collections of Indo-western designer kurtis, an integral part of ethnic Indian fashion wear. The promoter family possesses more than 30 years of experience in the Indian ethnic merchandise market. The Company specialises in the development of patterns comprising the traditional and contemporary. During the year under review, the Company staggered its decision to extend into the Modern Trade format (especially exclusive brand outlets) and protected its working capital management (inventory and receivables). There was an improvement in the Company's working capital cycle for branded textiles business. All revenues generated from the garments business were derived from the brands. Suumaya was one of the in-stadia advertisers of the Indian cricket team's tour of Australia, which enhanced sectorial visibility and stakeholder trust.

The segment generated ₹863.92 crore during the year under review and contributed 20.27% to overall revenues of the Company.

iv. Opportunities & Threats

Opportunities

- Increasing population of the country
- Initiation of the 'Atmanirbhar Bharat' by the Government
- Increasing demand for hygiene textiles since the advent of COVID-19
- Increasing UVR (Unit Value Realisation) through the addition of value-added products and implementation of newer technologies
- India's potential to attract higher Foreign Direct Investment (FDI)
- Nationwide vaccination drive will improve consumer sentiment

Threats

- Muted consumer sentiment post COVID-19
- Significant decline in exports
- Increasing seasons shortening fashion cycles
- Increasing competition from other apparel hubs like Vietnam and Bangladesh
- Increasing inventories due to COVID-19
- Shutting down of retail outlets due to the second wave of the COVID-19

Financial Performance

Standalone key ratios

Particulars	FY 2020-21	FY 2019-20	Change %	Reason
Debt-equity ratio	0.14	0.54	(73.00)	There is a decline due to rise in equity by conversion of warrants and higher profitability.
Inventory turnover (days)	16.46	25.20	(35.00)	Increase in sales with holding the goods for a short period of time and better inventory management.
Debtor turnover (days)	306.71	98.67	211.00	The debtor turnover increased due to expansion of diversified business activities credit period needs to be given to the debtors as per standards for credit period.
Interest coverage ratio	44.93	44.20	2.00	Higher profitability and better working capital management.
Current ratio	1.23	1.58	(22.00)	Change due to increase in short term borrowings.
Operating profit margin (%)	17.58	5.24	235.00	Change due to increase in revenues.
Net Profit Margin (%)	14.77	3.85	283.00	Change due to increase in revenues.

Consolidated key ratios

Particulars	FY 2020-21	FY 2019-20	Change %	Reason
Debt-equity ratio	0.12	0.54	(77.47)	There is a decline due to rise in equity by conversion of warrants and higher profitability.
Inventory turnover (days)	44.00	25.20	74.71	Increase in sales with holding the goods for a short period of time and better inventory management.
Debtor turnover (days)	160.96	98.67	63.13	The debtor turnover increased due to expansion of diversified business activities credit period needs to be given to the debtors as per standards for credit period.
Interest coverage ratio	50.11	44.20	13.38	Higher profitability and better working capital management.
Current ratio	1.12	1.58	(28.91)	Change due to increase in short term borrowings.
Operating profit margin (%)	11.12	5.24	112.12	Change due to increase in revenues.
Net Profit Margin (%)	9.53	3.85	147.26	Change due to increase in revenues.

Risk management and mitigation

Procurement risk	The pandemic caused disruptions across the value chain, which could affect the raw material availability.	**Mitigation**: We are engaged with numerous suppliers and have built formidable relationships. We implemented stringent quality measures and continuously monitored raw materials quality.
Demand risk	The pandemic-induced lockdown resulted in muted consumer sentiments, which could result in declining sales.	**Mitigation**: We have a diversified portfolio of products and are present across the value chain. The Company's revenues increased substantially, validating its robust business model.
Competition risk	An increasing number of industry players could adversely impact market position and revenue.	**Mitigation**: We are a reputable manufacturer of branded apparels and medical textiles and service provider of agri produce. Through the consistent delivery of superior quality products and services, the Company consolidated its market presence and intends to retain its position as a prominent player.
Employee risk	Inability to look after the safety and well-being of employees and their professional goals, could lead to a decline in retention rate.	**Mitigation**: We are a people-centric organisation and the safety and well-being of our employees is our biggest priority, especially in this challenging period. We have a structured remuneration framework and encouraging work environment to retain people.

Internal control and system adequacy

The Company has effective and adequate internal audit and control systems, commensurate with the business size to safeguard assets and protect against loss from any unauthorised use or disposition. Regular internal audit visits to the operations are undertaken to ensure that high standards of internal controls are maintained at each level of the organisation. The Company's internal controls are supplemented by an extensive programme of internal audits, reviewed by management and documented policies, guidelines and procedures.

Human resources

Suumaya Industries Limited's human resource practices helped reinforce market leadership. The Company invested in formal and informal training as well as on-the-job learning. It emphasised engagements with employees by providing an enriched workplace, challenging job profile and regular dialogues with the management. The Company enjoys one of the highest employee retention rates in the industry; it creates leaders from within, strengthening prospects.

NOTICE

Notice is hereby given that the Tenth (10th) Annual General Meeting (**AGM**) of the Members of **SUUMAYA INDUSTRIES LIMITED** [Formerly known as a Suumaya Lifestyle Limited] ('the Company') will be held on **Thursday, September 30, 2021 AT 11.00 am IST through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM),** to transact the following business:

ORDINARY BUSINESS:

1. **Adoption of Financial Statements**

   To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon;

2. **Declaration of Dividend**

   To declare a final dividend of ₹ 2.75/- (27.5%) per Equity Share of the face value of ₹10/- each for the Financial Year 2020-21.

3. **Appointment of director, liable to retire by rotation**

   To appoint a director in place of Mr. Sejal Doshi (DIN: 08431221), who retires by rotation and being eligible, seeks re-appointment.

SPECIAL BUSINESS:

4. **Appointment of Ms. Shruti Chaudhary (DIN: 02880771) as Non-Executive Independent Director**

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

   "**RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and on the recommendation of Nomination and Remuneration Committee, Ms. Shruti Chaudhary (DIN: 02880771), who was appointed as an Additional Director on March 31, 2021, by the Board of Directors of the Company, be and is hereby appointed as Non- Executive Independent Director of the Company, not liable to retire by rotation, for first consecutive term of 5 (five) years commencing from March 31, 2021 up to January March 30, 2026."

   "**RESOLVED FURTHER THAT** the Board be and is hereby authorized, to delegate the powers to Directors and Key Managerial Personnel and do all acts, deeds, matters and things as deem necessary, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **Appointment of Dr. M. Narendra (DIN: 00536905) as a Non-Executive Independent Director**

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

   "**RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and on the recommendation of Nomination and Remuneration Committee, Dr. M. Narendra (DIN: 00536905), who was appointed as an Additional Director on August 13, 2021, by the Board of Directors of the Company, be and is hereby appointed as Non- Executive Independent Director of the Company, not liable to retire by rotation, for first consecutive term of 5 (five) years commencing from August 13, 2021 up to January August 12, 2026."

   "**RESOLVED FURTHER THAT** the Board be and is hereby authorized, to delegate the powers to Directors and Key Managerial Personnel and do all acts, deeds, matters and things as deem necessary, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **Re-appointment of Mr. Satish Jayantilal Khimawat (DIN: 07769130) as an Independent Director**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other relevant provisions of the Companies Act, 2013 read with Rules made thereunder and Schedule IV and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, approvals and recommendations of the Nomination and Remuneration Committee, and that of the Board, Mr. Satish Jayantilal Khimawat (DIN: 07769130) who holds office as an independent director up to March 27, 2022 be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation, for a second consecutive term of five years with effect from March 28, 2022 up to March 27, 2027."

   "**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **Appointment of Mr. Ushik Gala (DIN: 06995765) as Chairman and Managing Director**

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

   "**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed thereunder and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) ("the Listing Regulations") and Articles of

Association of the Company, the approval of the Members of the company be and is hereby accorded for the appointment of Mr. Ushik Gala (DIN: 06995765) as Managing Director of the Company, re-designated as Chairman and Managing Director, not liable to retire by rotation, for a period of 5 (five) years with effect from March 01, 2021, upon the terms & conditions, as recommended by the Nomination and Remuneration Committee and the Board of Director of the Company and as set out in the Explanatory Statement annexed to this Notice, with a liberty to the Board to alter and vary terms and conditions of his appointment and remuneration subject to the same not exceeding the limits specified in Schedule V of the Act or any amendment thereto, as may be agreed between the Board of Directors and Mr. Ushik Gala from time to time."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any Financial Year, the Remuneration, as set out in Explanatory Statement annexed to this Notice, be paid to Mr. Ushik Gala, as minimum Remuneration, with a liberty to the Board to alter and vary the remuneration, and the total Remuneration may exceed the ceilings provided in Section II and III of the Part II of Schedule V of the Act as may be applicable for the time being in force."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to this Resolution."

8. Approval to increase in the limits of making Investments/ extending Loans and giving Guarantees or providing Securities in connection with loans to Persons/Body Corporate

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

"RESOLVED THAT the pursuant to the provisions of Section 186(3) and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder, including any statutory modification(s) and re-enactment(s) thereof for the time being in force, subject to the terms of Articles of Association of the Company and subject to other approvals, consents, sanctions and permissions as may be necessary, including from banks and financial institutions, if any, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board) for a) giving any loan to any person or other body corporate b) giving any guarantee or providing security in connection with a loan to any other body corporate or person and /or c) acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate upto an amount, the aggregate outstanding of which should not exceed at any given time ₹1000 crores which shall be over and above the limits as specified in section 186(2) of the Companies Act, 2013 and the aggregate outstanding amount of loans/guarantees/securities given/provided to wholly owned subsidiary companies and / or joint venture companies and investments made in wholly owned subsidiary companies from time to time."

"RESOLVED FURTHER THAT the consent of the Company, be and is hereby accorded to the Board including any Committee of Directors, pursuant to Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Section 186 and other applicable provisions of the Companies Act, 2013, to give any loan to or guarantee or provide any security on behalf of, or acquire securities of, the Wholly Owned Subsidiaries of the Company, for such sums as may be decided by Board/ Committee of Directors as permitted or subject to the provisions specified therein."

"RESOLVED FURTHER THAT any one of the Director or the Key Managerial Personnel (KMP) of the Company, be and are hereby, authorized jointly and/or severally to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit including the terms and conditions within the above limits upto which such investments in securities/loans/guarantees, that may be given or made, as may be determined by the Board, including with the power to transfer/dispose of the investments so made, from time to time, and the Board is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to such investments, loans, guarantees and security and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution."

By order of the Board of Directors

Sd/-
Ushik Gala
Chairman and Managing Director
DIN: 06995765

Date: June 30, 2021
Place: Mumbai

Registered Office:
Gala No.5F/D, Malad Industrial Units,
Coop Society Limited Kachpada,
Ramchandra Lane Extension,
Malad (W) Mumbai - 400064 India.
Website: www.suumayalifestyle.com
CIN: L18100MH2011PLC220879

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 02/2021 dated January 13, 2021 ("MCA Circulars") and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the SEBI (SEBI Circular), has permitted holding of AGM through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") without any physical presence of Members at the AGM venue. In compliance with the provisions of the Companies Act, 2013 (the "Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circular, the 10th AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company i.e. Gala No.5F/D, Malad Industrial Units, Co-op Soc Ltd Kachpada, Ramchandra Lane Extension, Malad (West) Mumbai 400064.

2. An Explanatory Statement pursuant to Section 102(1) of the Act, in respect of Special Business as set out in Item No. 4 to 8 above and the relevant details of the Directors seeking appointment/ re-appointment above as required by Regulations and 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India are annexed hereto.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map of the AGM venue are not annexed to this notice.

   In compliance with the MCA Circulars and SEBI Circular, the Notice of the AGM inter alia indicating the process and manner of electronic voting along with the Annual Report of the Company for the Financial Year ended March 31, 2021 is being sent to the Members only through electronic mode whose e-mail addresses are registered with the Company/ Depositories. Members who have not registered their e-mail addresses are requested to register their e-mail addresses so as to obtain the Annual Report of the Company.

   Members may note that the Notice and Annual Report of the Company for FY2020-2021 will also be available on the Company's website www.suumayalifestyle.com and the website of the Stock Exchanges, i.e. The National Stock Exchange of India Limited https://www.nseindia.com/. The Notice of AGM is also available on the website of Central Depository Securities Limited ("CDSL") at www.evotingindia.com.

4. The attendance of Members attending the Meeting through VC/OAVM will be counted for the purpose of reckoning the Quorum under Section 103 of the Act.

5. Institutional Members (i.e. other than Individuals, HUF and NRI, etc.) are encouraged to attend the AGM through VC/OAVM mode and vote electronically. Pursuant to the provisions of the Act, Institutional and Corporate Members are requested to submit a Certified True Copy of the Board Resolution/ Authorisation Letter authorising their representatives to the Company at cs@suumayalifestyle.com.

6. Relevant documents referred to in the Notice and the Explanatory Statement shall be available for inspection through electronic mode. Members are requested to write to the Company on cs@suumayalifestyle.com by mentioning their DP ID & Client ID for inspection of said documents.

7. Members may please note that pursuant to Regulation 12 of the Listing Regulations, all listed entities shall use any electronic mode of payment facility approved by Reserve Bank of India for making payment(s) to the Members of dividend(s), interest(s), redemption(s) or repayment(s). In view of this direction, Members are requested to update their bank account details with their respective Depository Participants to enable the Company to make the said payment(s) in electronic form.

   Members are further requested to note that non availability of correct bank account details such as MICR ("Magnetic Ink Character Recognition"), IFSC ("Indian Financial System Code"), etc., which are required for making electronic payment will lead to rejection/failure of electronic payment instructions by the bank in which case, the Company or RTA will use physical payment instruments for making payment(s) to the Members with available bank account details of the Members.

   SEBI has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in demat form are therefore requested to submit their PAN to their DP's with whom they are maintaining their demat accounts.

8. Unpaid/Unclaimed dividend and shares

   Members are hereby informed that as per the provisions of Section 124 of the Act, dividend which remains unpaid/ unclaimed over a period of seven (7) consecutive years would been transferred by the Company to "The Investor Education and Protection Fund" ("IEPF") established by the Central Government under Section 125 of the Act. Till date, the Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to IEPF as per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

The Members are requested to note the following due date(s) for claiming Unpaid/Unclaimed dividend paid/declared by the Company:

Dividend	Date of Declaration of Dividend	Year	Due date for claiming Unpaid dividend
Interim Dividend	November 12, 2018	FY 2018-19	December 17, 2025
Interim Dividend	November 02, 2020	FY 2020-21	December 07, 2027

Pursuant to the IEPF Rules, the Company has also uploaded the details of unpaid/unclaimed amounts lying with the Company as on September 29, 2020 (date of last AGM) on the Company's website www.suumayalifestyle.com and also on the website of the Authority, MCA - www.iepf.gov.in.

9. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (the "IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their DP's.

10. Any information in regards to the Accounts and Operations of the Company may be sent to the Company Secretary at cs@suumayalifestyle.com atleast seven (7) days in advance of the date of AGM. The same will be replied by the Company suitably.

11. Under Section 72 of the Act, Members are requested to make nomination in respect of shares held by them in single name and physical form. Members desirous of making nomination are requested to send their request in Form SH-13 to the Company's RTA. Members may obtain and submit the nomination form to their respective DP's.

12. The entire Shareholding of the Company is in dematerialized Form. Bifurcation of holding of Shareholders in Depositories as on March 31, 2021 has been formed part of this Report.

13. Members of the Company had approved the appointment of M/s. Naik Mehta & Co., Chartered Accountants, as the Statutory Auditors at the Ninth (9th) AGM of the Company which is valid till Thirteenth (13th) AGM of the Company. In accordance with the Act, the appointment of Statutory Auditors is not required to be ratified at every AGM.

14. Members can also provide their feedback on the shareholder services of the Company by sending an e-mail at cs@suumayalifestyle.com and more details are available on www.suumayalifestyle.com/pdf/Investors-Contact.pdf . This feedback will help the Company in improving Shareholder Service Standards.

VOTING THROUGH ELECTRONIC MEANS AND ATTENDING THE AGM THOROUGH OAVM/VC

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the herein. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

(I) THE INTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on September 27, 2021 at 9.00 a.m. IST and ends on September 29, 2021 at 5.00 p.m. IST. During this period Members' of the Company, as on the cut-off date i.e. September 23, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in DEMAT mode are allowed to vote through their DEMAT account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com 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. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 3. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. 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.
Individual Shareholders holding securities in demat mode with **NSDL**	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: https://eservices.nsdl.com 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 https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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 **Depository Participants**	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 above mentioned 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 helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form.

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on "Shareholders" module.

(iii) 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.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(vi) If you are a first-time user follow the steps given below:

Login type	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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.
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. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(ix) 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.

(x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xi) 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.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xiv) 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.

Facility for Non – Individual Shareholders and Custodians – Remote Voting

(i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

(ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

(iii) 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.

(iv) 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.

(v) 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.

(vi) 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@suumayalifestyle.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(II) INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING THE MEETING ARE AS UNDER:

(i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

(ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

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

(iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

(v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

(vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

(vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **three days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@suumayalifestyle.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **three days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@suumayalifestyle.com. These queries will be replied to by the company suitably by email.

(viii) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

(ix) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

(x) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

(xi) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

(i) **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).

(ii) **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.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

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

GENERAL INFORMATION

(i) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available to reset the password.

(ii) The Company has appointed M/s. Rinkesh Gala & Associates, Practicing Company Secretaries (ACS 42486 and CP No. 20128), to act as the Scrutiniser, to scrutinise the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

(iii) The Scrutiniser will submit his report to the Chairman or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e- voting) not later than 48 hours from the conclusion of AGM.

(iv) The results of the electronic voting shall be declared to the Stock Exchanges where shares of the Company are listed after the conclusion of AGM. The results along with the Scrutiniser's Report, shall also be placed on the website of the Company at www.suumayalifestyle.com.

(v) Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM September 30, 2021.

(vi) All the documents referred to in the accompanying Notice and Explanatory Statement, shall be available for inspection through electronic mode, basis the request being sent on www.suumayalifestyle.com.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATION, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETING

Pursuant to the provisions of Section 102 of the Companies Act, 2013 (the "Act"), the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and Secretarial Standard-2 on General Meetings ("SS-2"), the following Explanatory Statement sets out all material facts relating to the Special Businesses as mentioned in Item Nos. 4 to 8 in the accompanying Notice dated June 30, 2021 and forms part of the Notice.

Item No. 4

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Ms. Shruti Chaudhary (DIN: 02880771) as an Additional Director in the category of Non-Executive Independent Director, not liable to retire by rotation, for a term of 5 years with effect from March 31, 2021 subject to the approval of the Members of the Company under Sections 149 and 161 of the Act and applicable provisions of the Listing Regulations and the Articles of Association of the Company.

As per the provisions contained under Section 161 of the Act, Ms. Shruti Chaudhary (DIN: 02880771) holds office upto the date of ensuing Annual General Meeting and is eligible for being appointed as an Independent Director of the Company.

The Company has received a notice in writing from a Member under Section 160 of the Act, proposing the candidature of Ms. Shruti Chaudhary (DIN: 02880771) for the office of Director of the Company. The Company has also received a declaration from Ms. Shruti Chaudhary (DIN: 02880771) that she meets criteria of independence as prescribed under the Act and the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, she has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge the duties.

Ms. Shruti Chaudhary (DIN: 02880771) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and any other applicable law prescribed by SEBI or any other authority and has given her consent to act as Director of the Company.

In the opinion of the Board, Ms. Shruti Chaudhary (DIN: 02880771) is independent of the management and meets the criteria of independence as specified in the Act, the Rules framed thereunder and the Listing Regulations.

Details of Ms. Shruti Chaudhary (DIN: 02880771) are provided in the "Annexure - A" to the Notice pursuant to the provisions of the Listing Regulations and SS-2.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for the approval by the Members.

Save and except, Ms. Shruti Chaudhary (DIN: 02880771), none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No.4 of the Notice.

Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Dr. M. Narendra (DIN: 00536905) as an Additional Director in the category of Non-Executive Independent Director, not liable to retire by rotation, for a term of 5 years with effect from August 13, 2021 subject to the approval of the Members of the Company under Sections 149 and 161 of the Act and applicable provisions of the Listing Regulations and the Articles of Association of the Company.

As per the provisions contained under Section 161 of the Act, Dr. M. Narendra (DIN: 00536905) holds office upto the date of ensuing Annual General Meeting and is eligible for being appointed as an Independent Director of the Company.

The Company has received a notice in writing from a Member under Section 160 of the Act, proposing the candidature of Dr. M. Narendra (DIN: 00536905) for the office of Director of the Company. The Company has also received a declaration from Dr. M. Narendra (DIN: 00536905) that he meets criteria of independence as prescribed under the Act and the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge the duties.

Dr. M. Narendra (DIN: 00536905) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and any other applicable law prescribed by SEBI or any other authority and has given his consent to act as Director of the Company.

In the opinion of the Board, Dr. M. Narendra (DIN: 00536905) is independent of the management and meets the criteria of independence as specified in the Act, the Rules framed thereunder and the Listing Regulations.

Details of Dr. M. Narendra (DIN: 00536905) are provided in the "Annexure- A" to the Notice pursuant to the provisions of the Listing Regulations and SS-2.

The Board recommends the Ordinary Resolution set out at Item No.5 of the Notice for the approval by the Members.

Save and except, Dr. M. Narendra (DIN: 00536905), none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No.5 of the Notice.

Item No. 6

Mr. Satish Jayantilal Khimawat (DIN: 07769130) was appointed as an independent director of the Company pursuant to Section 149 of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the members, to hold office up to March 27, 2022. He is due for retirement from the first term as an independent director on March 27, 2022. The Nomination and Remuneration Committee ("Committee"), after taking into account the performance evaluation of Mr. Satish Jayantilal Khimawat (DIN: 07769130) during his first term of Five years and considering his knowledge, expertise, experience and substantial contribution, had recommended to the Board his re-appointment for a second consecutive term of five years. Based on the recommendation of the Committee, the Board has recommended the re-appointment of Mr. Satish Jayantilal Khimawat (DIN: 07769130) as an independent director, not liable to retire by rotation, for a second consecutive term of five years with effect from March 28, 2022 up to March 27, 2027.

In accordance with the provisions of Section 149 of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company.

Mr. Satish Jayantilal Khimawat (DIN: 07769130) fulfills the requirements of an independent director as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the LODR Regulations. The Company has received all statutory disclosures / declarations from Mr. Satish Jayantilal Khimawat (DIN: 07769130), (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, and based on its evaluation, Mr. Satish Jayantilal Khimawat (DIN: 07769130) fulfils the conditions specified in the Companies Act, 2013, Rules made thereunder and LODR Regulations for his re-appointment as an independent director of the Company and he is independent of the Management of the Company. A copy of the draft letter for the re-appointment of Mr. Satish Jayantilal Khimawat (DIN: 07769130) setting out the terms and conditions is available for electronic inspection without any fee by the members.

The resolution seeks the approval of members for the re-appointment of Mr. Satish Jayantilal Khimawat (DIN: 07769130) as an independent director of the Company up to March 27, 2027 pursuant to Section 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation.

Details of Mr. Satish Jayantilal Khimawat (DIN: 07769130) are provided in the "Annexure- A" to the Notice pursuant to the provisions of the Listing Regulations and SS-2.

The Board recommends the Special Resolution set out at Item No.6 of the Notice for the approval by the Members.

No director, key managerial personnel or their relatives except Mr. Satish Jayantilal Khimawat (DIN: 07769130), to whom the resolution relates, is interested in or concerned with the resolution in Item no. 6.

Item No. 7

In accordance with the provisions of the Act, the Members of the Company at 9th AGM held on September 29, 2020 had approved appointment of Mr. Ushik Gala (DIN:06995765) as the Executive Chairman of the Company for a period of 5 years commencing from September 29, 2020 on the terms & conditions including remuneration, as contained in the explanatory statement attached to notice convening the said AGM.

Considering Mr Ushik's outstanding contribution in developing and expanding the business of the Company and in development of trade and the industry in which it operates, the Board of Directors of the Company at their meeting held on February 12, 2021 has appointed Mr. Ushik Gala (DIN:06995765) as Managing Director and re-designated as Chairman and Managing Director of the Company, not liable to retire by rotation, subject to approval of the Members of the Company, for a period of five years effective from March 01, 2021 on the following terms & conditions as recommended by the Nomination and Remuneration Committee of the Company:

Proposed terms and conditions:

(I) Tenure

The appointment shall be for a period of 5 years, not liable to retire by rotation, commencing from March 01, 2021 subject to the provisions of the Listing Regulations and the Act as may be amended both from time to time.

(II) Duties and Responsibilities

Subject to the superintendence, control and overall direction of the Board of Directors of the Company, the Chairman & Managing Director shall have the powers for general conduct and management of the whole of business and affairs of the Company, except in the matter which may be specifically required to be done by the Board either as per the provisions of the Act or by the Articles of Association of the Company and the Chairman and Managing Director shall also exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called as the "Board") may from time to determine and shall also do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

(III) Salary

₹4 crore per annum with a power to the Board to increase the Salary payable to the Managing Director to the extent the Board may deem appropriate provided that such variation or increase, as the case may be, is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

(IV) Other Terms and Conditions

Except for the revision in the percentage of performance bonus, all other terms and conditions of appointment, as approved earlier by the members, and which are not dealt with in this resolution, shall remain unaltered and same is recommended to the Board of Directors for further approval

Mr. Ushik Gala (DIN: 06995765) satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The Board of Directors & Nomination and Remuneration Committee while considering the appointment of Mr. Ushik Gala (DIN: 06995765) as Managing Director, had verified that the said person is not debarred from holding the office of director pursuant to any SEBI order respect to circular no. LIST/COMP/14/2018-19 dated June 20, 2018.

Details of Mr. Ushik Gala (DIN:06995765) are provided in the "Annexure-A" to the Notice pursuant to the provisions of the Listing Regulations and SS-2.

The Board recommends the Special Resolution set out at Item No.7 of the Notice for the approval by the Members.

Save and except Mr. Ushik Gala (DIN:06995765) and his relatives, to the extent of their shareholding interest, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed resolution.

Item No. 8

Pursuant to the provisions of Section 186 of the Companies Act, 2013 the Board of Directors of a Company is authorized to give loan, guarantee or provide any security to any person or body corporate or acquire by way of subscription, purchase or otherwise, the securities of any-body corporate, upto an amount of which shall not exceed the prescribed ceiling of sixty percent of the aggregate of the paid up capital and free reserves, securities premium account or hundred percent of its free reserves and securities premium account, whichever is more.

Rule 11(1) of Companies (Meetings of Board and its Powers) Rules, 2014 also provides that where a loan or guarantee is given or where a security has been provided by a company to its wholly owned subsidiary company or a joint venture company, or acquisition is made by a holding company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company, the requirement of prior approval by means of a Special Resolution at a General Meeting shall not apply, subject to the provisions contained therein.

The Company is considering opportunities to make strategic and/or financial investment from time to time in subsidiaries/joint ventures and other bodies corporate. It would therefore, be required to provide financial assistance /support from time to time in the form of infusion of capital or by way of giving of loans/guarantee into their business for the expansion activities as well as for optimum utilization of funds.

It is therefore, necessary to authorize the Board to make any loan(s) to and/or to give any guarantee(s)/provide any security, in connection with loan(s) taken by, subsidiaries/bodies corporate and/or to acquire by way of subscription, purchase or otherwise, the securities of subsidiaries/bodies corporate in India or outside upto the limits provided in the proposed Special Resolution. Accordingly, the Board of Directors may be authorized to give loans, guarantees, provide securities or make investments as mentioned above upto an aggregate amount outstanding which shall not exceed ₹1000 crores which shall be over and above the limits as specified in Section 186(2) of the Companies Act, 2013 and the aggregate outstanding amount of investment made in wholly owned subsidiaries and/or joint venture companies and the amount of loans/ guarantees/ securities given /provided to wholly owned subsidiaries.

The proposed Special Resolution as set out in Notice is enabling in nature for any further loan/investment/guarantee/security, to be made or given to subsidiaries/bodies corporate/to any Banks, Financial Institutions or any other person as per the provisions of the Companies Act, 2013.

Hence, the approval of the Members of the Company is sought for exercising these powers by the Board.

The Board has unanimously approved the above proposal at its meeting held on June 30, 2021.

The Board of Directors recommends resolution as set out in item no. 8 for approval of the members of the Company by way of a Special Resolution.

None of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 8 of the Notice.

ANNEXURE-A TO THE NOTICE

Details of Directors seeking Appointment / Re-appointment at the 10th Annual General Meeting pursuant to 36(3) of the Sebi (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard- 2 on General Meetings are as under:

I. MR. SEJAL DOSHI

1.	Name of the Director	Mr. Sejal Doshi (DIN: 07769130)
2.	Age	44 years
3.	Qualifications	B.Com and Chartered Accountant
4.	Date of Appointment on the Board	October 25, 2019
5.	Shareholding in the Company as on March 31, 2021	Nil
6.	Brief resume including profile, experience and expertise in specific functional areas	Mr. Sejal Doshi has over two decades of experience in Equity Markets, Fundamental Equity Research and Fund Management. He has a unique blend of expertise on both sell-side and buy-side equity research. He has active Fund Management experience managing around of $100 mn worth of equity corpus and was instrumental for various Mergers & Acquisitions deal within the large Corporate Group and gained immense knowledge and expertise in the Investment Banking activity. On the sell-side, he has served with various reputed Institutional and HNI Broking firms like India Infoline, Tower Capital, ICICI Securities, Angel Broking, etc. He was one of the Rated Analyst in the Asia Money Brokers Poll for in-depth research in Banking & Financial Sector. In addition to Financial Sector, he has experience for in-depth Analysis of sectors like Textiles, Auto, Information Technology and Infrastructure & Capital Goods. He also has reputation for identifying Hidden Gems within the Mid-Caps & Small-Caps segment.
7.	Disclosure of inter-se relationship between directors and key managerial personnel	Nil
8.	Directorship held in other companies (including the Listed Entities) as on March 31, 2021	- Rangoli Tradecomm Limited (Formerly known as Rangoli Tradecomm Private Limited) (Listed Entity) - Suumaya Retail Limited
9.	Companies in which Director is Member/Chairman of the Committee of the Board as on March 31, 2021	Rangoli Tradecomm Limited (Formerly known as Rangoli Tradecomm Private Limited) - Stakeholder Relationship Committee (Chairman) - Audit Committee (Member) - Nomination & Remuneration Committee (Member)
10.	Terms and Conditions of appointment along with details of remuneration sought to be paid and remuneration last drawn	Please refer to the Board's Report and Corporate Governance Report
11.	Number of Board Meetings attended	8

II. MS. SHRUTI CHAUDHARY

1.	Name of the Director	Ms. Shruti Chaudhary (DIN: 02880771)
2.	Age	42 years
3.	Qualifications	B.Com and Chartered Accountant
4.	Date of Appointment on the Board	March 31, 2021
5.	Shareholding in the Company as on March 31, 2021	Nil
6.	Brief resume including profile, experience and expertise in specific functional areas	Ms. Shruti Chaudhary has over 16 years of experience in Corporate Banking, Project Finance, Investment Banking, Private Equity, Syndication & Fund Raising. She has also worked with leading Private Banks, a Foreign Bank & Investment Banking Firms. She is a seasoned & versatile Banking Professional with cross functional experience having lead & closed a variety of deals across industries, including some large & marquee transactions.
7.	Disclosure of inter-se relationship between directors and key managerial personnel	Nil
8.	Directorship held in other companies (including the Listed Entities) as on March 31, 2021	Span Erectors Private Limited
9.	Companies in which Director is Member/Chairman of the Committee of the Board as on March 31, 2021	Nil
10.	Terms and Conditions of appointment along with details of remuneration sought to be paid and remuneration last drawn	Please refer to the Board's Report and Corporate Governance Report
11.	Number of Board Meetings attended	Not Applicable

III. DR. M. NARENDRA

1.	Name of the Director	Dr. M. Narendra (DIN: 00536905)
2.	Age	44 years
3.	Qualifications	Doctor Letters from Hindustan University, Chennai & Kalpagam University, Coimbatore, Bachelor of Law Degree from SDM Law College, Mangalore, Karnataka, Mysore University, (III Rank in both), CAIIB Institute of Banking, Finance Mumbai and B.Com. from Govinda DASA College from Mysore University.
4.	Date of Appointment on the Board	August 13, 2021
5.	Shareholding in the Company as on March 31, 2021	Nil
6.	Brief resume including profile, experience and expertise in specific functional areas	Dr Narendra is a prudent retired banker. He was holding the position of Chairman & Managing Director of Indian Overseas Bank, Chennai and held senior position with Bank of India, Mumbai and Corporation Bank, Mangalore. Currently he holds directorships with conglomerates like Mahindra group, Adani group and many financial institutional companies. Key Skills and Expertise: Corporate Advisory, Strategic Business Planning, Human Resource Management, Organizational Development, Training & Development, Strategic Alliances & Partnerships, Value Creation, Financial Advisory, Credit Risk Mitigation.
7.	Disclosure of inter-se relationship between directors and key managerial personnel	Nil
8.	Directorship held in other companies (including the Listed Entities) as on March 31, 2021	Listed Entities - Kesar Enterprise Limited - Adani Enterprises Limited - Man Industries (India) Limited Unlisted Entities - Fibre Foils Limited - Viswaat Chemicals Limited - Mahindra First Choice Wheels Limited - Mahindra Rural Housing Finance Limited - Vanaprastha Ashram
9.	Companies in which Director is Member of the Committee of the Board as on March 31, 2021	Mahindra Rural Housing Finance Limited - Audit Committee - Risk Management Committee Fibre Foils Limited - Audit Committee Mahindra First Choice Wheels Limited - Nomination and Remuneration Committee
10.	Companies in which Director is Chairman of the Committee of the Board as on March 31, 2021	Mahindra First Choice Wheels Limited - Audit Committee
11.	Terms and Conditions of appointment along with details of remuneration sought to be paid and remuneration last drawn	Please refer to the Board's Report and Corporate Governance Report
12.	Number of Board Meetings attended	Not Applicable

IV. MR. SATISH KHIMAVAT

1.	Name of the Director	Mr. Satish Jayantilal Khimawat (DIN: 07769130)
2.	Age	42 years
3.	Qualifications	B.Com
4.	Date of Appointment on the Board	March 28, 2017
5.	Shareholding in the Company as on March 31, 2021	Nil
6.	Brief resume including profile, experience and expertise in specific functional areas	Mr. Satish Khimavat has over 18 years of experience in different industries and includes expertise in Strategic Business Planning, Human Resource Management and Organizational Development,
7.	Disclosure of inter-se relationship between directors and key managerial personnel	Nil
8.	Directorship held in other companies (including the Listed Entities) as on March 31, 2021	Rangoli Tradecomm Limited (Formerly known as Rangoli Tradecomm Private Limited) (Listed Entity)
9.	Companies in which Director is Member/Chairman of the Committee of the Board as on March 31, 2021	Rangoli Tradecomm Limited (Formerly known as Rangoli Tradecomm Private Limited) - Corporate Social Responsibility Committee (Member) - Audit Committee (Member) - Nomination & Remuneration Committee (Chairman)
10.	Terms and Conditions of appointment along with details of remuneration sought to be paid and remuneration last drawn	Please refer to the Board's Report and Corporate Governance Report
11.	Number of Board Meetings attended	7

V. MR. USHIK GALA

1.	Name of the Director	Mr. Ushik Gala (DIN: 06995765)
2.	Age	30 years
3.	Qualifications	B.Com
4.	Date of Appointment on the Board	April 01, 2020
5.	Shareholding in the Company as on March 31, 2021	42,62,000 Equity Shares
6.	Brief resume including profile, experience and expertise in specific functional areas	Experience of more than a half decade in textile industry and looks after finance, expansion, business development, marketing and brand building activities.
7.	Disclosure of inter-se relationship between directors and key managerial personnel	Nil
8.	Directorship held in other companies (including the Listed Entities) as on March 31, 2021	- Hence Agro Development Limited - Suumaya Agro Limited - Suumaya Protective Limited - Rangoli Tradecomm Limited (Listed Entity) - Suumaya Fabrics Limited (Resigned w.e.f. June 14, 2021) - Ganadhip Wholeseller Private Limited
9.	Companies in which Director is Member/Chairman of the Committee of the Board as on March 31, 2021	**Rangoli Tradecomm Limited (Formerly known as Rangoli Tradecomm Private Limited)** - Stakeholder Relationship Committee (Member)
10.	Terms and Conditions of appointment along with details of remuneration sought to be paid and remuneration last drawn	Please refer to the Board's Report and Corporate Governance Report
11.	Number of Board Meetings attended	8

Board's Report

To

The Members,

The Directors are pleased to present the Tenth Annual Report of the Company along with Audited Accounts for the Financial Year ended March 31, 2021.

FINANCIAL PERFORMANCE

The Company's financial performance (standalone and consolidated) for the year ended March 31, 2021 is summarised below:

(₹ in crores)

Particulars	Standalone		Consolidated	
	FY2020-21	FY2019-20	FY2020-21	FY2019-20
Revenue from operations	2448.75	210.70	4262.25	210.70
Other Income	1.15	0.03	1.17	0.03
Total Revenue	2449.90	210.73	4263.42	210.73
Less: Total Expenses	2033.58	199.9	3798.80	199.93
Profit before Extraordinary Items and tax	**416.32**	**10.80**	**464.62**	**10.80**
Less: Current Tax	58.55	2.61	58.55	2.61
Deferred Tax	(0.01)	0.07	(0.02)	0.07
Profit after tax	**357.78**	**8.12**	**406.09**	**8.12**
Earnings per share				
Basic (in ₹)	**148.47**	**3.38**	**168.52**	**3.38**
Diluted (in ₹)	**141.15**	**3.38**	**160.21**	**3.38**

PERFORMANCE REVIEW

Standalone:

The Company recorded stupendous operational revenue of ₹2448.75 crores during the financial year 2020-21 as compared to ₹210.70 crores in the previous financial year and has shown an exceptional increase of approximately 12 folds since the last year. The Net Profit during the financial year 2020-21 soared at ₹357.78 crores as compared to a Net Profit of ₹8.12 crores in financial year 2019-20 translating to Basic Earnings Per Share at ₹148.47 for the financial year 2020-21 as against ₹3.38 in financial year 2019-20.

Consolidated:

The Company recorded operational revenue of ₹4262.25 crores during the financial year 2020-21 as compared to ₹210.70 crores in the previous financial year. The Net Profit during the financial year 2020-21 was at ₹406.09 crores as compared to a Net Profit of 8.12 crores in financial year 2019-20 translating to Basic Earnings Per Share at ₹168.52 for the financial year 2020-21 as against ₹3.38 in financial year 2019-20.

BUSINESS PERFORMANCE

The Company operates mainly into two segments i.e. (i) Textile and (ii) Agri Produce which is as under:

Textiles

The Company is respected for one of the world's finest collections of Indo-western designer kurtis, an integral part of ethnic Indian fashion wear. The promoters possess more than 30 years of experience in the Indian Textile Business. The company specialises in the development of patterns comprising the traditional and contemporary, enhancing owner pride. During the year under review, on account of Covid-19, the Company staggered its decision to expand into Modern Trade (especially exclusive brand outlets) and focused on protecting its working capital management (inventory and receivables). There was an improvement in the Company's working capital cycle for branded textiles business. All revenues generated from the garments business were derived from brands during the year under review.

The segment generated ₹863.92 crore during the year under review and contributed 35% to overall Standalone revenues of the company.

Agri Produce

During the last quarter of the financial year under review, the company forayed into Agri-Produce value chain business.

The Company's business is engaged in B2B trading of agricultural commodities (rice, wheat, pulses, sugar, chilly, maize, soyabean and chickpeas). The Company's procurement efficiencies ensure timely deliveries of bulk orders. The Company procures from aadhatiyas and mandis and sell to medium to large corporates, mill owners and MSMEs at regional and local level. The Company also optimizes the physical trade flows to create trade finance-generated liquidity in emerging markets for its customers.

The segment generated ₹1584.83 crore during the year under review and contributed 65% to overall Standalone revenues of the company.

IMPACT OF COVID

The COVID-19 pandemic translated into a global crisis, forcing Governments to enforce lockdowns of all economic activity.

Amongst the various covid hit sectors major one was Textile. The effect of COVID-19 on the Indian textiles industry was manifold. Be it demand or supply, inputs or output, the flu pandemic had impacted almost all facets of the Indian textiles industry. The global economy also faced crisis of unemployment due to increase in lay-offs by many Companies, cut-offs in monthly remuneration and businesses getting shut with increase in dilemma of survival all over the world.

For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers. With the support of Company's personnel, with utmost health care and safety, the Company continued to fight this pandemic with zero lay-offs and new recruits and contributed on a humanitarian front.

The rise of the novel coronavirus pandemic led to an increased demand for a variety of Medical devices and products especially, Face Masks and PPE kits which gave a positive growth trajectory to Medical Textiles. Having spent more than 3 decades in the textile sector, the Company ('Suumaya') found an opportunity to survive in such crisis by working through its core competency i.e., Textile and was agile enough to manufacture and supply Covid Essentials.

The Company's extended Medical Supply support across rural India and engagement provided an insight into the vast agri-business opportunity in the Country that led the Company to the foundation of one of its core businesses today i.e., Agri Business. First stepping stone to lay the foundation of vision of enhancing lives of people. Suumaya's 360-degree turnaround in 365 days of 2020 happened, from a Lifestyle Company to a large diversified conglomerate and the Company's sectors scaled up to Medical Textile, Agro and Retail.

CONSOLIDATED FINANCIAL STATEMENTS

A statement containing the salient features of the Financial Statements including the performance and financial position of each Subsidiaries, as per the provisions of the Act, is provided in the prescribed Form AOC-1 which is annexed as **Annexure A**.

Pursuant to Section 129 of the Act and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the attached Consolidated Financial statements of the Company and all its Subsidiaries and Associate Companies have been prepared in accordance with the applicable Ind AS provisions.

The Company will make available the said Financial Statements and related detailed information of the subsidiary companies upon the request by any Member of the Company. These Financial Statements will also be kept open for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing AGM.

Pursuant to the provisions of Section 136 of the Act, the Audited Standalone and Consolidated Financial Statements of the Company along with relevant documents and separate accounts in respect of subsidiaries are available on the website of the Company.

MATERIAL EVENTS DURING THE YEAR UNDER REVIEW

Migration to NSE Main Board

The Company's shares were initially listed on Emerge (SME) Platform of National Stock Exchange (NSE), i.e. The **National Stock Exchange of India Limited**, Exchange Plaza, C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051

During the year under the review, the Company has migrated to Main Board of NSE with effect from October 19, 2020.

Symbol – **SUULD**

Change of name of the Company

During the year under the review, the name of the Company has been changed from "Suumaya Lifestyle Limited" to "Suumaya Industries Limited" vide certificate of incorporation for change of name issued by Ministry of Corporate Affairs with effect from January 21, 2021.

Issuance of Convertible Warrants on preferential basis

In accordance with the Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and Companies Act, 2013 read with Rules framed thereunder, the Members through Postal Ballot dated November 30, 2020 had approved the issue of 98,00,000 Convertible Warrants to persons belonging to Promoter and Promoter Group of the Company on a Preferential Basis having face value of ₹10/- (Rupees Ten Only) at an Issue Price of ₹75/- (Rupees Seventy Five Only) and are convertible into equivalent number of Equity Shares, fully paid-up, of the Company in one or more tranches within 18 months from the date of allotment. ("Warrants"). The Warrants were allotted in tranches on January 02, 2021, January 04, 2021 and January 06, 2021.

As stated in the offer document, the funds raised by the Company through preferential issue, have been fully utilised for working capital requirements and for general corporate purposes.

Alteration of Memorandum of Association

The Company vide Members' approval dated April 27, 2021 through Postal Ballot had amended the Main Objects of the Company and widened its business scope to Agriculture and its related Products and other allied activities.

Entering in top 1000 Listed Companies

As per NSE Market Capitalisation as on March 31, 2021, the Company has entered into the frame of top 1000 listed companies of India.

CHANGE IN NATURE OF BUSINESS

During the year under review, the Company ventured in dealing in Medical Textiles and Agri-Produce Value Chain Business by utilizing its existing capacity building ability, wide networks, familiarity with business model, strong finance backing, skilled manpower. The Company considering the covid impact on economy saw an opportunity to adapt and survive and give humanitarian products business and envisioned ***"Suumaya 2.0"*** with a new mantra ***"New vision, New Direction, New Scale"***. For details, please refer to 'Management Discussion and Ananlysis Report', forming a part of Annual Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, the following companies have become Subsidiaries of the Company:

Sr. No.	Name of Company	Relationship	Change	Effective Date
1.	Suumaya Agro Limited	WOS	Incorporated	September 26, 2020
2.	Suumaya Protective Texcorp Limited	WOS	Incorporated	September 29, 2020
3.	Suumaya Retail Limited	WOS	Incorporated	October 23, 2020

WOS - Wholly Owned Subsidiaries

During FY2021-22, Suumaya Trends LLP has been registered as Suumaya Trends Private Limited under the Companies Act, 2013 w.e.f. May 18, 2021.

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is available on the Company's website and can be accessed at www.suumayalifestyle.com.

DIVIDEND AND RESERVES

Dividend: During the year under review, the Board of Directors has declared and paid an Interim Dividend of ₹0.25/- (2.5%) per equity share on the paid-up equity capital of the Company for the Financial Year 2020-21.

The Board of Directors has recommended a final dividend of ₹2.75/- (27.5%) per equity share on paid-up equity capital of the Company. Dividend is subject to approval of members at the ensuing annual general meeting and shall be subject to deduction of income tax at source.

The dividend payout is in accordance with the Company's Dividend Distribution Policy. In accordance with Regulation 43A of the Listing (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the 'Dividend Distribution Policy' has been hosted on the Company's website www.suumayalifestyle.com, is annexed as **Annexure B**.

Reserves:- The closing balance of the retained earnings of the Company for FY2020-21, after all appropriation and adjustments was ₹372.12 crore.

PUBLIC DEPOSITS

In terms of the provision of Sections 73 and 74 of the Companies Act, 2013 read with the relevant rules, the Company has not accepted any public deposits during the year under review.

SHARE CAPITAL

Authorised Share Capital

During the year under the review the Company, Vide Members approval dated November 30, 2020, has increased Authorized Share Capital of the Company from ₹25,00,00,000/- crore (Rupees Twenty-Five crore Only) divided into 2,50,00,000 crore (Two crores Fifty Lakhs Only) equity shares of ₹10/- each to ₹54,00,00,000/- (Rupees Fifty-Four crore Only) divided into 5,40,00,000 (Five crore Forty Lakh Only) equity shares of ₹10/- each by creating additional 2,90,00,000 (Two crore Ninety Lakhs Only) equity shares of ₹10/- each ranking pari passu in all respects with the existing equity shares of the Company.

Paid-up Share Capital

During the year under review, the Company has converted and allotted 40,60,000 share warrants into equivalent number of Equity Shares of ₹10/- each fully paid up at a price of ₹75/- each in pursuance of the options exercised by the warrant holders, partially, as per terms and conditions approved by the Company through Postal Ballot dated November 30, 2020, according to the details mentioned below vide its Executive Committee meeting no. EC/MIN/2020-21/02 held on March 24, 2021:

Sr. No.	Name of Warrant holders	Category	Total No. of Warrants Allotted	No. of warrants for which option is exercised	No. of Equity shares allotted upon conversion of warrants on March 24, 2021
1	Ms. Ishita Gala	Promoter	24,62,000	100,000	100,000
2	Mr. Ushik Gala	Promoter Group	73,38,000	3,960,000	3,960,000
Total			**98,00,000**	**4,060,000**	**4,060,000**

Further it is informed that subsequent to the aforesaid allotment, the Promoter & Promoters Group Shareholding is increased from 31.81% to 41.68% of the total paid up share capital of the company and thereby increasing the Company's paid-up capital from ₹240,080,000/- to ₹280,680,000/- comprising of 28,068,000 Equity shares of face value of ₹10/- each.

As on March 31, 2021, the issued, subscribed and paid-up share capital of the Company stood at ₹28,06,80,000/-comprising 2,80,68,000 Equity Shares of ₹10/- each.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations of the Company, as required under the Listing Regulations forms an integral part of this Report.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The Company has also implemented best governance practices. The report on Corporate Governance as stipulated under the Listing Regulations forms a part of the Annual Report.

Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

ANNUAL RETURN

In accordance with the Companies Act, 2013, the Annual Return of the Company as on March 31, 2021 will be made available on the

Company's website after the ensuing Annual General Meeting and can be accessed www.suumayalifestyle.com.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

Number of meetings of the Board of Directors

During the year under review, 8 (Eight) Board Meetings were convened and held, the details of which are provided in the 'Corporate Governance Report'.

Committee Position

The details of the composition of the Committees, meetings held, attendance of Committee members at such meetings and other relevant details are provided in the 'Corporate Governance Report'.

Recommendation of Audit Committee

During the year under review, there were no instances of non-acceptance of any recommendation of the Audit Committee of the Company by the Board of Directors.

Director liable to retire by rotation

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Sejal Doshi (DIN: 08431221), Non- Executive Director retires by rotation at the forthcoming Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment.

The Board recommends his re-appointment for the consideration of the Members of the Company at the forthcoming AGM on the terms and conditions mentioned in the Notice convening the AGM. A brief profile of Mr. Sejal Doshi (DIN: 08431221) has also been provided therein.

Re-appointment of Independent Director

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee and after taking into account the performance evaluation, recommends the re-appointment of Mr. Satish Jayantilal Khimawat for another term of five years on completion of his existing term of Office. The Board recommends the said appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting on the terms and conditions mentioned in the Notice convening the AGM forming part of Annual Report. A brief profile of Mr. Satish Jayantilal Khimavat have also been provided therein.

Appointment

On the recommendations of Nomination and Remuneration Committee, the Board had appointed Ms. Shruti Chaudhary (DIN: 02880771) as an Additional Non-Executive Independent Director w.e.f. March 31, 2021 for the first consecutive period of 5 years from the date of appointment with subject to member's approval at ensuing general meeting. Mr. Himanshu Ahuja (DIN: 07093051) was appointed as an Additional Non-Executive Director w.e.f April 03, 2021 and Dr. M. Narendra (DIN: 00536905) was appointed as an Additional Non-Executive Independent Director w.e.f. August 13, 2021 for the first consecutive period of 5 years from the date of appointment with subject to member's approval at ensuing general meeting.

The Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Ms. Sneha Shah as a Chief Financial Officer (CFO) of the Company in accordance with Section 203 of the Act, with effect from November 02, 2020.

Resignation

Mr. Ankit Gala, resigned as an Independent Director of the Company with effect from November 02, 2020. Mr. Satpal Kumar Arora, resigned as an Independent Director of the Company effective from February 25, 2021. The Board places on record its sincere and deep appreciation for the services rendered by Mr. Ankit Gala and Mr. Satpal Kumar Arora during their tenure as Independent Director and Member of various committees of the Board of Directors of the Company.

Ms. Karishma Kaku resigned from the post of Chief Financial Officer (CFO) of the Company with effect from closing of business hours of November 01, 2020.

Mr. Himanshu Ahuja, resigned as an Additional Non-Executive Director with effect from June 30, 2021.

Declaration of Independence by Independent Directors

All Independent Directors of the Company have given declarations that they meet the conditions of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the said conditions of independence. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

In the opinion of the Board, the independent directors possess the requisite integrity, expertise, experience (including proficiency) and qualifications.

The Company has received confirmation from the Independent Directors regarding their registration in the Independent Directors databank maintained by the Indian Institute of Corporate Affairs.

There is no change in the circumstances affecting their status as Independent Directors of the Company.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and Listing Regulations.

The performance of the Board individually and as a whole along with the performance of the Committees was evaluated after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The above criterias are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017 and Nomination and Remuneration Policy of the Company.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the independent director being evaluated.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. For more details, refer to the 'Internal Control Systems and Adequacy' in the *Management's discussion and analysis*, which forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors to the best of the knowledge and belief and according to the information, explanations and representations obtained by them and after due enquiry, make the following statements in terms of Section 134(3)(c) and 134(5) of the Act that:

a) in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

APPOINTMENT AND REMUNERATION POLICY

The Nomination and Remuneration Committee has framed a policy which lays down a framework in relation to appointment, performance evaluation and remuneration of Directors, Key Managerial Personnel and Senior Management Employees of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters in accordance with Section 178 of the Act and the Rules framed thereunder and Regulation 19 of the Listing Regulations. The criteria as aforesaid is given in the 'Corporate Governance Report'. The Nomination and Remuneration Policy is available at the Company's website and can be accessed www.suumayalifestyle.com.

AUDITORS

Statutory Auditors and Auditors' Report

M/s. Chahan Vora & Associates, Chartered Accountants, (FRN: 147060W), resigned vide their letter dated July 24, 2020 as the Statutory Auditor of the Company w.e.f. the Financial Year 2020-21.

M/s Naik Mehta & Co., Chartered Accountant, Mumbai (FRN: 124529W), Chartered Accountants were appointed as Auditors of the Company for a term of 5 (five) consecutive years commencing from April 01, 2020, at the annual general meeting held on September 29, 2020. The Auditors have confirmed that they are not disqualified to continue as the Statutory Auditors of the Company. They have also furnished a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33 of the Listing Regulations.

Further, the report of the Statutory Auditors along with the notes on the Financial statements is enclosed to this Report. Auditors Report do not contain any qualifications, reservation, adverse remarks, observations or disclaimer on Standalone and Consolidated Audited Financial Statement for the year ended March 31, 2021. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed thereunder.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and Rules framed thereunder, the Company has appointed M/s. Tushar Shridharani, Practicing Company Secretary, to undertake Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2021 is annexed herewith "Annexure C" to this Report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. There was no instance of fraud during the year under review, which required the Secretarial Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed thereunder.

The Company has also obtained Secretarial Compliance Report for Financial Year 2020-21 from M/s. Tushar Sridharani, Practicing Company Secretary in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to the Regulation 24A of the Listing Regulations.

Compliance of Secretarial Standards

The Company is in compliance with all mandatory applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Cost Records and Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Companies Act, 2013 is not applicable for the business activities carried out by the company for the Financial Year 2020-21.

RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2021, all related party transactions/contracts/arrangements that were entered into by the Company were in the ordinary course of business and at arm's length basis and were in compliance with the applicable provisions of the Act and the Listing Regulations. There have been no material significant related party transactions entered by the Company with its Promoters, Directors, Key Managerial Personnel or Senior Management Personnel which may be in conflict with the interests of the Company at large.

All related party transactions were placed before the Audit Committee for its approval and review on quarterly basis. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and of a repetitive nature.

In view of aforesaid, details required to be provided in the prescribed Form AOC - 2 are not applicable to the Company. The Policy on Related Party Transactions as approved by the Board can be accessed on the Company's website at following web-link: www.suumayalifetyle.com

The details of related party transactions that were entered during Financial Year 2020-21 are given in the notes to the Financial Statements as per Ind AS 24, which forms part of the Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER

The Company has adopted a Whistle Blower Policy as part of Vigil Mechanism to provide appropriate avenues to the Directors employees and third parties to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the Code of Conduct of the Company. Employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Ombudsman (Chairperson of Audit Committee).

During the year under review, the Company has not received any complaint through vigil mechanism and no personnel have been denied access to the Audit Committee. The Whistle Blower Policy is available on the website of the Company www.suumayalifetyle.com

RISK MANAGEMENT POLICY

With the objective to identify, evaluate, monitor, control, manage, minimize and mitigate identifiable business risks, the Board of Directors have formulated and implemented a Risk Management Policy. The Risk Management committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis.

The purpose of risk management is to achieve sustainable business growth, protect the Company's assets, safeguard shareholders investments, ensure compliance with applicable laws and regulations and avoid major surprises of risks. The Policy is intended to ensure that an effective risk management framework is established and implemented within the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The brief outline of the Corporate Social Responsibility ("CSR") Policy of the Company and initiatives undertaken by the Company on CSR activities during the year are set out in **"Annexure D"** of this Report in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company's CSR Policy is available on our Company's website and can be accessed www.suumayalifestyle.com.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013 forms part of notes to the Financial Statements.

PARTICULARS OF EMPLOYEES

In accordance with the requirements of Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended regarding employees is given in **"Annexure E"** and forms an integral part of this Report.

PARTICULARS OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EARNINGS AND OUTGO

The Company consciously makes all efforts to conserve energy across all its operations. Further the Company works on continuous technological absorption enhancement and time to time adoption and implementation of the same. A detailed report on energy conservation and technology absorption in accordance with the provisions of Section134(3)(m) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules2014 is annexed and marked as **"Annexure F"** to this Report the details of foreign earnings and outgo are as follows:

Foreign exchange earnings and Outgo

There are no Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company, subsequent to close of Financial Year 2020-21 till the date of this Report.

SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS

No significant and material orders have been passed by the Regulators/Courts/Tribunals impacting the going concern status and Company's operations in future.

PROCEEDINGS UNDER INSOLVENCY & BANKRUPTCY CODE, 2016.

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

ENVIRONMENT AND SAFETY

The environmental cleanliness and safety are a key focus area. The Company aims to grow its business while minimizing the adverse impact of expansion on the environment. The Company continually works with its vendors and suppliers to reduce the environmental impacts of sourcing. Further in alignment with Company's safety standards and training provided employees adhere to required norms and comply with relevant statutory provisions. The Company provides a safe and healthy workplace with an aim to achieve zero injuries to all its employees and all stakeholders associated with the Company's operations.

The Company has established and implemented a Work From Home Policy (WFH) through which it enabled the employees to work from home. The Company has formulated health and safety protocols for all its employees including front end retail employees. Standard operating procedures at the Company's office warehouses and store premises include regular thermal scanning compulsory wearing of masks maintaining social distancing norms regular washing of hands with soap sanitization of premises and other safety procedures as prescribed by the appropriate authorities from time to time.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Pursuant to the requirement of the Sexual Harassment of Women at Workplace (Prevention Prohibition & Redressal) Act 2013 ("the Act") and Rules made there under the Company has an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace. All retainers and employees in the Company have been made aware of the provisions of the Act and the Rules framed thereunder.

There is no case filed, during the Financial Year under the said Act hence the company has no details to offer.

ANNEXURES FORMING PART OF THIS REPORT

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form part of this Report:

Sr. No.	Particulars	Annexure
1.	AOC-1	A
2.	Dividend Distribution Policy, Nomination and remuneration policy	B
3.	Secretarial Auditor Report	C
4.	Annual Report on CSR activities	D
5.	Particular of Employees	E
6.	Particulars of Energy, Technology Absorption, Foreign Earnings and Outgo	F

APPRECIATION AND ACKNOWLEDGEMENT

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company. Our consistent growth was made possible by their hard work, solidarity, cooperation and support. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, stock exchanges, customers, vendors, members, etc. The Directors are deeply grateful to the shareholders for the confidence and faith that they have always reposed in the Company

For and on behalf of the Board of Directors

Sd/-
Ushik Gala
Chairman & Managing Director
(DIN: 06995765)

Date: June 30, 2021
Place: Mumbai

ANNEXURE A

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/ Joint Ventures:

PART "A": SUBSIDIARIES:

(₹ in crores)

Sr. no.	Name of the Subsidiaries	Suumaya Agro Limited	Suumaya Protective Texcorp Limited	Suumaya Retail Limited	*Suumaya Trends LLP
1	The date since when subsidiary was acquired	September 26, 2020	September 29, 2020	October 23, 2020	July 30, 2019
2	Reporting Currency	INR	INR	INR	INR
3	Exchange Rate on the last day of the financial year in the case of foreign subsidiaries	NA	NA	NA	NA
4	Share Capital	1.00	5.00	1.00	-
5	Reserves & Surplus	49.14	(0.09)	(0.71)	-
6	Total Assets	1347.70	4.91	728.54	5.58
7	Total Other Liabilities	1297.56	4.91	728.25	5.58
8	Investments (excluding Investments made in subsidiaries)	-	-	-	-
9	Turnover	1230.35	-	594.08	5.14
10	Profit/(Loss) before tax	49.16	(0.04)	(0.69)	(0.39)
11	Provision for tax	(0.01)	-	-	-
12	Profit/(Loss) after tax	49.16	(0.04)	(0.69)	(0.39)
13	Proposed Dividend	₹10 per Equity Share		-	
14	% of shareholding	100%	100%	100%	64%

*Converted into Suumaya Trends Private Limited under the Companies Act, 2013 w.e.f. May 18, 2021

Part "B": Associates and Joint Venture: Not Applicable

For and on behalf of the Board of Directors

Sd/-
Ushik Gala
Chairman & Managing Director
(DIN: 06995765)

Date: June 30, 2021
Place: Mumbai

ANNEXURE B

Dividend Distribution Policy

The Board of Directors (the "Board") of Suumaya Lifestyle Limited (the "Company") at its meeting held on April 17, 2020 has adopted this Dividend Distribution Policy (the "Policy") as required by Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

OBJECTIVE

The objective of this Policy is to establish the parameters to be considered by the Board of Directors of the Company before declaring or recommending dividend.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and Listing Regulations. The Board of Directors, while determining the dividend to be declared or recommended shall take into consideration the advice of the executive management of the Company and the planned and further investments for growth apart from other parameters set out in this Policy.

The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

The Board of Directors of the Company shall consider the following financial / internal parameters while declaring or recommending dividend to shareholders:

- Profits earned during the financial year
- Cashflow Position of the Company
- Retained Earnings
- Earnings outlook for next three to five years
- Expected future capital / liquidity requirements
- Any other relevant factors and material events

The Board of Directors of the Company shall consider the following external parameters while declaring or recommending dividend to shareholders:

- Macro- economic environment
- Market conditions and consumer trends
- Changes in regulatory requirements including taxation and tax on dividend
- Industry Outlook
- Inflation Rate
- Shareholder expectations

UTILISATION OF RETAINED EARNINGS

The retained earnings of the Company may be used in any of the following ways:

i. Capital expenditure for working capital,
ii. Organic and/ or inorganic growth,
iii. Investment in new business(es) and/or additional investment in existing business(es),
iv. Declaration of dividend,
v. Capitalisation of shares,
vi. Buy back of shares,
vii. General corporate purposes, including contingencies,
viii. Correcting the capital structure,
ix. Any other permitted usage as per the Companies Act, 2013.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued only one class of shares viz. equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

*WAIVER / FORGO OF RIGHT TO RECEIVE DIVIDEND:

1. The registered shareholders of the Company can waive/forgo their right to dividend entitlement whether completely or partially on all shares or specified number of shares, whether permanently or for a specific term or for specific dividend entitlement by communicating in writing to the Company in the form prescribed by the Company.

2. Dividend waivers may be exercised by the shareholders in order to be remunerated via large dividends in successive years or the waived dividends can be utilized in day-to-day affairs of the company for the ultimate benefit of the shareholders.

3. In case of joint holders holding the Equity Shares of the Company, all the joint holders are required to intimate to the Company in the prescribed form, their decision of waiving/forgoing their right to receive the dividend from the Company or for terminating the waiver exercised earlier.

4. The Shareholder, who wishes to waive/forgo the right to receive the dividend for any year shall send his irrevocable instruction waiving/forgoing dividend so as to reach the Company before the date fixed for the payment of such dividend. Under no circumstances, any instruction received for waiver/forgoing of the right to receive the dividend for any year after the Date fixed for the payment of such dividend for that year shall be given effect to.

5. The instruction once given by a Shareholder intimating his waiver/forgoing of the right to receive the dividend for any year for interim, final or both shall be irrevocable and cannot be

withdrawn for that particular year for such waived/forgone the right to receive the dividend. But in case, the relevant Shares are sold by the same Shareholder before the Record Date/ Book Closure Date fixed for the payment of such dividend, the instruction once exercised by such earlier Shareholder intimating his waiver/forgoing the right to receive dividend will be invalid for the next succeeding Shareholder(s) unless such next succeeding Shareholder(s) intimates separately in the prescribed form, about his waiving/forgoing of the right to receive the dividend for the particular year.

6. The instruction by a Shareholder to the Company for waiving/ forgoing the right to receive dividend for any year is purely voluntary on the part of the Shareholder. There is a no interference with a Shareholder's Right to receive the dividend, if he does not wish to waive/forgo his right to receive the dividend. No action is required on the part of Shareholder who wishes to receive dividends as usual. Such Shareholder will automatically receive dividend as and when declared.

7. The Shareholder who wish to waive/forgo their right to receive the dividend for any year can inform the Company in the prescribed form only after the beginning of the relevant financial year for which the right to receive the dividend is being waived/forgone by him.

8. The Company would be required to take necessary action for processing the dividend waiver requests by intimating to the Registrar and Transfer Agents (RTA) and remitting the waived amount from the Dividend account maintained with the Bank into Company's Account.

9. The decision of the Board of Directors of the Company or such person(s) as may be authorised by Board of Directors of the Company shall be final and binding on the concerned Shareholders on issues arising out of the interpretation and/or implementation of these Rules.

***inserted vide circular resolution passed on November 20, 2020 by Board of Director of the Company**

MODIFICATION OF THE POLICY

The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 2013, the Regulations, etc.

ANNEXURE C

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

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

To,
The Members -
Suumaya Industries Limited
Gala No.5F/D, Malad Industrial Units, Co-op Soc Ltd.
Kachpada, Ramchandra Lane Extension, Malad (W)
Mumbai – 400 064

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Suumaya Industries Limited (**"the Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 (**"Audit Period"**) complied to the extent applicable 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 to the extent applicable for the Audit Period according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

(iii) The Securities and Exchange board of India (Depositories and Participants) Regulations, 2018;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

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

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

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

(a) Secretarial Standards issued by The Institute of Company Secretaries of India;

(b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)Regulations, 2015.

During the Audit Period; the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above to the extent applicable subject to the following.

Sr. No.	Legal Requirement	Finding	Remarks
1.	As per section 117(3)(g) read with section 179(3)(e) of the Act; the Company is required to file Form MGT-14 for issuance of securities.	Form MGT 14 for a Board Resolution which was passed on April 17, 2020 in connection with issuance issuance of Secured Optionally Convertible Debentures has remained to be filed within prescribed time.	Company has submitted a suo moto application on May 20, 2021 for condonation of delay in filing relevant Form MGT-14.
2.	As per section 117(3)(c) read with section 179(3) of the Act; the Company is required to file Form MGT-14 for exercising power to borrow funds.	Form MGT 14 for a Board Resolution which was passed on April 17, 2020 in connection with exercising power to borrow funds has remained to be filed within prescribed time.	Company has submitted a suo moto application on May 20, 2021 for condonation of delay in filing relevant Form MGT-14.

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and 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.

During the Audit Period, all decisions at Board Meetings and Committee Meetings were carried out unanimously.

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 audit period the company had no event or action which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

(Tushar Shridharani)
Practicing Company Secretary
FCS 2690 / COP 2190
UDIN - F002690C000547663

Place: Mumbai
Date: June 30, 2021

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

ANNEXURE A

To,
The Members -
Suumaya Industries Limited
Gala No.5F/D, Malad Industrial Units, Co-op Soc Ltd.
Kachpada, Ramchandra Lane Extension, Malad (W)
Mumbai – 400 064

This letter is an integral part of the Secretarial Audit Report of even date for F.Y. 2020-21 submitted to Suumaya Industries Limited ("the Company") in pursuance of provisions of section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Members of the Company are informed as follow.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts as reflected in secretarial records. I believe that the processes and practices that I followed; provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about 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 is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

(Tushar Shridharani)
Practicing Company Secretary
FCS 2690 / COP 2190
UDIN – F002690C000547663

Place: Mumbai
Date: June 30, 2021

ANNEXURE D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

1. **Brief outline on CSR Policy of the Company:**

   Suumaya Industries Limited [Formerly known as Suumaya Lifestyle Limited] ('Suumaya' or 'the Company') has been a strong believer of giving back to the Society it receives from. Corporate Social Responsibility is also strongly connected with the principles of sustainability. Organization should make decisions based not only on financial or operational factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of Suumaya to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

   The key purpose of this Policy is to:

- Outline the development areas in which the Company shall get involved in.
- Define governance structure for CSR management within the Company.
- Serve as a guiding document aiding in identification, execution and monitoring the CSR projects.

2. **Composition of CSR Committee:**

Sr. no.	Name of the Member	Designation/Nature of directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Ushik Gala - Chairman	Chairman and Managing Director	01	01
2.	Mr. Sharad Jain - Member	Independent Director	01	01
3.	*Mr. Sejal Doshi - Member	Non-Executive Director	01	01

*Appointed as a member w.e.f. January 02, 2021.

3. **The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

   http://www.suumayalifestyle.com/pdf/Corporate-Social-Responsibility-Revised.pdf

4. **The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Not Applicable

6. **Average net profit of the company as per section 135(5):** ₹6,01,25,324.33/-

7. (a) **Two percent of average net profit of the company as per section 135(5):** ₹12,02,506.49/-

   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years.** Nil

   (c) **Amount required to be set off for the financial year, if any:** Nil

   (d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹12,02,506.49/-

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹28,92,520/-	-	-	-	-	-

   b) **Details of CSR amount spent against ongoing projects for the financial year:**

   Not Applicable

   (c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No).	Mode of implementation – Through implementing agency	
				State.	District			Name.	CSR registration number
1.	Education	(ii)	Yes	Maharashtra	Mumbai	2,32,520.00	Yes Direct	-	-
2.	Animal Welfare	(iv)	Yes	Maharashtra	Mumbai	20,58,000.00	Yes Direct	-	-
3.	Amount spend for awareness of COVID-19	COVID-19	Yes	Maharashtra	Mumbai	4,50,000.00	Yes Direct	-	-
4.	Eradicating hunger, poverty and malnutrition, sanitation, and making available safe drinking water	(i)	Yes	Maharashtra	Mumbai	1,52,000.00	Yes Direct	-	-

   (d) **Amount spent in Administrative Overheads:** NIL

   (e) **Amount spent on Impact Assessment, if applicable:** NIL

   (f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹28,92,520/-

   (g) **Excess amount for set off, if any**

Sl. No.	Particular	Amount (in ₹)
1.	Two percent of average net profit of the company as per section 135(5)	12,02,506.49
2.	Total amount spent for the Financial Year	28,92,520.00
3.	Excess amount spent for the financial year [(ii)-(i)]	15,63,013.51
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	15,63,013.51

9. (a) **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

   (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:**

    No capital asset was created / acquired for 2021 through CSR spend. Consequent to enactment of the CSR Amendment Rules, the Company has incorporated Section 8 Company as per Companies Act, 2013, in the name of "Suumaya Foundation" as wholly owned subsidiary of the Company, to carry out activities related to charitable purposes. The Company will start the activities upon obtaining the required approvals from regulatory authorities.

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

For Suumaya Industries Limited

(Formerly known as Suumaya Lifestyle Limited)

Sd/-	Sd/-
Ushik Gala	Sumit Pal Singh
Chairman & Managing Director	Chief Executive Officer &
Chairman - CSR Committee	Joint Managing Director
DIN: 06995765	DIN: 08572461

ANNEXURE E

Details of Remuneration of Directors, Key Managerial Personnel and Employees

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) The ratio of the remuneration of each director to the median remuneration of the employees for FY2020-21 and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY2020-21 are as under:

Sr. No.	Name of Director	Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase/(decrease) in remuneration in FY2020-21
1.	Mr. Ushik Gala	Chairman and Managing Director	32.76	66.66
2.	Ms. Ishita Gala**	Managing Director	6.28	(4.16)
3.	Mr. Sumit Pal Singh#	CEO and Joint Managing Director	340.40	-
4.	Ms. Karishma Kaku***	Chief Financial Officer	-	-
3.	Ms. Sneha Shah##	Chief Financial Officer@	-	-
4.	CS Heena Shah	Company Secretary@	-	-

Notes:

a) Non-Executive Directors does not receive any remuneration except sitting fees and for Executive Directors, remuneration includes fixed pay, perquisites and commission.

* Resignation of Mr. Khistish Shastri w.e.f. June 30, 2021.

** Resignation of Ms. Ishita Gala w.e.f. January 2, 2021.

***Resignation of Ms. Karishma Kaku w.e.f closing of business hours w.e.f November 1, 2020

@ As their remuneration are not comparable, hence not stated.

Appointment of Mr. Sumit Pal Singh as Jt. Managing Director w.e.f March 21, 2021.

Appointment of Ms. Sneha Shah w.e.f November 2, 2020.

(ii) In FY2020-21, there was an increase of -79.65% in the median remuneration of employees.

(iii) There were 61 permanent employees on the rolls of Company as on March 31, 2021.

(iv) Average percentage increase made in the salaries of employees, other than managerial personnel in the FY2020-21 was 12% whereas there was 13.48% increase made in the managerial remuneration during FY2020-21.

(v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

DISCLOSURE PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. Employed throughout the financial year and was in receipt of remuneration for the year in aggregate of not less than ₹1,02,00,000 –

Employee Name	Mr. Sumit Pal Singh
Designation of the employee	CEO & Jt. Managing Director
Remuneration received	₹1,24,69,186/- p.a. (including bonus)
Nature of employment, whether contractual or otherwise	Permanent
Qualifications and experience of the employee	Graduate Diploma in Business Administration.
	A professional with over 10 Years of experience in technical environments encompasses Business Operations Management, P&L Management, Supply Chain Management, Forecasting and Budgeting, People and Process Management.
Date of Commencement of employment	April 1, 2020
Age	31 years
Percentage of equity shares held by the employee in the Company	0.0285

2. Employed for a part of the financial year and was in receipt of remuneration at a rate in aggregate not less than ₹8,50,000/- per month – NIL

3. Employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate or at a rate which in the aggregate was in excess of that drawn by the Whole time Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the company – NIL

For Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

Sd/-
Ushik Gala
Chairman & Managing Director
DIN: 06995765

Date: June 30, 2021
Place: Mumbai

ANNEXURE F

The information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014 is as follows:

(A) CONSERVATION OF ENERGY

The Company continues to take steps to absorb and adopt the latest technologies and innovations in the Apparel, Agri Produce and Retail Industry. These initiatives enable its Vendors to become more efficient and productive and also leads to conservation of energy. Conservation of energy is considered to be a priority and therefore ensuring minimum consumption by way of better energy conservation programmes training/ awareness of the employees and prompt upkeep is a continuous exercise.

The steps taken or impact on conservation of energy:

The Company has been continuously encouraging its partners to improve focus on technology improvement and training to ensure efficient use of resources especially of common resources such as water and energy.

The steps taken by the Company for utilizing alternate sources of energy: The Company encourages its partners to explore sustainable energy sources to the extent possible.

The capital investment on energy conservation equipments: Not Applicable.

(B) TECHNOLOGY ABSORPTION

The Company continues to use the latest technologies for improving the productivity and quality of its products. The Company is keeping track of latest developments and encourages its partners to adopt the same.

The Company continues to make focused investments in technology & operations by building up its Omni Channel capabilities to provide seamless shopping experiences to its customers. The Company is also working on improving experience at its outlets by the use of technology (both hardware and software tools).

The efforts made towards technology absorption: The Company keeps itself updated on latest technology in the industry and encourages its partners to invest in the same. Further as a part of efforts in this regard the Company provides support to its partners with necessary guidance training advances and financial support if any required.

The benefits derived like product improvement cost reduction product development or import substitution: With the adoption of new technology from time to time the efficiency and capacity with respect to manufacturing has been increased resulting in better quality of products quicker and more efficient processing at lower costs.

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): The Company does not directly import technology but encourages its partners to do so.

(a) The details of technology imported: Not Applicable

(b) The year of import: Not Applicable

(c) Whether the technology been fully absorbed: Not Applicable

(d) If not fully absorbed areas where absorption has not taken place and the reasons thereof: Not Applicable

(e) The expenditure incurred on Research and Development: Not Applicable

For Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

Sd/-
Ushik Gala
Chairman & Managing Director
DIN: 06995765

Date: June 30, 2021
Place: Mumbai

Corporate Governance Report

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's shares were initially listed on Emerge (SME) Platform of National Stock Exchange (NSE). During the year under the review, the Company has migrated to Main Board of NSE w.e.f. October 19, 2020. Accordingly, the compliance with the corporate governance provisions as specified in Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations") became applicable on October 19, 2020.

The Company is totally committed and devoted towards achieving business excellence and enhancing shareholder value by following the best disclosure practices with a high level of integrity, accountability, fairness, transparency and responsibility to all the stakeholders. The Company understands that good corporate governance and transparency in actions of the management is the key to a strong bond of trust with the Company's stakeholders.

The Company is in compliance with the conditions of corporate governance as required under the SEBI Listing Regulations, as applicable.

2. BOARD OF DIRECTORS

The Board of Directors ("Board") of the Company have a combination of executive and non-executive directors including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. The Board of Directors comprises of 9 (Nine) Director including 2 (Two) Executive Directors, 7 (Seven) Non-Executive Directors, of which 4 (Four) are Independent Directors including Woman Independent Director.

None of the Directors on the Board holds directorships in more than 10 (Ten) public companies. None of the Independent Directors serves as an independent director on more than 7 (Seven) listed entities. Further, none of them is a member of more than 10 (Ten) committees or chairman of more than 5 (Five) committees across all the public companies in which he / she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations. The terms and conditions of the appointment of the Independent Directors are hosted on the Company's website www.suumayalifestyle.com.

During the year under review, the composition of the Board is in conformity with the provisions of the Companies Act, 2013 (the "Act") as amended from time to time and the Listing Regulations.

I. **The composition of the Board of Directors and the number of Directorships and Committee positions held by them as on March 31, 2021 are as under:**

Name of Director	Category of Director	Attendance		Directorship in other Companies[e]	Chairmanship in Committees of Board of other Companies[f]	Membership in Committees of the Board of other Companies[f]	No. of Shares held as on March 31, 2021
		Board Meeting	Annual General Meeting held on September 29, 2020				
Mr. Ushik Gala	Chairman and Managing Director	8	Yes	9	-	1	42,62,000
Mr. Sumit Pal Singh	Chief Executive Officer and Joint Managing Director	7[c]	Yes	3	-	-	8000
Mr. Sharad Jain	Non - Executive Independent Director	8	Yes	3	1	-	-
Mr. Ishtiaq Ali	Non - Executive Independent Director	8	Yes	-	-	-	-
Mr. Satish Khimawat	Non - Executive Independent Director	8	Yes	1	-	1	-
Ms. Shruti Chaudhary	Non - Executive Woman Independent Director	NA[d]	NA	1	-	-	-
Mr. Sejal Doshi	Non - Executive Director	8	Yes	2	1	2	-
Mr. Kshitish Shastri*	Non - Executive Director	6	Yes	4	-	-	-
Mr. Deepak Jain	Non - Executive Director	6	Yes	1	-	-	96,300

Notes:

(a) During year under review:

Mr. Ankit Gala ceased to be Director w.e.f. November 2, 2020;

Ms. Ishita Gala ceased to be Managing Director w.e.f. January 2, 2021; and

Mr. Satpal Kumar Arora ceased to be Director w.e.f. February 25, 2021

(b) After the year under review, following changes had taken place in Board Composition:

Mr. Himanshu Ahuja was appointed as a Non -Executive Director w.e.f. April 03, 2021 and resigned w.e.f. June 30, 2021

*Mr. Kshitish Shastri resigned as a Non-Executive Director w.e.f. June 30, 2021

(c) Board Meeting attended in the capacity as a Chief Executive Officer. Appointed as Joint Managing Director w.e.f. March 01, 2021.

(d) Appointed as an Additional Non-Executive Woman Director w.e.f. March 31, 2021

(e) The Directorship in other Companies does not include position in foreign companies, position as an advisory board member, Section 8 and Dormant Companies.

(f) In accordance with Regulation 26 of the SEBI Listing Regulations, Membership/Chairmanship of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

(g) As on March 31, 2021, none of the Directors of the Company were related to each other.

II. Details of name of other Listed entities where Directors of the Company are Directors and the category of Directorship as on March 31, 2021 are as under

Name of Director	Name of the other listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Ushik Gala	Rangoli Tradecomm Limited	Promoter, Executive Director (Chairman and Managing Director)
Mr. Sharad Jain	Rangoli Tradecomm Limited	Non-executive Director
Mr. Ishtiaq Ali	Nil	Nil
Mr. Satish Khimawat	Rangoli Tradecomm Limited	Independent Non-executive Director
Mr. Sejal Doshi	Rangoli Tradecomm Limited	Non-executive Director
Mr. Kshitish Shastri	Nil	Nil
Mr. Deepak Jain	Nil	Nil
Ms. Shruti Chaudhary	Nil	Nil

III. Number of Board Meetings

During the year under review, 8 (Eight) board meetings were held on April 17, 2020, July 24, 2020, August 21, 2020, September 26, 2020, October 15, 2020, November 02, 2020, January 02, 2021 and February 12, 2021. The requisite quorum was present at all Meetings.

The Board meets at least once in every calendar quarter and 4 (four) times in a year with a maximum time gap of not more than one hundred and twenty days between two consecutive meetings. Dates for the Board meetings are decided well in advance and communicated to the Directors. In case of exigencies or urgency of matters, resolutions are passed by circulation, for such matters as permitted by law. The Board takes note of the resolutions passed by circulation at its subsequent meeting. Additional meetings of the Board are held as and when deemed necessary.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations, the Board inter-alia reviews the strategies, business plans, investments and exposure limits, compliance report of all laws applicable to the Company, investors relations, review of major legal matters, minutes of the meetings of the Board of the subsidiary companies, significant transactions and arrangements of unlisted subsidiary companies, adoption of quarterly/half yearly/annual results of the Company, its operating divisions and business segment, corporate structuring, minutes of the committees, details of any acquisition, joint venture or collaboration agreements, sale of material nature of investments, subsidiaries, assets, transactions that involves substantial payments towards goodwill, brand equity or intellectual property, developments in Human Resources/Industrial Relations.

The important decisions taken at the Board/Committee meetings are communicated to the concerned business verticals/departments promptly for their immediate action. Action Taken Report on the decisions taken/suggestions made at previous meetings are placed at the subsequent meeting of the Board/Committee for its review. The Board and Committees are responsible for corporate strategy, planning, external contracts and related matters. The Senior Management Personnel heading respective divisions are responsible for day-to-day operations of their divisions.

As a cost saving measure and optimal utilization of the time of the Directors, the Company provides the video conferencing facility as permitted under Section 173(2) of the Act read with Rules framed thereunder.

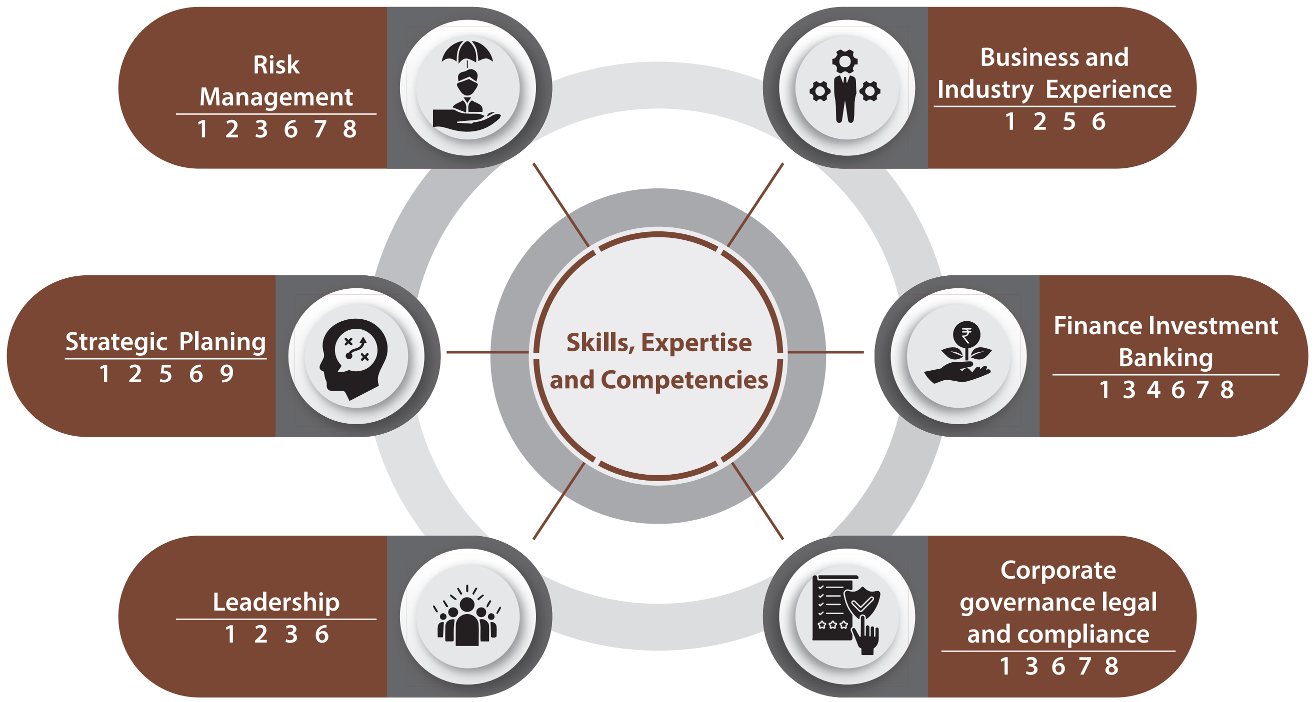
Familiarisation Programme:

The Company initiated steps to appraise the Independent Directors through formal and informal ways, from time to time and as and when a new Independent Director is appointed on the Board. Periodic presentations are being made to them at the Board and its various Committees meetings to update on the Business Plan (including that of Subsidiaries), Long term strategy and strategic priorities, the amendments in Company Law, SEBI Listing Regulations and SEBI Regulations, Corporate Governance, Related Party Transactions, and Internal Audit Plans, Update on Terms of Reference of Committees, Role of Audit Committee and Initiatives taken on safety, quality, CSR, sustainability & Human Resource etc. The vertical heads are invited at the meetings to update the Board/Committee about the Company's business and performance at regular intervals. Besides that, the Independent Directors interact with the Company's senior management to get insight on the business developments, competition in the market, regulatory changes etc. Pursuant to Regulation 46 of the SEBI Listing Regulations, the details of the familiarization programme for the Directors are available on the Company's website www.suumayalifestyle.com.

IV. Skills/expertise/competencies of the Board of Directors

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The Board of Directors have identified the following core skills/ expertise/competencies of Directors as required in the context of the businesses and sectors of the Company for its effective functioning:



1 Mr. Ushik Gala
2 Mr. Sumit Pal Singh
3 Mr. Sharad Jain
4 Mr. Satish Khimavat
5 Mr. Kshitish Shastri*
6 Mr. Sejal Doshi
7 Ms. Shruti Chaudhary
8 Mr. Ishtiaq Ali
9 Mr. Deepak Jain

*Resigned w.e.f. June 30, 2021

V. Independent Directors

Separate meeting of Independent Directors:

During the year under review, a meeting of Independent Directors was convened on March 12, 2021 in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and (4) of the SEBI Listing Regulations and Secretarial Standards, wherein all Independent Directors were present.

At the meeting, the Independent Directors:

(i) Reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;

(ii) Reviewed the performance of the Chairman of the Company, taking into account the views of Joint Managing Director and Non-Executive Directors;

(iii) Assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonable perform their duties.

The Non-Independent Directors did not take part in the Meeting.

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) and (7) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board have verified the veracity of such disclosures. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI Listing regulations and are independent of the management. The maximum tenure of the Independent Directors is in compliance with the Act.

In accordance with the provisions of Section 150 of the Act read with the applicable Rules framed thereunder, the Independent Directors of the Company have registered themselves in the Independent Directors data bank maintained by the Indian Institute of Corporate Affairs ("IICA"). The Independent Directors, unless exempted, are required to pass an online proficiency self-assessment test conducted by IICA within two years from the date of their registration on IICA databank.

Resignation of Independent Director:

During the year under review two Independent Directors of the Company have resigned and the detailed reasons for resignation of Independent Director who resign before the expiry of his tenure are available at http://www.suumayalifestyle.com/pdf/Signed%20Resignation%20letter-%20Ankit%20Gala.pdf and http://www.suumayalifestyle.com/pdf/Resignation%20letter-%20Satpal%20Arora.pdf.

3. COMMITTEES OF THE BOARD

The Board has constituted various statutory and non-statutory committees comprising Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast under the various laws, statutes, rules and regulations applicable to the Company from time to time. The Committees also focuses on critical functions of the Company in order to ensure smooth and efficient business operations. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of these committees in line with the extant regulatory requirements. The Committees meets at regular intervals for deciding various matters and providing recommendation and authorizations to the management for its implementation. The draft minutes of the proceedings of each Committee meetings are circulated to the members of the respective Committees for their comments, if any, and thereafter confirmed and signed by the Chairman of the respective Committees. The Board also takes note of the minutes of the meetings of the Committees and material recommendations/decisions of the Committees are placed before the Board for their approval and information.

The following Committees have been constituted by the Board from time to time and were in force during the year under review:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Investor Relations and Grievance Committee (Stakeholder Relationship Committee)
4. Corporate Social Responsibility Committee
5. Risk Management Committee

AUDIT COMMITTEE:

As on March 31, 2021, the Audit Committee comprises 3 (three) Non-Executive Independent Directors and 1 (one) Executive Director who are well versed with finance, accounts, corporate laws and general business practices. Mr. Sharad Jain, the Lead Independent Director is the Chairman of the Committee. The composition, terms of reference, role and power of the Audit Committee are in line with Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Act and Rules framed thereunder. The Committee acts as a link between the Statutory and Internal Auditors and the Board of the Company.

The terms of reference of the Committee inter alia include the following:

a) As prescribed by the Companies Act, 2013

(i) The recommendation for appointment, remuneration and terms of appointment of auditors of the company;

(ii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

(iii) Examination of the financial statement and the auditors' report thereon;

(iv) Approval of all related party transactions or any subsequent modification of transactions of the company with related parties;

(v) Making omnibus approval for related party transactions subject to the conditions prescribed in Rule 6A of The Companies (Meetings of Board and its Powers) Rules, 2014;

(vi) Making Recommendations to the Board of Directors for transactions, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction;

(vii) Scrutiny of inter-corporate loans and investments;

(viii) Valuation of undertakings or assets of the company, wherever it is necessary;

(ix) Evaluation of internal financial controls and risk management systems;

(x) Monitoring the end use of funds raised through public offers and related matters;

(xi) To oversee the establishment of vigil mechanism for directors and employees and report genuine concerns to the Board of Directors.

b) As prescribed under Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

(iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

b. Changes, if any, in accounting policies and practices and reasons for the same;

c. Major accounting entries involving estimates based on the exercise of judgment by management;

d. Significant adjustments made in the financial statements arising out of audit findings;

e. Compliance with listing and other legal requirements relating to financial statements;

f. Disclosure of any related party transactions;

g. Modified opinion(s) in the draft audit report

(v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

(viii) Approval or any subsequent modification of transactions of the company with related parties;

(ix) Scrutiny of inter-corporate loans and investments;

(x) Valuation of undertakings or assets of the company, wherever it is necessary;

(xi) Evaluation of internal financial controls and risk management systems;

(xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xiv) Discussion with internal auditors of any significant findings and follow up there on;

(xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(xviii) To review the functioning of the Whistle Blower mechanism;

(xix) Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(xxi) Approval to all related party transactions as per Regulation 23;

(xxii) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the Company exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the effective date of Listing Amendment Regulations, 2018;

(xxiii) Reviewing the Management discussion and analysis of financial condition and results of operations;

(xxiv) Reviewing the statement of significant related party transactions (as defined by the audit committee), submitted by management;

(xxv) Reviewing the management letters / letters of internal control weaknesses issued by the statutory auditors;

(xxvi) Reviewing the internal audit reports relating to internal control weaknesses;

(xxvii) Reviewing the appointment, removal and terms of remuneration of the chief internal auditor.

(xxviii) Reviewing the statement of deviations:

a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) and 32(5);

b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice interms of Regulation 32(7).

Meeting, Attendance & Composition of Audit Committee:

During the Financial year 2020-21, 4 (four) meetings of the Audit Committee were held on July 24, 2020, August 21, 2020, November 2, 2020 and February 12, 2021. The intervening gap between two meetings did not exceed on hundred and twenty days.

Sr. No.	Name	Designation	Category	No. of Meeting Attended
1.	Mr. Sharad Jain	Chairman	Non-Executive Independent Director	4
2.	Mr. Ishtiaq Ali	Member	Non-Executive Independent Director	4
3.	Mr. Sejal Doshi@	Member	Non-Executive Director*	3
4.	Mr. Satish Khimawat	Member	Non-Executive Independent Director	4
5.	Mr. Ushik Gala	Member	Chairman and Managing Director	4
6.	Mr. Ankit Gala$	Member	Non-Executive Independent Director	-

@Mr. Sejal Doshi ceased to be member of the Audit Committee w.e.f. January 2, 2021;

$ Mr. Ankit Gala ceased to be Non-Executive Independent Director w.e.f. November 2, 2020.

***Note:** Change in designation of Mr. Sejal Doshi from Non-Executive Independent Director to Non-Executive Director w.e.f. July 24, 2020;*

Chief Executive Officers, representatives of the Statutory and Internal Auditors are generally invited to attend the Meetings of the Committee. The Chief Financial Officer of the Company is a permanent invitee to the Committee Meetings. The Company Secretary of the Company acts as Secretary to the Committee. Internal Auditor reports directly to the Audit Committee to ensure independence of the Internal Audit function. Mr. Sharad Jain, the Chairman of the Committee was present at the 9th AGM of the Company held on September 29, 2020. M/s. Naik Mehta and Co., Chartered Accountants have carried out the Statutory Audit for FY2020-2021.

Pursuant to the Code of Conduct for prevention of Insider Trading, the details of the dealing in the Company's securities by the Designated Persons are placed before the Audit Committee on a quarterly basis.

NOMINATION AND REMUNERATION COMMITTEE:

As on March 31, 2021, the Nomination and Remuneration Committee comprises 1 (One) Non-Executive Director, 2 (two) are Independent Directors and 1 (one) Executive Director. The composition and role of the Nomination and Remuneration Committee are in line with the Regulation 19 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act. The Company Secretary of the Company acts as Secretary to the Committee. Mr. Satish Khimavat, the Chairman of the Nomination & Remuneration Committee was present at the last Annual General Meeting (AGM) held on September 29, 2020.

The terms of reference of the Committee inter alia include the following:

a) As prescribed by the Companies Act, 2013

(i) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down

(ii) To recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

(iii) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

(iv) The Nomination and Remuneration Committee shall, while formulating the policy under sub-section (3) ensure that-

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

b) As prescribed by Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

(ii) Formulation of criteria for evaluation of Independent Directors and the Board of Directors;

(iii) Devising a policy on Board diversity;

(iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

(v) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(vi) recommend to the board, all remuneration, in whatever form, payable to senior management.

Criteria for appointment as Director:

- not be disqualified in terms of Section 164 of the Act;
- be eligible in terms of Schedule V to the Act, if he is going to be appointed as Managing Director, Whole-time Director or manager;
- fulfill the terms of independence as per the provisions of Section 149 and Schedule IV to the Act;
- Possess qualification, experience, capability and knowledge commensurate with the functional responsibilities he has to fulfill;
- re-appointment of independent director shall be on the basis of report of performance evaluation.

Criteria for appointment as Key Managerial Personnel and Senior Management Employees:

- Qualification and experience should be commensurate with the function to be headed.
- He/she should display Endurance Values – Customer Centricity, Integrity, Transparency, Teamwork and Innovation (CITTI).

Meeting, Attendance & Composition of Nomination & Remuneration Committee:

During the Financial year 2020-21, 5 (Five) meetings of the Nomination & Remuneration Committee were held on July 24, 2020, August 21, 2020, November 2, 2020, January 2, 2021 and February 12, 2021. The intervening gap between two meetings did not exceed one hundred and twenty days.

Sr. No.	Name	Designation	Category	No. of Meetings Attended
1.	Mr. Satish Khimawat	Chairman	Non-Executive Independent Director	5
2.	Mr. Sharad Jain	Member	Non-Executive Independent Director	5
3.	Mr. Sejal Doshi	Member	Non-Executive Director*	5
4.	Mr. Ushik Gala	Member	Chairman and Managing Director	5
5.	Mr. Ankit Gala**	Member	Non-Executive Independent Director	0

***Notes:** * Change in designation of Mr. Sejal Doshi from Independent Non-Executive Director to Non-Executive Director w.e.f. July 24, 2020;*

*** Mr. Ankit Gala ceased to be Non-Executive Independent Director w.e.f November 2, 2020*

Performance Evaluation criteria Independent Director:

Nomination and Remuneration Committee has devised a criteria for evaluation of the performance of the Directors including the Independent Directors. The said criteria provides certain parameters like Diligence & participation in meetings, contribution to decision making, maintain confidentiality, interpersonal relationship with fellow board members, attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge.

REMUNERATION POLICY

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is available on the website of the Company at www.suumayalifestyle.com.

The remuneration policy of the company is directed towards rewarding performance, based on review of the achievements periodically. The remuneration policy is in consonance with existing industry practice.

Details of Remuneration paid to Directors for the Year ended March 31, 2021

Non-Executive Directors (Amount in ₹)

Name of Director	Sitting Fees	Commission/ Professional Service fee
Mr. Sharad Jain	380,000	Nil
Mr. Ishtiaq Ali	247,500	Nil
Mr. Sejal Doshi	372,500	30,00,000*
Mr. Kshitish Shastri	Nil	Nil
Mr. Deepak Jain	Nil	Nil
Mr. Ankit Gala[1]	Nil	Nil
Mr. Satish Khimawat	75,000	Nil
Mr. Satpal Arora[2]	210,000	Nil
Ms. Shruti Chaudhary[3]	NA	Nil

1. Resigned w.e.f. November 02, 2020
2. Resigned w.e.f. February 25, 2021
3. Appointed w.e.f. March 31, 2021

The sitting fee to be paid to all Non-Executive Directors has been revised to ₹100,000 for attending the Board Meetings of the Company w.e.f. August 13, 2021.

*The Members at the 9th AGM held on September 29, 2020, approved the payment of service fee to Mr. Sejal Doshi, Non-Executive Director of the Company of ₹2,50,000/- (Rupees Two Lakhs Fifty Thousand only) per month for rendering consultancy service in financial, accounts and ancillary services since August 15, 2020.

Except for above, there are no pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company that have a potential conflict with the interests of the Company.

Executive Directors (Amount in ₹)

Name of Director	Sitting Fees	Salary, allowance, Bonus and Perquisites
Mr. Ushik Gala	Nil	12,00,000
Ms. Ishita Gala[1]	Nil	230,000
Mr. Sumit Pal Singh[2]	Nil	1,24,69,186

1. Resigned as Managing Director w.e.f. January 2, 2021
2. Remuneration paid in capacity as a Chief Executive Officer. Appointed as Joint Managing Director w.e.f. March 01, 2021

The appointment of Executive Directors, Key Managerial Personnel and other employees is by virtue of their employment with the Company, therefore, their terms of employment vis-a-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies at the relevant point in time.

The Company has not issued any Stock Options to its Directors.

INVESTOR RELATIONS & GRIEVANCE COMMITTEE (STAKEHOLDERS RELATIONSHIP COMMITTEE):

As on March 31, 2021, the Committee comprises 4 (four) Directors, of which 1(one) is Executive Director, 2 (two) Non-Executive Independent Directors and 1 (one) Non-Executive Director. The composition and role of the Committee are in line with the Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act. The Company Secretary of the Company acts as Secretary to the Committee.

The terms of reference of the Committee inter alia include the following:

a) **As prescribed by the Companies Act, 2013**

To consider and resolve the grievances of security holders of the company.

b) **As prescribed by Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

(i) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(ii) Review of measures taken for effective exercise of voting rights by shareholders.

(iii) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

(iv) Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Meeting, Attendance & Composition of Investor Relations & Grievance Committee:

During the Financial year 2020-21, 1 (one) meeting of the Investor Relations & Grievance Committee was held on February 12, 2021.

Sr. No.	Name	Designation	Category	No. of Meeting Attended
1.	Mr. Sejal Doshi*	Chairman	Non-Executive Director	1
2.	Mr. Sharad Jain	Member	Non-Executive Independent Director	1
3.	Mr. Satish Khimawat	Member	Non-Executive Independent Director	1
4.	Mr. Ushik Gala	Member	Chairman and Managing Director	1

** Appointed as Chairman of the Committee w.e.f. October 15, 2020.*

Company Secretary and Compliance Officer:

The Board has appointed Mrs. Heena Shah, the Company Secretary, as the Compliance Officer, as required under SEBI Listing Regulations.

The Company has not received any complaint during the financial year through SEBI Complaints Redress System.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As on March 31, 2021, the Corporate Social Responsibility Committee comprises 3 (three) Directors, of which 1 (one) is Executive Director, 1 (one) Non-Executive Director and 1 (one) Non-Executive Independent Director. The composition and role of the Corporate Social Responsibility Committee are in line with Section 135 of the Act and Rules framed thereunder. The Company Secretary of the Company acts as Secretary to the Committee.

Terms of Reference:

(i) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

(ii) Recommend and monitor the amount of expenditure to be incurred on the activities referred to in clause (a),

(iii) Monitor the Corporate Social Responsibility Policy of the Company from time to time; and

(iv) Any other functions as may deem fit by the CSR Committee/ Board or as may be necessitated by any regulatory framework as amended from time to time.

Meeting, Attendance & Composition of Corporate Social Responsibility Committee:

During the Financial year 2020-21, one meeting of Corporate Social Responsibility Committee was held on February 12, 2021.

Sr. No.	Name	Designation	Category	No. of Meeting Attended
1.	Mr. Ushik Gala	Chairman*	Chairman & Managing Director	1
2.	Mr. Sharad Jain	Member	Non-Executive Independent Director	1
3.	Mr. Sejal Doshi	Member	Non-Executive Independent Director	1
4.	Ms. Ishita Gala	Chairperson**	Managing Director	0

**Appointed w.e.f. January 02, 2021*
***Ceased w.e.f January 02, 2021*

RISK MANAGEMENT COMMITTEE:

The Company has voluntarily constituted a Risk Management Committee ("RMC") in accordance with Regulation 21 of SEBI Listing Regulations.

The role of the RMC is inter alia to frame, monitor and implement the Risk Management Plan and Policy of the Company and review the Company's risk governance structure, risk assessment and risk management practices and guidelines, procedures for risk assessment and risk management and adopting polices, systems for maintaining information/cyber security of the Company from preventing of global hacking incidents, losing of sensitive and confidential data etc.

Meeting, Attendance & Composition of Risk Management Committee:

As on March 31, 2021, the Committee comprises 5 (five) Directors, of which 1 (one) is Executive Director, 1 (one) Non-Executive Director and 3 (three) Non-Executive Independent Director.

The composition and role of the RMC are in line with Regulation 21 of the SEBI Listing Regulations. The Company Secretary of the Company acts as Secretary to the Committee.

During the Financial year 2020-21, 1 (One) meeting of the Risk Management Committee was held on March 18,2021.

Sr. No.	Name	Designation	Category	No. of Meeting Attended
1.	Mr. Satish Khimawat	Chairman	Non-Executive Independent Director	1
2.	Mr. Sharad Jain	Member	Non-Executive Independent Director	1
3.	Mr. Ishtiaq Ali	Member	Non-Executive Independent Director	1
4.	Mr. Sejal Doshi	Member	Non-Executive Director	1
5.	Mr. Ushik Gala	Member	Chairman and Managing Director	1

4. SUBSIDIARY COMPANIES

During the year under review the Company incorporated three wholly owned subsidiaries, viz Suumaya Agro Limited, Suumaya Retail Limited and Suumaya Protective Texcorp Limited.

The Board and Audit Committee reviews the Financial Statements of subsidiary companies, in particular, the investments made by the unlisted subsidiary companies every quarter. The minutes of the meetings of the Board of unlisted subsidiary companies are placed before the Board on quarterly yearly basis thereby bringing to their attention all significant transactions and arrangements entered into by the unlisted subsidiary companies.

Pursuant to Regulation 16(1)(c) read with Regulation 24 of the SEBI Listing Regulations, the Company has adopted the Policy for determining material subsidiary, which has been suitably amended from time to time in line with the amendments in the SEBI Listing Regulations. During the year under review, the Company did not have material subsidiary Company.

The Policy is hosted on the Company's website http://www.suumayalifestyle.com/pdf/Policy-on-Determination-of-Materiality-for-Disclosures.pdf.

CODE OF CONDUCT

In terms of Regulation 17 of the Listing Regulations, the Company has laid down and adopted a Code of Conduct for its Directors and Senior Management Personnel, which is also hosted on the Company's website www.suumayalifestyle.com.

The Company has received confirmation from all Directors as well as Senior Management Personnel regarding compliance with the Code of Conduct during the year under review as required under Regulation 26(3) of the SEBI Listing Regulations.

Pursuant to Schedule V(D) of the Listing Regulations, a declaration signed by the Chief Executive Officer of the Company to this effect is annexed at the end of this Report.

5. GENERAL BODY MEETINGS

Annual General Meetings

Location, date and time of the Annual General Meetings held during the preceding 3 (three) years and Special Resolutions passed thereat are as follows:

Meeting	Date and Time	Location	Special Resolutions passed
7th Annual General Meeting	September 29, 2018 at 3.00 p.m.	Hotel Daffodils 23, Link House, Link Rd, Next to Toyota Showroom, Rajan Pada, Mindspace, Malad West, Mumbai, Maharashtra 400064	-
8th Annual General Meeting	September 27, 2019 at 3.00 p.m.	Hotel Daffodils 23, Link House, Link Rd, Next to Toyota Showroom, Rajan Pada, Mindspace, Malad West, Mumbai, Maharashtra 400064	-
9th Annual General Meeting	September 29, 2020 at 11.00 a.m.	Held through Video Conferencing / other Audio Visual Means	Approval of remuneration to be paid to Mr. Kshitish Shastri, Non- Executive Director, in excess of remuneration u/s 197

Postal Ballot

Pursuant with Sections 108 and 110 of the Act and the Companies (Management & Administration) Rules, 2014 as amended from time to time, the SEBI Listing Regulations and the Secretarial Standards-2, during the year under review, the Company had conducted process of Postal Ballot through remote e-voting facility, Twice, for obtaining the approval of the Members of the Company on the following Special Resolutions. The following Resolutions are deemed to have been passed on the last date of e-voting.

- Postal Ballot Notice dated April 17, 2020

  Mr Rinkesh Gala, Practicing Company Secretary (ACS: 42486; COP: 20128) of Rinkesh Gala & Associates, Practicing Company Secretaries, Mumbai was appointed to act as Scrutinizer to scrutinise the votes cast by way of Postal Ballot, in an independent and fair manner. The Company had sent the Notice dated April 17, 2020 to the Members in the permitted mode. Voting rights were reckoned based on the equity shareholding as on the cut-off date i.e. Friday, May 08, 2020. The voting period for postal ballot commenced on Wednesday, May 13, 2020 at 9.00 a.m. (IST) and ended on Friday, June 12, 2020 at 5.00 p.m. (IST) and the e-Voting platform was disabled thereafter.

  The details of voting on the Resolutions passed with requisite majority are as under:

Particulars	No. of Votes polled	No. and % votes in favour	No. and % votes against
Special Resolution:			
(i) Migration from NSE Emerge platform to Capital Market Segment (NSE Main Board)	81,65,500	81,65,500 (100%)	0
(ii) Authorise Board of Directors u/s 180(1)(a) and 180(1)(c) of Companies Act, 2013 for borrowings in excess of limit and creation of charge on assets of Company.	81,65,500	81,65,500 (100%)	0
(iii) Authorize borrowing by way of issuance of secured Optionally Convertible Debentures.	81,65,500	81,65,500 (100%)	0

- Postal Ballot Notice dated October 15, 2020

  Mr Rinkesh Gala, Practicing Company Secretary (ACS: 42486; COP: 20128) of Rinkesh Gala & Associates, Practicing Company Secretaries was appointed to act as Scrutinizer to scrutinise the votes cast by way of Postal Ballot, in an independent and fair manner. The Company had sent the Notice dated October 15, 2020 to the Members in the permitted mode. Voting rights were reckoned based on the equity shareholding as on the cut-off date i.e. Friday, October 15, 2020. The voting period for postal ballot commenced on Friday, October 30, 2020 at 9.00 a.m. (IST) and ended on Saturday, November 28, 2020 at 5.00 p.m. (IST) and the e-Voting platform was disabled thereafter.

  The details of voting on the Resolutions passed with requisite majority are as under:

Particulars	No. of Votes polled	No. and % votes in favour	No. and % votes against
Ordinary Resolutions:			
Ordinary Resolution: Increase in authorized share capital and consequent alteration to memorandum of association.	97,55,500	97,55,500 (100%)	0
Special Resolutions:			
(i) Issuance of upto 98,00,000 convertible warrants on a preferential basis to the persons belonging to promoter category.	23,88,000	23,88,000 (100%)	0
(ii) Authorise the Board of Directors of the Company under Section 180(1)(C) and 180(1)(A) of the Companies Act, 2013	97,55,500	97,55,500 (100%)	0

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

Procedure for postal ballot

Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Companies Act, 2013 read with rules made there under as amended from time to time shall be complied with whenever necessary.

Postal ballot notices are sent by e-mail to the members/beneficial owners as on the cut-off date. The Company also publishes a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. In Compliance with the requirements of MCA Circulars, the shareholders are required to communicate their assent or dissent through the remote e-voting system only.

The scrutinizer completes his scrutiny and submits his report to the Chairman, and the consolidated results of the voting are announced by the Chairman / authorized officer. The results are also displayed on the Company website www.suumayalifestyle.com, besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The last date for the receipt of postal ballot forms or e-voting is the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

Extra Ordinary General Meeting

During the year under review, the Company had conducted one Extra Ordinary General Meeting.

Sr. No.	Date and Time	Venue	Details of Special Resolution Passed
1.	January 4, 2021 at 11.00 a.m.	906, 9th Floor, A Wing, The Capital Building, C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051	Approval for Change of Name of the Company from Suumaya Lifestyle Limited to Suumaya Industries Limited.

MEANS OF COMMUNICATION TO SHAREHOLDERS

(i) The un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the SEBI Listing Regulations.

(ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in Active Times (English newspaper) and Mumbai Lakshdeep (local language Marathi newspaper), within forty-eight hours of approval thereof.

(iii) The Company's financial results and official press releases are displayed on the Company's Website www.suumayalifestyle.com.

(iv) Any presentation made to the institutional investors or/ and analysts are also posted on the Company's website.

The Company, from time to time and as may be required, communicates with its Shareholders and Investors through multiple channels of communications including the following:

- Dissemination of information on the website of the Stock Exchanges;
- Press releases;
- Annual reports;
- Uploading relevant information on the Company's website.

6. GENERAL SHAREHOLDER INFORMATION

(a) 10th Annual General Meeting

Day and Date	Thursday, September 30, 2021
Venue	In accordance with the General Circular issued by the MCA on May 5, 2020, the AGM will be held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"). The deemed venue for the AGM Meeting: Gala No.5F/D, Malad Industrial Units, Co-op Soc Ltd Kachpada, Ramchandra Lane Extension, Malad (West) Mumbai 400064
Time	11.00 a.m.

(b) Financial Year

The Company's financial year begins from April 1 and end on March 31.

(c) Dividend Payment Date

The Board of Directors at its Meeting held on November 2, 2020 approved payment of interim dividend to the Equity Shareholders of the Company @ ₹0.25 per share aggregating to ₹6,02,000/-. Further Board of Directors at its Meeting held on June 30, 2021, have recommend final dividend of ₹2.75 per Equity Shares for the Financial Year 2020-21. The Final Dividend, if declared will be paid within 30 days from the date of AGM.

(d) Listing on Stock Exchange

The Equity Shares of the Company are Listed on National Stock Exchange of India Limited (NSE) having address Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.

Trading Symbol – SUULD

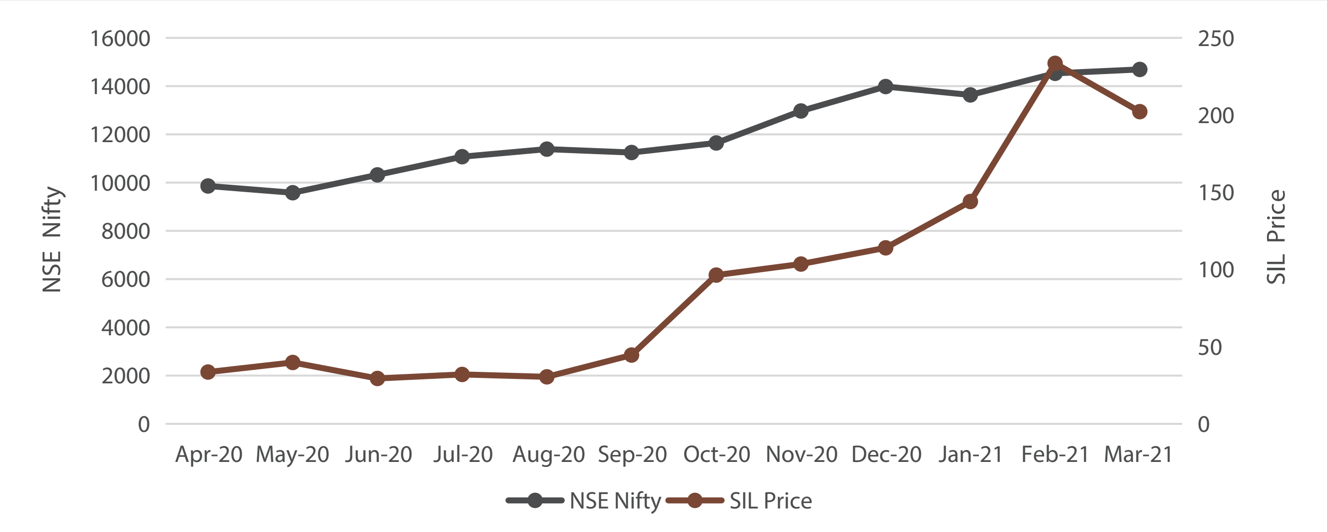
Annual listing fee for the financial year 2021-22 has been paid by the Company to NSE.

(e) Stock Code/ISIN: INE591Q01016

(f) Market Price Data - High, Low during each month in last Financial Year

Month	High	Low	Volume (Nos. in Lakhs)
April 2020	37.00	23.35	2.16
May 2020	41.00	32.50	1.84
June 2020	40.50	29.40	2.96
July 2020	32.50	27.95	17.44
August 2020	31.50	29.00	19.20
September 2020	44.50	30.10	22.32
October 2020	96.35	46.75	14.93
November 2020	110.00	98.05	13.17
December 2020	114.00	95.00	8.55
January 2021	165.90	125.40	7.21
February 2021	286.40	135.00	5.02
March 2021	232.35	174.75	5.33

(g) Share Price performance in comparison to broad based indices



(h) The Equity Shares of the Company have not been suspended from trading by the SEBI and/or Stock Exchange.

(i) Registrar to an Issue and Share Transfer Agents

Name and Address: Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri East, Mumbai, Maharashtra 400059
Tele No. : +91 2262638200
Email Id : info@bigshareonline.com
Website : www.bigshareonline.com

(j) Share Transfer System

The Company's equity shares which are in dematerialized (demat) form are transferable through the depository system.

As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form w.e.f. April 01, 2019, except in case of request received for transmission or transposition of securities. However, Members are not barred from holding shares in physical form.

(k) Shareholding category-wise summary as on March 31, 2021

Sr. No.	Category of shareholder	Total Shareholder	% of Shareholders	Total Shares	Percentage
1	Clearing Member	30	1.74	8,82,070	3.14
2	Corporate Bodies	50	2.90	62,08,425	22.12
3	Directors Relative	4	0.23	48,34,000	17.22
4	Non Resident Indian	24	1.39	1,33,867	0.48
5	Promoters	3	0.17	68,63,500	24.45
6	Public	1612	93.56	91,46,138	32.59
	Total	1723	100	2,80,68,000	100

(l) Distribution of Shareholding (In Rupees) by size as on March 31, 2021

Category	Holders	Shares	% of total shares
Upto 500	1124	115090	0.41
501-1000	117	95637	0.34
1001-5000	162	374864	1.34
5001-10000	118	1005153	3.58
Above 10000	202	26477256	94.33
Total	1723	28068000	100

(m) Dematerialisation of Shares and Liquidity

Mode of Holding	Shares	Percentage (%)
NSDL	3793622	13.52
CDSL	24274378	86.48
Physical	0	0
Total	28068000	100.00

The Company's Equity Shares are frequently traded on the National Stock Exchange of India Limited.

(n) Reconciliation of Share Capital Audit Report

As mandated by Securities and Exchange Board of India ('SEBI'), M/s. Rinkesh Gala & Associates, Practicing Company Secretaries undertake a Reconciliation of Share Capital Audit to reconcile total share capital admitted with National Securities Depository Limited ('NSDL') and Central Depository Services Limited ("CDSL") and held in physical form, with the issued and listed capital of the Company. This audit is undertaken every quarter and the report thereon is submitted to the Stock Exchanges within prescribed timelines.

The audit report confirms that the total listed and paid up/ issued share capital as on March 31, 2021 matches with the aggregate of the total number of shares in demat form (held by NSDL and CDSL) and in physical form.

In addition, pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued, on a half-yearly basis, by M/s. Rinkesh Gala & Associates, Practising Company Secretaries, certifying due compliance of share transfer formalities by the Company.

(o) Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity

During the year 98,00,000 warrants were issued to persons belonging to the Promoter and Promoter Group on Preferential Basis in tranches on January 02, 2021, January 04, 2021 and January 06, 2021 with an option of getting converted into the Equity Shares of the Company.

The Company on March 24, 2021 had approved the conversion of 40,60,000 warrants into the Equity Shares of the Company. Subsequent to the aforesaid allotment, the Promoter & Promoters Group Shareholding has been increased from 31.81% to 41.68% of the total paid up share capital of the company and thereby increasing the Company's paid-up capital from ₹240,080,000/- to ₹280,680,000/- comprising of 28,068,000 Equity shares of face value of ₹10/- each. As on March 31, 2021, 57,40,000 convertible warrants are Outstanding to be converted into Equity Shares of the Company.

(p) Disclosure Commodity price risks and commodity hedging activities or foreign exchange

The Company is not involved into any activities relating to Commodity price risks and hedging thereof. The Company is managing the foreign currency risk to limit the risks of adverse exchange rate movement by hedging the same as per the Forex Risk Management Policy of the Company.

(q) Plant Locations

The Company does not have any plants.

(r) Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:

NA

(s) Address for correspondence

For any grievances/complaints/correspondence, the Members/Investors may contact at the following addresses:

Suumaya Industries Limited (Formerly known as Suumaya Lifestyle Limited)
CIN: L18100MH2011PLC220879
Company Secretary & Compliance Officer: CS Heena Shah
Address: Gala No.5F/D, Malad Industrial Units, Coop Soc Ltd Kachpada, Ramchandra Lane Extension, Malad (W) Mumbai 400064
Tel: 022-49712096
E-mail: cs@suumayalifestyle.com
Website: www.suumayalifestyle.com

7. OTHER DISCLOSURES

(a) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large**

During the year under review, there were no significant material related party transactions ("RPTs") that had potential conflict with the interest of the Company at large and all RPTs were in compliance with the provisions of the Act, read with the Rules framed thereunder and the SEBI Listing Regulations. Pursuant to the omnibus approval granted by the Audit Committee, the RPTs entered into by the Company is reviewed by them at least on a quarterly basis.

The details of the transactions with the related parties are placed before the Audit Committee on a quarterly basis in compliance with the provisions of Section 177 of the Act and Rules framed thereunder and Regulation 23 of the SEBI Listing Regulations. Details of RPTs are disclosed in the notes to the Financial Statements as per the applicable Indian Accounting Standards.

During the year under review, the Company has submitted to the Stock Exchanges, the disclosure of Related Party Transactions on a consolidated basis under Regulation 23(9) of the SEBI Listing Regulations.

Pursuant to the Regulation 23 of the SEBI Listing Regulations, the Company has adopted a Policy on materiality of the Related Party Transactions and on dealing with Related Party Transactions, which has been reviewed during the year. The Policy is hosted on the Company's website http://www.suumayalifestyle.compdf/Related%20Party%20Policy.pdf.

(b) Compliance with regard to capital market

The Company has complied with all the Rules, Regulations and Guidelines prescribed by SEBI and Stock Exchange(s) as applicable to the Company from time to time.

During the last three years, there were no penalties or strictures imposed on the Company by the Stock Exchange(s), SEBI or any other statutory authorities on matters relating to capital market.

(c) Whistle Blower Policy/Vigil Mechanism

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism, which is in line with the Regulation 22 of the Listing Regulations and Section 177 of the Act. Pursuant to the Policy, the Whistle Blower can raise concerns relating to Reportable Matters (as defined in the Policy) such as unethical behaviour, breach of Code of Conduct or Ethics Policy, actual or suspected fraud, any other malpractice, impropriety or wrongdoings, illegality, non-compliance of legal and regulatory requirements and retaliation against the Directors and Employees and instances of leakage of/suspected leakage of Unpublished Price Sensitive Information of the Company etc.

Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances to the Audit Committee and provides for adequate safeguards against victimization of Whistle Blower, who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases. The Audit Committee oversees the functioning of the same. The Whistle Blower Policy is hosted on the Company's website http://www.suumayalifestyle.com/pdf/Whistle-Blower-Policy.pdf.

During the year under review, the Company has not received any complaint through Vigil Mechanism. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

(d) **Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the SEBI Listing Regulations.**

The Company has complied with all the mandatory requirements as prescribed under the Listing Regulations, including Corporate Governance requirements as specified under Regulations 17 to 27 read with para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations as applicable to the Company.

A certificate from M/s Naik Mehta & Co., Statutory Auditors, confirming compliance with the conditions of Corporate Governance as specified under Schedule V(C) (D) & (E) of the SEBI Listing Regulations is annexed to this Report.

Further, the Company has also complied with all requirements about disclosures in the Corporate Governance Report, as specified in sub paras (2) to (10) of Clause C of Schedule V of the SEBI Listing Regulations.

Pursuant to the SEBI Circular No. CIR/CFD/ CMD1/27/2019 dated February 08, 2019 and Regulation 24(A) of the Listing Regulations, the Company has submitted to the Stock Exchanges, the Annual Secretarial Compliance report for the FY2020-2021 received from Tushar Shridharani, Practicing Company Secretary.

(e) Disclosure of Accounting Treatment

Pursuant to the provisions of the Act, the Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(f) Details of utilization of funds raised

During the year under review, the Company has raised ₹412,125,000/- by issue and allotment of convertible warrants including partial conversion to Promoter and member of Promoter Group on Preferential basis. As stated in the offer document, the funds raised by the Company through preferential issue, have been fully utilised for working capital requirements and for general corporate purposes. The Company has also filed a statement to above effect with NSE for the quarter ended March 31, 2021 on June 30, 2021.

(g) Certificate from Practicing Company Secretary

A Certificate from M/s Rinkesh Gala & Associates, Practicing Company Secretary has been obtained confirming that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such other statutory authority and the same is annexed to this Report.

(h) Non acceptance of any recommendation of any Committee of the Board which was mandatorily required

All recommendations / submissions made by various Committees of the Board during the financial year 2020-21 were accepted by the Board.

(i) Fees to Statutory Auditors

The total fees paid by the Company and its subsidiaries on a consolidated basis to M/s. Naik Mehta & Co., Chartered Accountants (FRN: 124529W), Statutory Auditors of the Company and all other entities forming part of the same network aggregating to ₹10,00,000/- plus GST as applicable and reimbursement of actual out of pocket expenses

(j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a Prevention of Sexual Harassment Policy for Women in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act'). All women employees (permanent, contractual, temporary, trainees) as well as women who visit the premises of the Company for any purpose are covered under this Policy.

During the year under review and pursuant to Rule 8(5)(x) of the Companies (Accounts) Rules, 2014, your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the POSH Act.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Sr. No.	Particulars	Number of Complaints
1.	Number of complaints filed during the financial year	Nil
2.	Number of complaints disposed of during the financial year	Nil
3.	Number of complaints pending at the end of the financial year	Nil

The Company has submitted its Annual Report on the cases of sexual harassment at workplace to District Officer, Mumbai, pursuant to Section 21 of the aforesaid Act and Rules framed thereunder.

(k) Compliance with non-mandatory requirements

The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

i. **Modified Opinion in Auditors Report:** The Company's financial statements for the year 2020-21 do not contain any modified audit opinion. Your Company continues to adopt best practices to ensure regime of financial statements with unmodified audit qualifications.

ii. **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee. The Internal Auditor also participates in the meetings of the Audit Committee and also presents internal audit observations to the Audit Committee.

(l) Certification from CEO and CFO

The requisite certification from the CEO and CFO in accordance with Regulation 17(8) read with Part B of Schedule II and Regulation 33 of the SEBI Listing Regulations certifying that the Financial Statements represents true and fair view of the Company's affairs and do not contain any untrue/misleading statement are placed before the Board of the Company.

(m) Transfer of Unpaid/Unclaimed Dividend/Shares to Investor Education and Protection Fund/Authority

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

Pursuant to the provisions of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the Company has uploaded the details of unpaid/ unclaimed amounts lying with the Company as on September 29, 2020 (date of last AGM) on the Company's website www.suumayalifestyle.com and on the IEPF Authority's website www.iepf.gov.in.

(n) Disclosure with respect to demat suspense account/ unclaimed suspense account

The Company does not have any Shares lying in Demat Suspense Account or Unclaimed Suspense Account.

8. CODES AS PER THE SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

Pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "PIT Regulations"), the Company has in place, The Insider Trading Prohibition Code formulated based on the principles set out in the PIT Regulations.

The Company also has in place the Policy and Procedure for inquiry in case of leak of UPSI or suspected leak of UPSI. Compliance Officer of the Company has been designated for dealing with dissemination of information and disclosure of UPSI.

Company Secretary of the Company has been designated as Compliance Officer for regulating, monitoring, trading and report on trading by the Insiders as required under the PIT Regulations and Insider Trading Prohibition Code of the Company.

9. POLICIES AS PER THE LISTING REGULATIONS

Pursuant to Regulation 9 of the SEBI Listing Regulations, the Company has adopted Policy on Preservation, Maintenance and Disposal of Documents which is hosted on the Company's website www.suumayalifestyle.com.

Pursuant to Regulation 30 of the SEBI Listing Regulations, the Company has adopted Policy for determination of material events and archival of disclosures, which is hosted on the Company's website www.suumayalifestyle.com.

Further, as required under the SEBI Listing Regulations, the Board has authorised Mr. Ushik Gala, Chairman and Managing Director, Mr. Sumit Pal Singh, CEO and Joint Managing Director, Ms. Sneha Shah, Chief Financial Officer and CS Heena Shah, Company Secretary and Compliance Officer of the Company to determine materiality of an event/information in consultation with Chairman and Managing Director and Joint Managing Director of the Company and accordingly make appropriate disclosures to the Stock Exchanges as required under the SEBI Listing Regulations.

10. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forms part of the Annual Report.

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, the undersigned, in our respective capacities as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of Suumaya Industries Limited [Formerly known as Suumaya Lifestyle Limited] ("the Company") to the best of our knowledge and belief, hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the quarter ended and financial year ended March 31, 2021 and that to the best of their knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the quarter ended and financial year ended March 31, 2021 which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. They accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. They have indicated to the auditors and the Audit committee

   (1) significant changes in internal control over financial reporting during the year;

   (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

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

	Sd/-	Sd/-
	Sumit Pal Singh	Sneha Shah
	Chief Executive Officer (CEO) & Jt. Managing Director	Chief Financial Officer (CFO)
Date: June 30, 2021	DIN: 08572461	
Place: Mumbai		

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Suumaya Industries Limited,
Mumbai

We have examined the relevant Registers, Records, forms, returns and disclosures received from the Directors of Suumaya Industries Limited, having CIN: L18100MH2011PLC220879 and having registered office at Gala No.5F/D, Malad Industrial Units, Coop Soc Ltd, Kachpada, Ramchandra Lane Extension, Malad (W) Mumbai - 400064 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	Mr. Ushik Gala	06995765	01-04-2020
2.	Mr. Ishtiaq Ali	02965131	25-10-2019
3.	Mr. Satish Khimawat	07769130	28-03-2017
4.	Mr. Sharad Jain	01686035	11-01-2019
5.	Ms. Shruti Chaudhary	02880771	31-03-2021
6.	Mr. Sejal Doshi	08431221	25-10-2019
7.	Mr. Kshitish Kumar Shastri	08212489	21-08-2020
8.	Mr. Deepak Kantilal Jain	07987267	21-08-2020
9.	Mr. Sumit Pal Singh	08572461	01-03-2021

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

Thanking You,

for Rinkesh Gala & Associates
Practicing Company Secretaries

Sd/-
Rinkesh Gala
Proprietor
ACS No.42486 | C.P. No.20128
Peer Review No: 847/2020
UDIN: A042486C000550752

Place: Mumbai
Date: June 30, 2021

DECLARATION

[Pursuant to Part D of Schedule V of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

I, Sumit Pal Singh, Chief Executive Officer & Joint Managing Director of Suumaya Industries Limited (Formerly known as Suumaya Lifestyle Limited) declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2021.

Sd/-
Sumit Pal Singh
Chief Executive Officer & Joint Managing Director
DIN: 08572461

Place: Mumbai
Date: June 30, 2021

Standalone Financial Statements

INDEPENDENT AUDITORS' REPORT

To
The Members of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

REPORT ON THE AUDIT OF THE STANDALONE Ind AS FINANCIAL STATEMENTS

OPINION

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

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue from the sale of products is recognized at the point in time when control of the products is transferred to the customer, which generally coincides with dispatch. Revenue is measured on the basis of contracted price net of returns and allowances, trade discounts and volume rebates.	In view of the significance of the matter we applied the following audit procedures in this area, among other to obtain an appropriate audit evidence:
There is a risk of revenue being overstated at year-end on account of variation in the timing of transfer of control due to the pressure management may feel to achieve performance targets at the reporting period end.	Evaluated the appropriateness of the Company's revenue recognition accounting policies, those relating to trade allowances and rebates by comparing with applicable accounting standards. Tested design, implementation and operating effectiveness of the Company's general IT controls and key IT/manual application controls over the Company's systems which govern recording of revenue, revenue cut-off and calculation and monitoring of trade allowances and rebates in the general ledger accounting system.

Key audit matters	How our audit addressed the key audit matter
	Performed substantive year-end cut off testing by selecting samples of revenue transactions recorded at year-end, and verifying the underlying documents i.e. sales invoices/contracts and shipping documents. Inspected, on a sample basis, key customer contracts to identify terms and conditions relating to goods acceptance and rebates. Tested manual journals posted to revenue to identify unusual items. Evaluated the adequacy of disclosures in respect of revenue in the financial statements

OTHER INFORMATION

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE Ind AS FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view

We also assessed disclosures made in the Standalone financial statements, view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE Ind AS FINANCIAL STATEMENTS

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

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

• Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The standalone balance Sheet, the standalone statement of Profit and Loss including the statement of other comprehensive income, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of accounts;
   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 37 to the standalone Ind AS financial statements;
      ii. The Company did not have any long-term contracts as at March 31, 2021 for which there were any material foreseeable losses. The Company did not have any long-term derivative contracts as at March 31, 2021;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For Naik Mehta & Co.
Chartered Accountants
FRN:124529W

CA Alpa Mehta
Partner
Membership No. 107896.
Place : Mumbai
Date : June 30, 2021.
UDIN : 21107896AAAAEQ1510

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE SECTION ON "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment in the standalone IND AS financial statement, are held in the name of the company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. In respect of inventories lying with third parties, these have substantially been confirmed by them and no material discrepancies were noticed in respect of such confirmations.

(iii) (a) The Company has granted loansto Companies and other parties covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) The Company has granted loans to Companies and other parties covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest for the loan granted has been stipulated and the repayment was regular.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 of the Companies Act, 2013 in respect of loans and advances given, have been complied with. In our opinion and according to the information and explanation given to us, provisions of section 186 of the Companies Act 2013 in respect of in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

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

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. The Company has maintained cost records in relation to the products/ sectors as specified under the Act as per the provision of Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. We are of the opinion that, prima facie, the prescribed cost records have been made and maintained in relation to the specified sectors. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) Undisputed statutory dues including employees' state insurance, incometax, duty of custom, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

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

(c) According to the records of the Company, there are no dues of goods and service tax, duty of customs and cess which have not been deposited on account of any dispute. The particulars of dues of income-tax, sales-tax, duty of excise and value added tax on account of any dispute, are as follows:

Name of Statute	Nature of dues	Period to which the Amount relates	Amount under dispute (₹ in Crores)	Amount paid under protest (₹ in Crores)
Income Tax Act, 1961	Income Tax	A.Y. 2016-17	1.32	20%
Income Tax Act, 1961	Income Tax	A.Y. 2018-19	0.9	0%

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution or bank. The Company does not have any loan from Government. Further, the Company has not issued any debenture.

(ix) "In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer/ further public offer (including debt instruments). The money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised".

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

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

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

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone IND AS financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the requirements of section 42 of Companies Act, 2013, have been complied with and the amount raised has been used for the purpose for which the funds were raised.

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

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

For Naik Mehta & Co.
Chartered Accountants
FRN:124529W

CA Alpa Mehta
Partner
Membership No. 107896.
Place : Mumbai
Date : June 30, 2021.
UDIN : 21107896AAAAEQ1510

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SUUMAYA INDUSTRIES LIMITED

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

We have audited the internal financial controls over financial reporting of Suumaya IndustriesLimited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and Board of Directors 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls 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 with reference to these standalone financial statements 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements 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, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 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.

For Naik Mehta & Co.
Chartered Accountants
FRN:124529W

CA Alpa Mehta
Partner
Membership No. 107896.
Place : Mumbai
Date : June 30, 2021.
UDIN : 21107896AAAAEQ1510

Standalone Balance sheet as at March 31, 2021

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
(I)	ASSETS				
(A)	Non-current assets				
(a)	Property, plant and equipment	3	8.19	3.39	1.67
(b)	Right-of-use assets	4	3.44	0.78	0.83
(c)	Goodwill	5	0.05	0.15	0.15
(d)	Other intangible assets	5	0.01	0.01	-
(e)	Intangible assets under development		0.68	-	-
(f)	Financial assets				
	i. Investments	6	7.00	0.10	-
	ii. Loans	7	0.38	0.24	0.66
(g)	Income tax asset	8	0.09	-	-
(h)	Other non-current assets	9	0.83	1.08	-
	Total non-current assets		20.67	5.75	3.31
(B)	Current assets				
(a)	Inventories	10	89.98	13.37	15.17
(b)	Financial assets				
	i. Trade receivables	11	2,035.03	65.77	48.16
	ii. Cash and cash equivalents	12(A)	52.25	4.96	5.44
	iii. Bank balances other than (ii) above	12(B)	10.00	-	-
	iv. Loans	7	16.55	0.67	2.74
	v. Other financial assets	13	31.83	-	-
(c)	Income tax asset	14	-	0.38	0.15
(d)	Other current assets	9	48.22	6.56	0.41
	Total current assets		2,283.86	91.71	72.07
	Total assets		2,304.53	97.46	75.38
(II)	EQUITY AND LIABILITIES				
(A)	EQUITY				
(a)	Equity share capital	15(A)	28.07	24.01	24.01
(b)	Other equity	15(B)	408.98	14.73	6.60
	Total equity		437.05	38.74	30.61
(III)	LIABILITIES				
(A)	Non-current liabilities				
(a)	Financial liabilities				
	i. Borrowings	16	3.03	-	-
	ii. Lease liabilities	4	3.00	0.56	0.64
(b)	Deferred tax liabilities (Net)	29	0.06	0.13	0.07
	Total non-current liabilities		6.09	0.69	0.72
(B)	Current liabilities				
(a)	Financial liabilities				
	i. Borrowings	16	59.48	20.79	11.77
	ii. Lease liabilities.	4	0.51	0.25	0.17
	iii. Trade payables				
	- total outstanding dues of micro enterprises and small enterprises;	17	-	-	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises		1,718.56	32.71	30.46
	iv. Other financial liabilities	18	1.50	1.67	0.24
(b)	Income tax liabilities	19	63.17	2.61	1.41
(c)	Other current liabilities	20	18.17	-	-
	Total current liabilities		1,861.39	58.03	44.05
	Total liabilities		1,867.48	58.72	44.77
	Total equity and liabilities		2,304.53	97.46	75.38

The accompanying notes are integral part of these financial statements.
This is the balance sheet referred to in our report of even date.

For Naik Mehta & Co.
Chartered Accountants
FRN No: 124529W

For and on behalf of the Board of Directors of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

CA. Alpa Mehta
Partner
Membership No: 107896

Ushik Gala
Chairman and Managing Director

Mumbai, June 30, 2021

Sneha Shah
CFO

Heena Shah
Company Secretary

Standalone Statement of Profit and Loss for the year ended March 31, 2021

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note	Year ended 31st March 2021	Year ended 31st March 2020
	Income			
1	Revenue from operations	21	2,448.75	210.70
2	Other income	22	1.15	0.03
3	Total revenue		2,449.90	210.73
4	Expenses			
	Cost of material consumed	23	2,071.87	191.98
	Changes in inventories of finished goods and stock-in-trade	24	(76.61)	1.79
	Employee benefit expense	25	2.80	1.71
	Finance costs	26	9.50	0.25
	Depreciation and amortisation expense	27	1.02	0.47
	Other expenses	28	25.00	3.73
	Total expenses		2,033.58	199.93
5	Profit before tax		416.32	10.80
6	Income tax expense:			
	Current tax	29	58.55	2.61
	Deferred tax		(0.01)	2.68
	Total tax expense		58.54	2.68
7	Profit for the year		357.78	8.12
8	Other comprehensive income			
	Items that may be reclassified to profit or loss		-	-
	Items that will not be reclassified to profit or loss		-	-
	Other comprehensive income for the year		-	-
9	Total comprehensive income for the year		357.78	8.12
10	Earnings per equity share of ₹10 each			
	- Basic (in ₹)	30	148.47	3.38
	- Diluted (in ₹)		141.15	3.38

The accompanying notes are integral part of these financial statements.
This is the statement of profit and loss referred to in our report of even date.

For Naik Mehta & Co.
Chartered Accountants
FRN No: 124529W

For and on behalf of the Board of Directors of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

CA. Alpa Mehta
Partner
Membership No: 107896

Ushik Gala
Chairman and Managing Director

Mumbai, June 30, 2021

Sneha Shah
CFO

Heena Shah
Company Secretary

Standalone Statement of Cash Flows for the year ended March 31, 2021

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	416.32	10.80
Adjustments :		
Depreciation and amortisation expense	1.02	0.47
Unwinding of discount on deposits	(0.01)	(0.01)
Interest income	(0.99)	(0.00)
Other income	(0.16)	-
Finance cost	9.50	0.25
Operating profit before working capital changes	425.68	11.50
Adjustments for change in working capital:		
Decrease/(Increase) in Inventories	(76.61)	1.79
Decrease /(Increase) in Trade receivables	(1969.26)	(17.61)
Decrease/ (Increase) in Loans	(15.92)	2.51
Decrease/ (Increase) in Other financial assets	(31.00)	0.00
Decrease/ (Increase) in Other current assets	(41.65)	(6.15)
Decrease/ (Increase) in Other non - current assets	0.24	(1.08)
(Decrease) / Increase in Trade payables	1685.85	2.25
(Decrease) / Increase in Other financial liabilities	(1.28)	1.43
(Decrease) /Increase in Other current liabilities	18.17	-
Less: Taxes paid	(3.90)	(1.64)
Net cash inflow / (outflow) from operating activities	(9.67)	(7.01)
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipments	(5.14)	(1.96)
Purchase of intangibles under development	(0.68)	
Investment in subsidiaries	(7.00)	(0.00)
Interest income	0.02	0.00
Investment in bank deposits	(10.00)	(0.10)
Net cash inflow / (outflow) from investing activities	(22.80)	(2.06)
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of share warrants	41.21	0.00
Proceeds from borrowings (net)	42.40	9.02
Principal repayment of lease liability	(0.57)	(0.18)
Finance cost	(2.90)	0.25
Payment of dividend	(0.38)	-
Net cash inflow / (outflow) from financing activities	79.76	8.59
Net Increase/(Decrease) in cash and cash equivalents	47.29	(0.48)
Add : Cash and cash equivalents at beginning of the year	4.96	5.44
Cash and cash equivalents at end of the year	52.25	4.96
Components of cash and cash equivalents		
Cash on hand	1.42	4.90
Balances with banks		
-in current account	50.83	0.07
Cash and cash equivalents closing	52.25	4.96

The accompanying notes are integral part of these financial statements.
The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7, 'Statement of Cash Flows'.
This is the statement of cash flow referred to in our report of even date.

For Naik Mehta & Co.
Chartered Accountants
FRN No: 124529W

For and on behalf of the Board of Directors of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

CA. Alpa Mehta
Partner
Membership No: 107896

Ushik Gala
Chairman and Managing Director

Mumbai, June 30, 2021

Sneha Shah
CFO

Heena Shah
Company Secretary

Standalone Statement of Changes in Equity for the year ended March 31, 2021

(All amounts in ₹ Crores, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Number of shares	Amount
As at April 1, 2019	2,40,08,000	24.01
Issued during the year	-	-
As at March 31, 2020	2,40,08,000	24.01
Issued during the year under warrants	40,60,000	4.06
As at March 31, 2021	2,80,68,000	28.07

B. OTHER EQUITY

Particulars	Reserves and surplus			Total other equity
	Securities premium	Retained earnings	Equity Component of Other Financial Instruments (Share Warrants)	
Balance as at April 1, 2019	1.08	5.52	-	6.60
Profit for the year	-	8.12	-	8.12
Balance as at March 31, 2020	1.08	13.65	-	14.73
Profit for the year	-	357.78	-	357.78
Share issue expenses	-	(0.34)	-	(0.34)
Deferred Tax on share issue expenses	-	0.06	-	0.06
Interim Dividend	-	(0.41)	-	(0.41)
Issue of Warrants	-	-	18.38	18.38
Transfer of Share Warrants into Shares	-	-	7.62	(7.62)
Premium amount from Conversion of Warrants	26.40	-	-	26.40
Balance as at March 31, 2021	27.48	370.74	10.76	408.98

The accompanying notes are integral part of these financial statements.
This is the statement of changes in equity referred to in our report of even date.

For Naik Mehta & Co.
Chartered Accountants
FRN No: 124529W

For and on behalf of the Board of Directors of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

CA. Alpa Mehta
Partner
Membership No: 107896

Ushik Gala
Chairman and Managing Director

Mumbai, June 30, 2021

Sneha Shah
CFO

Heena Shah
Company Secretary

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

(All amounts in ₹ Crores, unless otherwise stated)

1 COMPANY INFORMATION

Suumaya Industries Limited (formerly known as Suumaya Lifestyle Limited) (the ""Company""), is a public limited company domiciled in India. The equity shares of the Company are listed on the National Stock Exchange (NSE) in India. The registered office of the Company is located at Gala No.5F/D, Malad Industrial Units Coop Society Limited, Kachpada, Ramchandra Lane Extension, Malad (W) Mumbai, Maharashtra - 400064. The Company is engaged in the business of textile, medical textile and agri trading.

The financial statements of the Company for the year ended 31st March, 2021 were approved for issue in accordance with the resolution of the Board of Directors on June 30, 2021.

2A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

(i) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to and including year ended March 31, 2020 were prepared in accordance with the accounting standards as prescribed under Section 133 of the Companies Act 2013 ('the Act') read with rule 7 of the Companies (Accounting) Rules, 2014, the provisions of the Companies Act 2013 (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) and other relevant provisions of the Act.

The financial statements for the year ended March 31, 2021 are the first financial statements of the Company under Ind AS. Refer note 40 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

(ii) Historical cost convention

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

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

(iii) Current - non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current. "

A liability is treated 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 after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current"

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

Operating cycle

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

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

(All amounts in ₹ Crores, unless otherwise stated)

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM, who has the ability to evaluate financial performance and position of the Company and who allocates resources, is the Chairman and Managing Director of the Company.

Refer Note 34 for segment information provided"

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(d) Revenue recognition

The Company derives revenues primarily from sale of products. Revenue from contracts with customers is recognised when control of the products are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those products.

Revenue from sale of products:

Revenue from the sale of products is recognized at the point in time when control of the products is transferred to the customer, which generally coincides with dispatch. Revenue is measured on the basis of contracted price net of returns and allowances, trade discounts and volume rebates.

(e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

(All amounts in ₹ Crores, unless otherwise stated)

(f) Leases - as a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead account for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option"

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company :

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security."

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a practical expedient of Ind AS 116 "Leases", the Company has considered Covid-19-related rent concessions not to be lease modification, hence the income towards rent concession is recognised in "Other Income" in the statement of profit and loss account."

(g) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement."

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

(All amounts in ₹ Crores, unless otherwise stated)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve."

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate."

(h) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised 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. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there 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 an impairment are reviewed for possible reversal of the impairment at the end of each reporting period."

(i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(j) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

(k) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on a "Weighted Average Cost" basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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

(All amounts in ₹ Crores, unless otherwise stated)

(l) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sell the financial asset.

(iii) Measurement

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

Debt instruments

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

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses if any, are presented as separate line item in the statement of profit and loss.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses are presented as a separate line item in statement of profit and loss.
- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income."

Equity instruments

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

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

(All amounts in ₹ Crores, unless otherwise stated)

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

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Company determines whether there has been a significant increase in credit risk. The Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables.

(v) Derecognition of financial assets

A financial asset is derecognised only when:

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

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

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

(vi) Income recognition

Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably."

(m) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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 Company or the counterparty.

(n) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management.

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

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

(All amounts in ₹ Crores, unless otherwise stated)

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment."

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated using written-down value method over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis up to the month preceding the month of deletions/ disposals. The management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used. The Company has used the following rates to provide depreciation on its tangible fixed assets:

Assets	Useful lives followed by company	Useful lives prescribed in Schedule II of the Companies Act, 2013
Plant and machinery	15 years	15 years
Furniture and fixtures	10 years	10 years
Vehicles	10 years	8 years
Office equipment	15 years	5 years
Computers	3 years	3 years
Computer Servers	6 years	6 years
Immovable asset	60 years	60 years

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The useful lives of few assets have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses)."

(o) Intangible assets

(i) Goodwill

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

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(ii) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

(iii) Amortisation methods and periods

The Company amortises intangible assets using the straight-line method over the following periods:

Asset	Useful lives followed by company
Computer software	6 years

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2019 measured as per the previous GAAP and used that carrying value as the deemed cost of intangible assets.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

(s) Provisions and contingent liabilities

Provisions: Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are not recognised for future operating losses.

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

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

(All amounts in ₹ Crores, unless otherwise stated)

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

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

(t) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds."

(u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

(v) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year. (Note 30)"

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares. (Note 30)"

(w) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated. The figure 0.00 wherever stated represents value less than ₹50,000.

2B CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates of judgements are:

- Estimation of current tax expense and current tax payable - Note 29
- Estimation fair value of unlisted equity securities - Note 31
- Estimated useful life of tangible and intangible asset - Note 3, 5
- Recognition of revenue and allocation of transaction price - Note 21
- Recognition of deferred tax assets for carried forward tax losses - Note 29
- Determination of lease term and estimation of amount payable under residual value guarantees - Note 4"

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 3- PROPERTY, PLANT AND EQUIPMENT

Particulars	Furniture and fixture	Computer	Plant and Equipment	Office equipment	Vehicle	Building	Total
Year ended March 31, 2020							
Gross carrying amount							
Deemed cost as at April 1, 2019	0.43	0.02	1.21	-	-	-	1.67
Additions	0.17	0.09	1.01	0.04	0.63	-	1.94
Closing gross carrying amount	**0.60**	**0.11**	**2.23**	**0.04**	**0.63**	**-**	**3.61**
Accumulated depreciation							
Depreciation charge during the year	0.06	0.02	0.13	0.00	0.01	-	0.22
Closing accumulated depreciation	**0.06**	**0.02**	**0.13**	**0.00**	**0.01**	**-**	**0.22**
Net carrying amount as at March 31, 2020	**0.54**	**0.09**	**2.10**	**0.03**	**0.63**	**-**	**3.39**
Year ended March 31, 2021							
Gross carrying amount							
Opening gross carrying amount	0.60	0.11	2.23	0.04	0.63	-	3.61
Additions	-	0.09	-	-	-	5.05	5.14
Closing gross carrying amount	**0.60**	**0.20**	**2.23**	**0.04**	**0.63**	**5.05**	**8.75**
Accumulated depreciation							
Opening accumulated depreciation	0.06	0.02	0.13	0.00	0.01	-	0.22
Depreciation charge during the year	0.06	0.03	0.13	0.02	0.06	0.04	0.34
Closing accumulated depreciation	**0.12**	**0.05**	**0.25**	**0.03**	**0.07**	**0.04**	**0.56**
Net carrying amount as at March 31, 2021	**0.48**	**0.15**	**1.97**	**0.01**	**0.57**	**5.01**	**8.19**

Notes:

(i) Contractual obligations

Refer Note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Property, Plant & Equipment pledged as a security

Refer Note 16 for information on Property, Plant & Equipment pledged as a security by the Company.

NOTE 4 - LEASES

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective April 1, 2019 the Company adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on April 1, 2019. There is no impact on retained earnings as on April 1, 2019.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standards to its leases, prospectively, applying the standards on initial application without making any adjustment to opening balance of retained earnings.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8.90%. This note provides information for leases where the company is a lessee. The company leases various spaces in malls and godowns. Rental contracts are typically made for fixed periods of 2 years to 5 years, but may have extension option as described in (ii) below.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 4 - LEASES (contd.)

i) Amounts recognised in Balance Sheet

The balance sheet shows the following amount relating to leases:

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Right-of-use assets			
Premises	3.44	0.78	0.83
Total	3.44	0.78	0.83
Lease liabilities			
Current	0.51	0.25	0.17
Non-current	3.00	0.56	0.64
Total	3.51	0.81	0.81

Additions to the right-of-use assets during the year were 3.32 Crores (31 March 2020: 0.19 Crores)

ii) Amounts recognised in Statement of Profit and loss

The statement of profit or loss shows the following amounts relating to leases:

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Depreciation			
- Premises	27	0.63	0.25
Interest expense	26	0.14	0.07
Total		0.77	0.32

The total cash flow for leases for the year was 0.50 Crores (31 March 2020: 0.26 Crores)

a) Extension and Termination options

Extension and Termination options are sometimes included in leases of the Company. Extension options held by the Company have not been included in the lease liabilities only when the Company could replace the asset without significant cost or disruption to business operations or it is reasonably certain that the Company will not extend the lease. The Company continues to make this assessment on ongoing basis for any change. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

b) Practical expedient applied

While applying Ind AS 116 on the transition date, the Company has adopted following practical expedients available in the standard as on transition date:

- the Company has utilized the exemptions provided for short-term leases (less than a year).
- initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application.
- the Company has used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- the Company has applied practical expedients on not to separate non-lease component from leases on initial application and instead accounts for these as a single lease component.
- using hindsight in determining the lease term where the contract contains options.

c) The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116 - Leases, by inserting a practical expedient w.r.t. "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Company has received the Covid-19-related rent concessions for lessees amounting to 0.14 crores and on the basis of practical expedient as per Ind AS 116 "Leases", the same is not considered to be lease modification, hence the income towards rent concession is recognised in "Other Income" in the statement of profit and loss account.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 5 - GOODWILL AND OTHER INTANGIBLE ASSETS

Particulars	Goodwill	Computer software
Year ended March 31, 2020		
Gross carrying amount		
Deemed cost as at April 1, 2019	0.15	-
Additions	-	0.01
Disposals and transfers	-	-
Closing gross carrying amount	0.15	0.01
Accumulated amortization		
Amortization charge during the year	-	0.00
Disposals and transfers	-	-
Closing accumulated amortization	-	0.00
Net carrying amount as at March 31, 2020	0.15	0.01
Year ended March 31, 2021		
Gross Carrying Amount		
Opening gross carrying amount	0.15	0.01
Additions	-	-
Closing gross carrying amount	0.15	0.01
Accumulated amortization and impairment		
Opening accumulated amortization	-	0.00
Amortization and Impairment charge during the year	0.10	0.00
Closing accumulated amortization and impairment	0.10	0.00
Net carrying amount as at March 31, 2021	0.05	0.01

NOTE 6 - INVESTMENTS

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Investment in subsidiaries: (carried at cost)			
Unquoted			
50,00,000 (March 31, 2020: Nil) fully paid equity shares of ₹10 each of Suumaya Protective Texcorp Limited	5.00	-	-
10,00,000 (March 31, 2020: Nil) fully paid equity shares of ₹10 each of Suumaya Retail Limited	1.00	-	-
10,00,000 (March 31, 2020: Nil) fully paid equity shares of ₹10 each of Suumaya Agro Limited	1.00	-	-
Investment in Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP), 64% contribution (March 31, 2020: 64% contribution)	0.00	0.00	-
Other investments : (carried at fair value through profit and loss)			
Unquoted			
Nil (March 31, 2020: 38,040) fully paid equity shares of ₹25 each of Arihant Bank Shares	-	0.10	-
Total (Equity instruments)	7.00	0.10	-
Total non-current investments	7.00	0.10	-
Aggregate amount of Unquoted investments	7.00	0.10	-

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 7 - LOANS

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Current			
Loans to others	7.69	0.46	2.74
Loan to subsidiaries (refer note 35)	1.02	0.21	-
Loans to related parties (refer note 35)	6.05	-	-
Security deposits	1.79	-	-
Total (A)	16.55	0.67	2.74
Non-Current			
Security deposits	0.38	0.24	0.66
Total (B)	0.38	0.24	0.66
Loans considered good - Unsecured	16.93	0.91	3.40
(less): Allowance for impairment loss	-	-	-
Total (A)+(B)	16.93	0.91	3.40

NOTE 8 - INCOME TAX ASSET

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Income tax paid for appeal	0.09	-	-
Total	0.09	-	-

During the year, Income tax paid for appeal has been reclassified from current income tax asset to non-current income tax asset.

NOTE 9 - OTHER ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Non Current			
Capital advances	-	1.08	-
Investment in gold	0.83	-	-
Total other non-current assets	0.83	1.08	-
Current			
Investment in gold	-	0.58	-
Advance to supplier	48.14	-	-
Prepaid expense	0.08	-	-
GST recoverable	-	5.83	0.41
Other asset	-	0.15	-
Total other current assets	48.22	6.56	0.41

During the year, investment in gold has been reclassified from other current asset to other non-current asset.

NOTE 10 - INVENTORIES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Stock in trade	1.22	11.84	13.84
Finished goods	88.76	1.53	1.33
Total	89.98	13.37	15.17

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 11 - TRADE RECEIVABLES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured	2,020.71	65.77	48.16
Trade receivables - related parties (Refer note 35)	14.32	-	-
Total	2,035.03	65.77	48.16
Current portion	2,035.03	65.77	48.16

Transferred Receivables

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as borrowings. The Company considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost. The relevant carrying amounts are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Total transferred receivables	43.67	-	-
Associated borrowings	43.67	-	-

NOTE 12(A) - CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Cash on hand	1.42	4.90	4.19
Balances with banks			
- in current account	50.83	0.07	1.25
Total	52.25	4.96	5.44

Balances with banks includes unclaimed dividend of ₹0.05 Cr as at March 31, 2021

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and the prior years.

NOTE 12(B) - OTHER BANK BALANCES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Deposits with remaining maturity more than 3 months and less than 12 months	10.00	-	-
Total	10.00	-	-

The deposit amounting to ₹10 Cr as at March 31, 2021 is held as lien by the bank against the cash credit facility availed by the Company.

NOTE 13 - OTHER FINANCIAL ASSET

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Other financial assets	31.83	-	-
Total	31.83	-	-

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 14 - INCOME TAX ASSET

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Current income tax assets	-	0.09	0.09
Amount receivable from government authorities	-	0.29	0.06
Total	-	0.38	0.15

NOTE 15(A) - EQUITY SHARE CAPITAL

Authorised equity share capital

Particulars	Number of shares	Amount
As at 1 April 2019	2,50,00,000	25.00
Increase during the year	-	-
As at 31 March 2020	2,50,00,000	25.00
Increase during the year	2,90,00,000	29.00
As at 31 March 2021	5,40,00,000	54.00

a) Movements in equity share capital

Issued, subscribed and paid up capital

Particulars	Number of shares	Amount
As at 1 April 2019	2,40,08,000	24.01
Increase during the year	-	-
As at 31 March 2020	2,40,08,000	24.01
Increase during the year	40,60,000	4.06
As at 31 March 2021	2,80,68,000	28.07

Notes:

The above equity shares include 40,60,000 equity shares alloted to the Promoter and Promoter Group category on March 24, 2021, upon conversion of equivalent number of warrants issued on preferential basis.

b) Terms and rights attached to equity shares

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

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

Equity shareholders	As at March 31, 2021		As at March 31, 2020		As at April 1, 2019	
	Number	% holding	Number	% holding	Number	% holding
Indiacredit Risk Management LLP	48,60,000	17.32%	48,60,000	20.24%	48,60,000	20.24%
Ushik Gala	42,62,000	15.18%	-	-	-	-
Ishita Mahesh Gala	20,03,500	7.14%	18,87,500	7.80%	18,87,500	7.80%

As per the records of the Company including its register of members and other declarations received from the shareholders regarding beneficial interest, the above shareholders represent legal ownership of shares.

d) Convertible Share Warrants (Pending conversion)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Convertible Share Warrants (Pending conversion)	10.76	-	-
Total	10.76	-	-

Money received against Share Warrants represents amounts received towards warrants which entitles the warrant holders, the option to apply for and be alloted equivalent number of equity shares of the face value of ₹10 each.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 15(A) - EQUITY SHARE CAPITAL (contd.)

During the financial year, the Company has issued to its Promoter and Promoter Group category 98 Lakh warrants at a price of ₹75 each entitling them for subscription of equivalent number of Equity Shares of ₹10 each (including premium of ₹65 each share) in accordance with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018. Allottees of 40.60 Lakh warrants have exercised their right to convert the warrants into equity shares by paying balance 75% of the consideration aggregating ₹7.61 Crores and consequently 40.60 Lakh equity shares were issued to them.

NOTE 15(B) - OTHER EQUITY

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Securities premium	27.48	1.08	1.08
Retained earnings	370.74	13.65	5.52
Equity component - convertible share warrants	10.76	-	-
Total	408.98	14.73	6.60

a) Securities premium

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	1.08	1.08
Premium amount from conversion of warrants	26.40	-
Closing balance	27.48	1.08

b) Retained earnings

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	13.65	5.52
Profit for the period	357.78	8.12
Interim Dividend	(0.41)	-
Deferred Tax on Share issue	0.06	-
Share issue expenses	(0.34)	-
Closing balance	370.74	13.65

c) Equity component - Convertible Share Warrants

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	-	-
Issue of warrants	18.38	-
Transfer of warrants into shares	7.62	-
Closing balance	10.76	-

Nature and purpose of reserve

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained earnings

Retained Earnings are profits that the Company has earned till date less transfer to General Reserve, dividend or other distribution or transaction with shareholders.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 16 - BORROWINGS

Equity shareholders	As at March 31, 2021		As at March 31, 2020		As at April 1, 2019	
	Current	Non Current	Current	Non Current	Current	Non Current
Secured						
Factored receivables	43.67	-	-	-	-	-
Working capital demand loan	8.06	-	-	-	-	-
Indian Rupee loan from banks						
Vehicle Loans	-	0.63	-	-	-	-
Term Loans	-	3.51	4.29	-	-	-
Unsecured						
Indian Rupee loan from banks	-	-	0.24	-	0.15	-
Supplier Financing	1.51	-	-	-	-	-
Loans from related parties	6.24	-	16.26	-	11.62	-
	59.48	**4.14**	**20.79**	**-**	**11.77**	**-**
Less: Current maturities of long term debt	-	(1.11)	-	-	-	-
Total	**59.48**	**3.03**	**20.79**	**-**	**11.77**	**-**

Repayment terms and security disclosure for the outstanding Borrowings

Particulars	Maturity date	Terms of repayment	Interest rate	Asset pledged as security
Current Borrowings				
Factored receivables	-	-	Interest rate ranging from 12.5% to 18%	Factored receivables are secured by charge on trade receivables subject to factoring arrangement.
Supplier financing	Sept 29, 2021	Revolving	17%	This financing is unsecured and therefore there is no hypothecation against stock or debtors
Working capital demand loan	Sept 10, 2021	Repayble on demand	11%	Secured by charge on the current assets of the Company
Loan from related parties	-	-	-	Unsecured
Non- Current Borrowings				
Indian Rupee loan from banks				
Vehicle Loan - Yes Bank	Aug 15, 2025	Equated monthly installments	9.10%	Secured by way of hypothecation of vehicle
Loans from banks - PNB	Sept 29, 2027		8.90%	Secured by way of mortgage of building

a) **Net debt reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and bank	52.25	4.96
Lease liabilities	(3.51)	(0.81)
Current Borrowings	(59.48)	(20.79)
Non-current Borrowings	(3.03)	-
Total	(13.77)	(16.64)

Particulars	Cash and bank	Non-current borrowings	Lease liabilities	Current borrowings	Total
Net debt as at April 1, 2019	5.44	-	(0.81)	(11.77)	(7.15)
Cash flows	(0.48)	-	0.26	(9.02)	(9.24)
Additional leases	-	-	(0.19)	-	(0.19)
Interest expense	-	-	(0.07)	(0.18)	(0.25)
Interest paid	-	-	-	0.18	0.18
Net debt as at March 31, 2020	**4.96**	**-**	**(0.81)**	**(20.79)**	**(16.64)**

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 16 - BORROWINGS (contd.)

Particulars	Cash and bank	Non-current borrowings	Lease liabilities	Current borrowings	Total
Cash flows	47.29	(3.03)	0.50	(38.44)	6.33
Additional leases	-	-	(3.23)	-	(3.23)
Interest expense	-	(0.21)	(0.14)	(2.26)	(2.61)
Lease rent concession	-	-	0.14	-	0.14
Deletion on account of termination	-	-	0.02	-	0.02
Interest paid	-	0.21	-	2.00	2.21
Net debt as at March 31, 2021	**52.25**	**(3.03)**	**(3.51)**	**(59.48)**	**(13.77)**

NOTE 17 - TRADE PAYABLES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Trade payables : others	1,695.82	32.71	30.46
Trade payables to related parties (refer note 35)	22.74	-	-
Total	**1,718.56**	**32.71**	**30.46**

NOTE 18 - OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Current			
Auditor's remuneration payable	0.05	-	-
Current maturities of long term debt	1.11	-	-
Unpaid dividend	0.05	0.04	0.02
Provision for Expenses	0.11	-	-
Other payables	0.18	1.63	0.22
Total	**1.50**	**1.67**	**0.24**

NOTE 19 - INCOME TAX LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Current			
Provision for income tax (Net of advance income tax)	63.17	2.61	1.41
Total	**63.17**	**2.61**	**1.41**

NOTE 20 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Current			
Statutory dues payable	14.36	-	-
Other Current Liabilities	3.81	-	-
Total	**18.17**	**-**	**-**

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 21 - REVENUE FROM OPERATIONS

The company derives the following types of revenue:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Revenue from contracts with customers		
Sale of products	2,448.75	210.70
Total revenue from continuing operations	2,448.75	210.70

a) Disaggregation of revenue from contract with customers:

In the following table, revenue is disaggregated into categories that depict how different economic factors affect the nature, amount and timing of revenue recognition. This includes primary geographical markets, method of revenue recognition and type of products.

i) Timing of revenue recognition

Timing of revenue recognition	Year ended 31st March 2021	Year ended 31st March 2020
Goods transferred at a point in time	2,448.75	210.70
Goods transferred over time	-	-
Total revenue from contract with customers	2,448.75	210.70

ii) Revenue by location of customers

Primary geographical markets	Year ended 31st March 2021	Year ended 31st March 2020
India	2,448.75	210.70
Outside India	-	-
Total revenue from contract with customers	2,448.75	210.70

iii) Disaggregation of revenue based on products

Type of Product	Year ended 31st March 2021	Year ended 31st March 2020
Textile	863.92	210.70
Agri produce	1584.83	-
Total revenue from contract with customers	2,448.75	210.70

NOTE 22 - OTHER INCOME

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Discount received	-	0.01
Lease rent concession (refer note 4)	0.14	-
Unwinding of discount on deposits	0.01	0.01
Interest income	1.00	0.00
Miscellaneous income	0.00	0.01
Total	1.15	0.03

NOTE 23 - COST OF MATERIAL CONSUMED

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Purchases of raw material	2,071.87	191.98
Total	2,071.87	191.98

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 24 - CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Opening balance		
- Stock in trade	11.84	13.84
- Finished goods	1.53	1.33
Total opening balance	13.37	15.17
Closing balance		
- Stock in trade	1.22	11.84
- Finished goods	88.76	1.53
Total closing balance	89.98	13.37
(Increase)/decrease in inventories	(76.61)	1.79

NOTE 25 - EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Salaries, wages and bonus	2.78	-
Staff welfare expenses	0.02	1.71
Total	2.80	1.71

NOTE 26 - FINANCE COSTS

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Interest on lease liability	0.14	0.07
Interest and other charges		
To Bank	0.70	0.18
To Others	8.32	-
Processing Fees	0.34	-
Total	9.50	0.25

NOTE 27 - DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Depreciation and amortisation expenses (refer note 3 and note 5)	0.39	0.22
Depreciation on right-of-use assets (refer note 4)	0.63	0.25
Total	1.02	0.47

NOTE 28 - OTHER EXPENSES

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Commission	8.57	0.16
Legal and professional charges	8.56	0.24
Advertisement and business promotion	2.68	0.98
Freight outward	1.52	-
Auditor's Remuneration (Refer note (a) below)	0.10	0.01
Loss on termination	0.00	-
Expenditure for Corporate Social Responsibility (Refer note (b) below)	0.29	0.05
Miscellaneous expenses	1.88	0.85
Travelling and conveyance	0.22	0.52

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 28 - OTHER EXPENSES (contd.)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Postage and telephone	0.03	-
Office expenses	0.44	0.18
Rates and taxes	0.17	-
Rent	0.15	0.21
Bank charges	0.08	0.01
Repairs and maintenance	0.06	0.06
Printing and stationery	0.04	0.19
Directors' fees	0.21	0.26
Total	25.00	3.73

a) Details of payment to Auditor

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Payment to auditors		
As auditor:		
Audit fees	0.07	0.01
Tax audit fees	0.03	0.00
In other capacities:		
Other services	0.00	-
Re-imbursement of expenses		
Total	0.10	0.01

b) Corporate social responsibility expenditure

In terms of provisions of Section 135 of the Companies Act, 2013, the company is required to spend 2% of its average net profit for the immediately preceding three financial years on prescribed corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were contributed to eligible trusts for carrying out activities as specified in Schedule VII of the Companies Act, 2013.

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Education	0.02	0.05
Animal Welfare	0.20	
Disaster Response (including COVID -19)	0.05	
Eradicating hunger, malnutrition and poverty	0.02	
Total	0.29	0.05
Amount required to be spent as per Section 135 of the Act	0.12	0.05
In Cash		
Amount spent during the year on		
i) Construction/acquisition of an asset	-	-
ii) On purposes other than (i) above	0.29	0.04
Yet to be paid in Cash		
Amount spent during the year on		
i) Construction/acquisition of an asset		
ii) On purposes other than (i) above	-	0.01

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 29 - INCOME TAX EXPENSE

a) The components of income tax expense for period are:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Current tax		
Current tax on profits for the year	58.55	2.61
Total current tax expense	**58.55**	**2.61**
Deferred tax		
(Decrease)/increase in deferred tax liabilities	(0.01)	0.07
Total deferred tax expense/(benefit)	**(0.01)**	**0.07**
Total income tax expense	**58.54**	**2.68**

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

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Profit before income tax expense	416.32	10.80
Tax at Indian tax rate of 25.168% (March 31, 2020 at 29.12%)	**104.78**	**3.14**
Tax effect of the amount which are not deductible (taxable) in calculating taxable income:		
- Expenses not allowed for tax purposes	350.52	-
- Income not chargeable for tax purposes	(398.86)	-
- Adjustments of current tax of prior years	0.38	(0.38)
- Others	1.72	(0.08)
Income tax expense at effective tax rate	**58.54**	**2.68**

c) Deferred tax liabilities

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Deferred tax Asset/(Deferred tax Liability)			
Property, plant and equipment and intangible assets	(0.15)	(0.15)	(0.07)
Right-of-use assets	(0.86)	(0.21)	(0.23)
Financial assets	0.00	0.00	0.00
Lease liabilities	0.90	0.23	0.23
Others	(0.01)	-	-
Share issue expenses	0.06	-	-
Net deferred tax asset/(deferred tax liability)	**(0.06)**	**(0.13)**	**(0.07)**

Movement in deferred tax asset /deferred tax liability

Particulars	As at April 1, 2019	(Charged)/ credited to Statement of profit and loss	(Charged) / credited to OCI	As at March 31, 2020
Deferred tax Asset / Liability				
Property, plant and equipment and intangible assets	(0.07)	(0.08)	-	(0.15)
Right-of-use assets	(0.23)	0.01	-	(0.21)
Financial assets	0.00	0.00	-	0.00
Lease liabilities	0.23	(0.00)	-	0.23
Net deferred tax asset/(deferred tax liability)	**(0.07)**	**(0.07)**	**-**	**(0.13)**

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 29 - INCOME TAX EXPENSE (contd.)

Movement in deferred tax asset /deferred tax liability

Particulars	As at April 1, 2020	(Charged)/ credited to Statement of profit and loss	(Charged) / credited to OCI	As at March 31, 2021
Deferred tax Asset / Liability				
Property, plant and equipment and intangible assets	(0.15)	(0.00)	-	(0.15)
Right-of-use assets	(0.21)	(0.65)	-	(0.86)
Financial assets	0.00	0.00	-	0.00
Lease liabilities	0.22	0.67	-	0.90
Others	0.00	(0.01)	-	(0.01)
Net deferred tax asset/(deferred tax liability)	(0.13)	0.01	-	(0.13)

d) Amounts recognised directly in equity

Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate deferred tax arising in the reporting period and not recognised in net profit or loss or OCI but directly debited to equity:		
Deferred tax: share issue transaction costs (Refer note 15(b))	0.06	-
Total	0.06	-

NOTE 30 - EARNINGS PER SHARE (EPS)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Earnings per share on profit for the year (in ₹)		
Basic earnings per share (Face value ₹10 per share)	148.47	3.38
Diluted earnings per share (Face value ₹10 per share)	141.15	3.38

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
a) Profit attributable to the equity holders of the Company	357.78	8.12
b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,40,96,986	2,40,08,000
Adjustments for calculation of diluted earnings per share:		
Convertible warrants	12,50,401	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	2,53,47,387	2,40,08,000

c) Information concerning the classification of securities

(i) Convertible warrants

Convertible warrants issued during the year are considered to be potential equity shares and have been included in the determination of diluted earnings per share from their date of issue. The warrants have not been included in the determination of basic earnings per share. Details relating to the notes are set out in note 15(a).

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 31 - FAIR VALUE MEASUREMENT

a) Financial instruments by category

Particulars	As at March 31, 2021		As at March 31, 2020		As a April 1, 2019	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets						
Investment in unquoted equity instruments	-	-	0.10	-	-	-
Security deposits	-	2.16	-	0.24	-	0.66
Trade receivables	-	2,035.03	-	65.77	-	48.16
Loans	-	14.76	-	0.66	-	2.74
Cash and cash equivalents (including other bank balances)	-	62.25	-	4.96	-	5.44
Other financial assets	-	31.83	-	-	-	-
Total financial assets	-	2,146.04	0.10	71.64	-	57.00
Financial liabilities						
Trade payables	-	1,718.56	-	32.71	-	30.46
Borrowings	-	63.63	-	20.79	-	11.77
Other financial liabilities	-	1.50	-	1.7	-	0.24
Total financial liabilities	-	1,783.69	-	55.18	-	42.48

The investments made in subsidiaries amounting to 7 Crores are measured at cost.

b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2021

Financial Assets and Liabilities as at March 31, 2021	Note	Level 1	Level 2	Level 3	Total
Financial asset					
Loans					
Loans to subsidiaries	7	-	-	1.02	1.02
Loans to related parties	7	-	-	6.05	6.05
Loans to others	7	-	-	7.69	7.69
Security deposits	7	-	-	2.16	2.16
Total financial assets		-	-	16.93	16.93
Financial liabilities					
Borrowings	16	-	-	63.63	63.63
Total financial liabilities		-	-	63.63	63.63

As at March 31, 2020

Financial Assets and Liabilities as at March 31, 2020	Note	Level 1	Level 2	Level 3	Total
Financial asset					
Investments	6	-	-	0.10	0.10
Loans					
Loans to subsidiaries	7	-	-	0.21	0.21
Loans to others	7	-	-	0.45	0.45
Security deposits	7	-	-	0.24	0.24
Total financial assets		-	-	1.00	1.00
Financial liabilities					
Borrowings	16	-	-	20.79	20.79
Total financial liabilities		-	-	20.79	20.79

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 31 - FAIR VALUE MEASUREMENT (contd.)

As at April 1, 2019

Financial Assets and Liabilities as at April 1, 2019	Note	Level 1	Level 2	Level 3	Total
Loans					
Loans to others	7	-	-	2.74	2.74
Security deposits	7	-	-	0.66	0.66
Total financial assets		-	-	3.40	3.40
Financial liabilities					
Borrowings	16	-	-	11.77	11.77
Total financial liabilities		-	-	11.77	11.77

There are no transfers between levels 1, 2 and 3 during the period.

Level 1: Hierarchy includes financial instruments measured using quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on the entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is include in level 3.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans, other current financial assets, current borrowings, trade payables, other current financial liabilities are considered to be approximately equal to their fair value due to their short term nature. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

c) Valuation Process used to determine fair value

The fair value of level 3 instruments is valued using inputs based on information about market participants assumptions and other data that is available. Discount rates as at balance sheet is used to derive fair value of security deposits using discounting model.

NOTE 32 - FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost and fair value through profit and loss.	Ageing analysis, credit rating	Diversification of bank deposits, credit limits
Liquidity risk	Trade Payables, borrowings, lease liabilities and other liabilities	Rolling cash flow forecasts	Continuous monitoring of Fund management to ensure timely payment of dues.

a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the notes to the financial statements. The Company's major classes of financial assets are cash and cash equivalents, fixed deposits, security deposits and trade receivables.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 32 - FINANCIAL RISK MANAGEMENT (contd.)

Credit risk from customers is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Due to large geographical base & number of customers, the Company is not exposed to material concentration of credit risk. Basis the historical experience, the risk of default in case of amount receivable from customers is low.

Deposits with banks are considered to be having negligible risk or nil risk, as they are maintained with high rated banks or financial institutions as approved by the Board of Directors.

Trade receivables

Considering the nature of financing arrangements, the management considers the overall risk of loss on receivables to be low. The actual losses on trade receivables have historically been very low and no losses were incurred on trade receivables either in 2019, 2020 or in 2021.

Loans

All of the Company's loans at amortised cost are considered to have low credit risk. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term (for example, investment grade credit rating with at least one major rating agency).

b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors the forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Accordingly, liquidity risk is perceived to be low.

Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

Contractual maturities of financial liabilities As at March 31, 2021	Note No.	Less than 12 months	More than 12 months	Total
Lease liabilities	4	1.47	2.51	3.99
Borrowings	16	60.59	4.57	65.16
Trade payables	17	1,718.56	-	1,718.56
Other financial liabilities	18	1.50	-	1.50
Total non-derivative liabilities		1,782.13	7.08	1,789.21

Contractual maturities of financial liabilities As at March 31, 2020	Note No.	Less than 12 months	More than 12 months	Total
Lease liabilities	4	0.31	0.61	0.92
Borrowings	16	20.79	-	20.79
Trade payables	17	32.71	-	32.71
Other financial liabilities	18	1.67	-	1.67
Total non-derivative liabilities		55.48	0.61	56.10

Contractual maturities of financial liabilities As at April 1, 2019	Note No.	Less than 12 months	More than 12 months	Total
Lease liabilities	4	0.23	0.74	0.97
Borrowings	16	11.77	-	11.77
Trade payables	17	30.46	-	30.46
Other financial liabilities	18	0.24	-	0.24
Total non-derivative liabilities		42.70	0.74	43.45

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 32 - FINANCIAL RISK MANAGEMENT (contd.)

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and price risk. Market risk is attributable to all market risk sensitive financial instruments.

i) Interest rate risk:

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations. The Company's borrowings outstanding as at March 31, 2021 comprise of fixed rate loans and accordingly, are not exposed to risk of fluctuation in market interest rates.

ii) Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not undertake transactions denominated in foreign currency which are subject to the risk of exchange rate fluctuations. The Financial assets and liabilities of the Company are not denominated in foreign currency, subject to reinstatement risks. This mitigates the foreign currency risk exposure for the Company.

iii) Price risk:

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through fair value through profit or loss. To manage its price risk arising from investments in equity securities, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

As at March 31, 2021 the Company does not hold any financial instrument subject to a change in price.

NOTE 33 - CAPITAL MANAGEMENT

The Company aims to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise its returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs.

The Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by Total equity (as shown in the Balance Sheet)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Net Debt	13.76	16.64	7.15
Total Equity	437.05	38.74	30.61
Net Debt to Equity Ratio	3.15%	42.94%	23.34%

NOTE 34 - SEGMENT INFORMATION

In accordance with Ind AS 108 - Operating segments, segment information has been provided in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in these standalone financial statements.

NOTE 35 - RELATED PARTY TRANSACTIONS

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and relationships

Name of the Company	Relationship
Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP)	Subsidiary
Suumaya Agro Limited	Subsidiary
Suumaya Protective Texcorp Limited	Subsidiary
Suumaya Retail Limited	Subsidiary

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 35 - RELATED PARTY TRANSACTIONS (contd.)

(ii) Key management personnel

Name of the person	Designation
Ushik Gala	Chairman and Managing Director
Ishita Gala (M.D up to January 2, 2021)	Vice-President (Brand Business)
Dhwani Dattani	Finance and Credit Head
Sumit Singh	CEO
Heena Shah	Company Secretary
Karishma Kaku (upto 1st November 2020)	CFO
Sneha Shah (w.e.f. 2nd November, 2020)	CFO

(iii) Entities over which Key Management Personnel, and their relatives are able to exercise significant control and with whom transactions have taken place

Name of the Company	Relationship
Olympus Fintax Solutions Pvt Ltd	Entities over which key management personnel, and their relatives are able to exercise significant control
India Credit Risk Management LLP	
Om Sai Nityanand Management Pvt Limited	
Rangoli Tradecomm Limited	
Mcube Hospitality	
Suumaya Fabrics Limited	
Shree Malad K.V.O Jain Samaj Foundation	

(iv) Relatives of Key Management Personnel with whom transactions have taken place

Name of the person	Relationship
Ms. Karishma Kaku	Relative of key management personnel
Mr. Mahesh Gala	

(v) Non executive directors and enterprises over which they are able to exercise significant influence (with whom transactions have taken place):

Name of the person	Relationship
Expotium Trading LLP	Enterprises over which non executive directors have significant influence
Mr. Sejal Doshi	Non Executive Director

NOTE 35 - RELATED PARTY TRANSACTIONS

(i) Remuneration to key managerial personnel

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Short-term employee benefits		
Ushik Gala	0.12	0.07
Ishita Gala	0.02	0.02
Mahesh Gala		0.07
Karishma Kaku	0.03	0.05
Dhwani Dattani	0.10	-
Sneha Shah	0.13	-
Sumit Singh	1.25	-
Heena Shah	0.05	0.03
Total	1.71	0.24

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 35 - RELATED PARTY TRANSACTIONS (contd.)

(ii) Other transactions with related parties

Particulars	Other related parties		Subsidiaries and partnerships	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Investments				
Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP)				0.00
Suumaya Agro Limited			1.00	
Suumaya Retail Limited			1.00	
Suumaya Protective Texcorp Limited			5.00	
Total	**-**	**-**	**7.00**	**0.00**
Revenue from Operations				
Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP)	-			5.43
Rangoli Tradecomm Limited	19.52			-
Expotium Trading LLP	1.80			-
Suumaya Fabrics Limited	8.62			-
Shree Malad K.V.O Jain Samaj Foundation (I Say Education and Skill Development Foundation)	0.04			-
Total	**29.98**	**-**	**-**	**5.43**
Purchases				
Rangoli Tradecomm Limited	43.13			-
Suumaya Agro Limited				-
			11.11	
Total	**43.13**	**-**	**11.11**	**-**

(iii) Closing balances

Particulars	Other related parties			Subsidiaries		
	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Receivables						
Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP)				5.43		
Expotium Trading LLP	0.33					
Suumaya Fabrics Limited	8.56					
Total	**8.89**	**-**	**-**	**5.43**	**-**	**-**
Payables						
Rangoli Tradecomm Limited	11.63					
Suumaya Agro Limited				11.11	-	-
Total	**11.63**	**-**	**-**	**11.11**	**-**	**-**
Borrowings						
Ishita Gala	0.01					
Ushik Gala	1.34					
Suumaya Protective Texcorp Limited				4.89		
Suumaya Fabrics Limited	-	1.45	1.19			
Rangoli Tradecomm Limited	-	14.81	10.43			
Total	**1.35**	**16.26**	**11.62**	**4.89**	**-**	**-**
Loans and advances						
Mcube Hospitality	-	0.46				
Suumaya Retail Limited				0.53		
Om Sai Nityanand Management Pvt Limited	6.05					
Olympus Fintax Solutions Private Limited	0.00					
Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP)				0.49	0.21	
Total	**6.05**	**0.46**	**-**	**1.02**	**0.21**	**-**

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 36 - CAPITAL COMMITMENTS

Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) relating as at March 31, 2021 is ₹ Nil

NOTE 37- CONTINGENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Disputed tax demands/ claims:			
Income tax	1.41	1.32	1.32

The Company have ongoing disputes with income tax authorities in India. The disputes primarily relate to the method of computation of income tax and addition of commission income.

NOTE 38- EVENTS OCCURRING AFTER THE REPORTING PERIOD

The Board of Directors have recommended a dividend of ₹2.75 per fully paid up equity share of ₹10/- each for the financial year 2020-21

NOTE 39 - IMPACT OF COVID-19 (GLOBAL PANDEMIC)

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of employees and ensure business continuity with minimal disruption. In view of the pandemic, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of assets including trade receivables, inventories and other non current/current assets (net of provisions established) for any possible impact on the financial statements. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc. and is of the view that based on its present assessment, the carrying amount of assets will be recovered and no material adjustments is required in the preparation of these financial statements. In this regard, the Company will continue to closely monitor any material changes to future economic conditions.

NOTE 40 - FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first financial statements in accordance with Ind AS. For periods up to and including the year ended 31 March 2020, the Company prepared its financial statements in accordance with previous GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Company's Ind AS opening balance sheet is 1 April 2019 (the date of transition to Ind AS).

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2021, the comparative information presented in these financial statements for the year ended 31 March 2020 and in the preparation of an opening Ind AS balance sheet at 1 April 2019 (the Company's date of transition). According to Ind AS 101, the first Ind AS financial statements must use recognition and measurement principles that are based on standards and interpretations that are effective at 31 March 2021, the date of first-time preparation of financial statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS financial statements.

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as at 1 April 2019 compared with those presented in the previous GAAP balance sheet as at 31 March 2019, were recognized in equity under retained earnings within the Ind AS balance sheet.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes

a) Optional exemptions availed

The Company has made use of the applicable Ind AS 101 optional exceptions and mandatory exemptions set out below in the transition from previous GAAP to Ind AS.

i) Property, plant and Equipment & Intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 40 - FIRST TIME ADOPTION OF IND AS (contd.)

and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities, capital grant if applicable.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

ii) Investment in subsidiaries

The Company has opted para D14 and D15 of Ind AS 101 and accordingly considered the previous GAAP carrying amount of Investments as deemed cost as at the transition date.

iii) Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

Accordingly, the Company has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

iv) Arrangements containing a lease

Ind AS 116 requires an entity to assess whether an arrangement contains a lease at its inception. However, Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS. The Company has elected to apply this exemption for such contracts/ arrangements.

b) Ind AS mandatory exceptions

The Company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2019 are consistent with the estimates as at the same date made in conformity with previous GAAP.

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c) Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires a first time adopter to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS. The presentation requirements under previous GAAP differs from Ind AS and hence the previous GAAP information has been restated for ease of reconciliation with Ind AS.

i) Reconciliation of Other equity between previous GAAP and Ind AS:

	Notes to first time adoption	As at March 31, 2020	As at April 1, 2019
Other equity as per previous GAAP		14.68	6.56
Adjustments:			
Fair valuation of security deposits	1	0.04	0.04
Lease accounting under Ind AS 116	2	(0.05)	-
Other adjustments		0.05	-
Tax Impact on above	3	0.01	0.00
Total adjustments		**0.05**	**0.04**
Total equity as per Ind AS		**14.73**	**6.60**

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 40 - FIRST TIME ADOPTION OF IND AS (contd.)

ii) Reconciliation of total comprehensive income as per Ind AS with profit reported under previous GAAP:

	Notes to first time adoption	Year ended 31st March 2020
Net profit after tax as per previous GAAP		8.16
Adjustments:		
Depreciation on Right-of-use assets	2	(0.24)
Fair valuation of deposits	1	0.01
Interest expense on lease liability	2	(0.07)
Reversal of rent expenses on account of Ind AS 116	2	0.26
Tax impact on above items	3	0.01
Profit after tax as per Ind AS		**8.12**
Other Comprehensive Income:		-
Total comprehensive income as per Ind AS		**8.12**

iii) Impact of Ind AS adoption on the standalone statements of cash flows for the year ended March 31, 2020

There is no significant change in the net cash flow from operating, investing or financing activities due to Ind AS adoption. Further, there is no change in the cash and cash equivalents for the purposes of statement of cash flows under previous GAAP and under Ind AS.

Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2020

	Previous IGAAP*	Adjustments	Ind AS
Net cash flow from operating activities	(7.44)	0.43	(7.01)
Net cash flow from investing activities	(2.06)	-	(2.06)
Net cash flow from financing activities	9.02	(0.43)	8.59
Net increase in cash and cash equivalents	(0.48)	0.00	(0.48)
Cash and cash equivalents as at April 1, 2019	5.44	-	5.44
Cash and cash equivalents as at March 31, 2020	4.96	0.00	4.96

* The IGAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

d) Notes to first-time adoption:

1) Security Deposit

Under the previous GAAP, interest free deposits (that are refundable in cash on completion of the lease term) were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value on initial recognition and subsequently measured at amortised cost or fair value depending on their classification. Accordingly, the Company has fair valued these security deposits retrospectively from the date of this initial recognition under Ind AS and subsequently measured them at amortised cost. The difference thus calculated between the fair value and transaction value of the security deposit has been recognized as prepaid rent which has been adjusted against right-of-use assets. Consequent to this change, the amount of security deposits decreased by 0.41 Crores as at 31 March 2020 (1 April 2019: 0.66 Crores). The prepaid rent decreased by 0.01 Crores as at 31 March 2020 (1 April 2019: 0.02 Crores). An interest income of 0.01 Crores was recorded for the same.

2) Interest and depreciation on lease-liability and right-of-use asset

Under Ind AS, lease liability is recognised for discounted lease payments and a corresponding right-of-use asset is created. Interest as per effective interest rate is charged on the lease liability and depreciation is charged on right-of-use asset. As on the date of transition, right-of-use asset is assumed to be equal to the discounted lease liability. Under previous GAAP, lease rentals on operating leases were required to be recognised as expense on straight-line basis over the lease term by recognising corresponding

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 40 - FIRST TIME ADOPTION OF IND AS (contd.)

lease equalisation liability. However, as part of Ind AS adjustments, right-of-use asset is adjusted for the amount of lease equalisation liability. Depreciation is charged on right of use asset and interest expense is charged on lease liability.

3) Deferred tax

Under previous GAAP, deferred tax accounting was done using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has accounted for deferred tax on such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or other comprehensive income, on the date of transition. As a result of this change, deferred tax liabilities increased by 0.06 Crores as at March 31, 2020.

For Naik Mehta & Co.
Chartered Accountants
FRN No: 124529W

CA. Alpa Mehta
Partner
Membership No: 107896

Mumbai, June 30, 2021

For and on behalf of the Board of Directors of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

Ushik Gala
Chairman and Managing Director

Sneha Shah
CFO

Heena Shah
Company Secretary

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

To
The Members of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

REPORT ON THE AUDIT OF THE CONSOLIDATED Ind AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated Ind AS financial statements of Suumaya Industries Limited(hereinafter referred to as "the Holding Company")and its subsidiaries (the Holding Company and itssubsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income,the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for theyear then ended, and notes to the consolidated Ind AS financial statements, including a summary of significantaccounting policies and other explanatory information(hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information andaccording to the explanations given to us and basedon the consideration of reports of other auditorson separate financial statements and on the otherfinancial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give theinformation required by the Companies Act, 2013,as amended ("the Act") in the manner so requiredand give a true and fair view in conformity with theaccounting principles generally accepted in India, ofthe consolidated state of affairs of the Group as atMarch 31, 2021, their consolidated profit includingother comprehensive income, their consolidated cashflows and the consolidated statement of changes inequity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue from the sale of products is recognized at the point in time when control of the products is transferred to the customer, which generally coincides with dispatch. Revenue is measured on the basis of contracted price net of returns and allowances, trade discounts and volume rebates.	In view of the significance of the matter we applied the following audit procedures in this area, among other to obtain an appropriate audit evidence:
There is a risk of revenue being overstated at year-end on account of variation in the timing of transfer of control due to the pressure management may feel to achieve performance targets at the reporting period end.	Evaluated the appropriateness of the Company's revenue recognition accounting policies, those relating to trade allowances and rebates by comparing with applicable accounting standards. Tested design, implementation and operating effectiveness of the Company's general IT controls and key IT/manual application controls over the Company's systems which govern recording of revenue, revenue cut-off and calculation and monitoring of trade allowances and rebates in the general ledger accounting system.
	Performed substantive year-end cut off testing by selecting samples of revenue transactions recorded at year-end, and verifying the underlying documents i.e. sales invoices/contracts and shipping documents. Inspected, on a sample basis, key customer contracts to identify terms and conditions relating to goods acceptance and rebates. Tested manual journals posted to revenue to identify unusual items. Evaluated the adequacy of disclosures in respect of revenue in the financial statements

OTHER INFORMATION

The Holding Company's Board of Directors isresponsible for the other information. The other information comprises the information included in theAnnual report, but does not include the consolidatedInd AS financial statements and our auditor's reportthereon

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THECONSOLIDATED Ind AS FINANCIAL STATEMENTS

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

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

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED Ind AS FINANCIAL STATEMENTS

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

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

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

effectiveness of such controls.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTER

We did not audit the financial statements and other financial information, in respect of 4 subsidiaries whose Ind AS financial statements include total assets of ₹(2057.78) crores as at March 31, 2021, and total revenues of ₹(1813.52) crores and net cash outflows/ (inflows) of ₹(36.57) crores for the year

ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

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

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company, its subsidiaries incorporated in India for the year ended March 31, 2021;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 39 to the consolidated Ind AS financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts during the year ended March 31, 2021. The Group did not have any long-term derivative contracts as at March 31, 2021;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2021

For Naik Mehta & Co.
Chartered Accountants
FRN:124529W

CA Alpa Mehta
Partner
Membership No. 107896.
Place : Mumbai
Date : June 30, 2021.
UDIN : 21107896AAAAER2976

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SUUMAYA INDUSTRIES LIMITED

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

In conjunction with our audit of the consolidated financial statements of Suumaya Industries Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Suumaya Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENT

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these 4 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

For Naik Mehta & Co.
Chartered Accountants
FRN:124529W

CA Alpa Mehta
Partner
Membership No. 107896.
Place : Mumbai
Date : June 30, 2021.
UDIN : 21107896AAAAER2976

Consolidated Balance sheet as at March 31, 2021

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
(I)	**ASSETS**				
(A)	**Non-current assets**				
(a)	Property, plant and equipment	3	8.19	3.39	1.67
(b)	Right-of-use assets	4	6.69	0.78	0.83
(c)	Goodwill	5	0.05	0.15	0.15
(d)	Other intangible assets	5	0.01	0.01	-
(e)	Intangible assets under development		0.68	-	-
(f)	Financial assets				
	i. Investments	6	-	0.10	-
	ii. Loans	7	0.51	0.24	0.66
(g)	Deferred tax assets	29	0.02		
(h)	Income tax asset	8	1.01	-	-
(i)	Other non-current assets	9	0.83	1.08	-
	Total non-current assets		**17.99**	**5.75**	**3.31**
(B)	**Current assets**				
(a)	Inventories	10	450.07	13.37	15.17
(b)	Financial assets				
	i. Trade receivables	11	3,693.36	65.77	48.16
	ii. Cash and cash equivalents	12(A)	88.86	5.00	5.44
	iii. Bank balances other than (ii) above	12(B)	15.00	-	-
	iv. Loans	7	16.07	0.63	2.74
	v. Other financial assets	13	31.82	-	-
(c)	Income tax asset	14	-	0.38	0.15
(d)	Other current assets	9	49.14	6.56	0.41
	Total current assets		**4,344.32**	**91.71**	**72.07**
	Total assets		**4,362.31**	**97.46**	**75.38**
(II)	**EQUITY AND LIABILITIES**				
(A)	**EQUITY**				
(a)	Equity share capital	15(A)	28.07	24.01	24.01
(b)	Other equity	15(B)	457.49	14.73	6.60
	Total equity		**485.56**	**38.74**	**30.61**
(III)	**LIABILITIES**				
(A)	**Non-current liabilities**				
(a)	Financial liabilities				
	i. Borrowings	16	3.03	-	-
	ii. Lease liabilities	4	5.71	0.56	0.64
(b)	Deferred tax liabilities	29	0.06	0.13	0.07
	Total non-current liabilities		8.80	0.69	0.72
(B)	**Current liabilities**				
(a)	Financial liabilities				
	i. Borrowings	16	54.56	20.79	11.77
	ii. Lease liabilities	4	1.04	0.25	0.17
	iii. Trade payables				
	- total outstanding dues of micro enterprises and small enterprises;	17	-	-	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises		3,729.25	32.71	30.46
	iv. Other financial liabilities	18	1.57	1.67	0.24
(b)	Income tax liabilities	19	63.17	2.61	1.41
(c)	Other current liabilities	20	18.36	-	-
	Total current liabilities		**3,867.95**	**58.03**	**44.05**
	Total liabilities		**3,876.75**	**58.72**	**44.77**
	Total equity and liabilities		**4,362.31**	**97.46**	**75.38**

The accompanying notes are integral part of these consolidated financial statements.
This is the Consolidated Balance Sheet referred to in our report of even date.

For Naik Mehta & Co.
Chartered Accountants
FRN No: 124529W

For and on behalf of the Board of Directors of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

CA. Alpa Mehta
Partner
Membership No: 107896

Ushik Gala
Chairman and Managing Director

Mumbai, June 30, 2021

Sneha Shah
CFO

Heena Shah
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note	Year ended 31st March 2021	Year ended 31st March 2020
	Income			
1	Revenue from operations	21	4,262.25	210.70
2	Other income	22	1.17	0.03
3	Total revenue		4,263.42	210.73
4	Expenses			
	Cost of material consumed	23	3,466.74	191.98
	Purchases of stock-in-trade		703.49	-
	Changes in inventories of stock-in-trade and finished goods	24	(436.70)	1.79
	Employee benefit expense	25	3.04	1.71
	Finance costs	26	9.46	0.25
	Depreciation and amortisation expense	27	1.11	0.47
	Other expenses	28	51.66	3.73
	Total expenses		3798.80	199.93
5	Profit before tax		464.62	10.80
6	Income tax expense:			
	Current tax	29	58.55	2.61
	Deferred tax		(0.02)	0.07
	Total tax expense		58.53	2.68
7	Profit for the year		406.09	8.12
8	Other comprehensive income			
	Items that may be reclassified to profit or loss		-	-
	Items that will not be reclassified to profit or loss		-	-
	Other comprehensive income for the year		-	-
9	Total comprehensive income for the year		406.09	8.12
10	Profit attributable to:			
	- Owners of the Group		406.09	8.12
	- Non-controlling interest		-	(0.00)
11	Other comprehensive income attributable to:			
	- Owners of the Group		-	-
	- Non-controlling interest		-	-
12	Total comprehensive income attributable to:			
	- Owners of the Group		406.09	8.12
	- Non-controlling interest		-	(0.00)
13	Earnings per equity share of ₹10 each			
	- Basic (in ₹)	30	168.52	3.38
	- Diluted (in ₹)		160.21	3.38

The accompanying notes are integral part of these consolidated financial statements.
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Naik Mehta & Co.
Chartered Accountants
FRN No: 124529W

For and on behalf of the Board of Directors of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

CA. Alpa Mehta
Partner
Membership No: 107896

Ushik Gala
Chairman and Managing Director

Mumbai, June 30, 2021

Sneha Shah
CFO

Heena Shah
Company Secretary

Consolidated Statement of Cash Flows for the year ended March 31, 2021

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	464.62	10.80
Adjustments :		
Depreciation and amortisation expense	1.11	0.47
Unwinding of discount on deposits	(0.01)	(0.01)
Interest income	(1.16)	(0.00)
Other income	(0.16)	-
Finance cost	9.46	0.25
Operating profit before working capital changes	473.86	11.50
Adjustments for change in working capital:		
Decrease/(Increase) in Inventories	(436.69)	1.79
Decrease /(Increase) in Trade receivables	(3627.59)	(17.61)
Decrease/ (Increase) in Loans	(15.69)	2.54
Decrease/ (Increase) in Other financial assets	(31.49)	0.00
Decrease/ (Increase) in Other current assets	(42.57)	(6.15)
Decrease/ (Increase) in Other non - current assets	0.24	(1.08)
(Decrease) / Increase in Trade payables	3696.54	2.25
(Decrease) / Increase in Other financial liabilities	(0.10)	1.43
(Decrease) /Increase in Other current liabilities	18.36	-
Less: Taxes paid	(4.30)	(1.65)
Net cash inflow / (outflow) from operating activities	30.57	(6.98)
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipments	(5.14)	(1.96)
Purchase of intangibles under development	(0.68)	
Interest income	0.02	0.00
Investment in bank deposits	(15.00)	(0.10)
Net cash inflow / (outflow) from investing activities	(20.80)	(2.05)
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of share warrants	41.21	-
Proceeds from borrowings (non current)	3.03	-
Proceeds from borrowings (current)	33.77	9.02
Principal repayment of lease liability	5.94	(0.19)
Finance cost	(9.46)	0.25
Payment of dividend	(0.38)	-
Net cash inflow / (outflow) from financing activities	74.11	8.58
Net Increase/(Decrease) in cash and cash equivalents	83.86	(0.44)
Add : Cash and cash equivalents at beginning of the year	5.00	5.44
Cash and cash equivalents at end of the year	88.86	5.00
Components of cash and cash equivalents		
Cash on hand	1.42	4.93
Balances with banks		
- in current account	87.43	0.07
Cash and cash equivalents closing	88.86	5.00

The accompanying notes are integral part of these consolidated financial statements.
The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7,'Statement of Cash Flows'.

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

For Naik Mehta & Co.
Chartered Accountants
FRN No: 124529W

For and on behalf of the Board of Directors of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

CA. Alpa Mehta
Partner
Membership No: 107896

Ushik Gala
Chairman and Managing Director

Mumbai, June 30, 2021

Sneha Shah
CFO

Heena Shah
Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2021

(All amounts in ₹ Crores, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Number of shares	Amount
As at April 1, 2019	2,40,08,000	24.01
Issued during the year	-	-
As at March 31, 2020	2,40,08,000	24.01
Issued during the year under warrants	40,60,000	4.06
As at March 31, 2021	2,80,68,000	28.07

B. OTHER EQUITY

Particulars	Reserves and surplus			Total other equity
	Securities premium	Retained earnings	Equity Component of Other Financial Instruments (Share Warrants)	
Balance as at April 1, 2019	1.08	5.52	-	6.60
Profit for the year	-	8.12	-	8.12
Balance as at March 31, 2020	1.08	13.65	-	14.73
Profit for the year	-	406.09	-	406.09
Share issue expenses	-	(0.16)	-	(0.16)
Deferred Tax on share issue expenses	-	0.08	-	0.08
Interim Dividend	-	(0.41)	-	(0.41)
Issue of Warrants	-	-	18.38	18.38
Transfer of Share Warrants into Shares	-	-	(7.62)	(7.62)
Premium amount from Conversion of Warrants	26.39	-	-	26.39
Balance as at March 31, 2021	27.47	419.26	10.76	457.49

The accompanying notes are integral part of these consolidated financial statements.
This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Naik Mehta & Co.
Chartered Accountants
FRN No: 124529W

For and on behalf of the Board of Directors of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

CA. Alpa Mehta
Partner
Membership No: 107896
UDIN: 21107896AAAAEO2177
Mumbai, June 30, 2021

Ushik Gala
Chairman and Managing Director

Sneha Shah
CFO

Heena Shah
Company Secretary

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

(All amounts in ₹ Crores, unless otherwise stated)

1 GROUP INFORMATION

Suumaya Industries Limited (formerly known as Suumaya Lifestyle Limited) (""the Holding Company or ""the Company""), is a public limited company domiciled in India. The equity shares of the Company are listed on the National Stock Exchange (NSE) in India. The registered office of the Group is located at Gala No.5F/D, Malad Industrial Units Coop Society Limited, Kachpada, Ramchandra Lane Extension, Malad (W) Mumbai, Maharashtra - 400064.

The Company and its subsidiaries (together referred to as the ""Group"") are engaged in the business of textile, medical textile, agri commodities, and retailing of groceries and staples.

The consolidated financial statements of the Group for the year ended 31st March, 2021 were approved for issue in accordance with the resolution of the Board of Directors on June 30, 2021."

2A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The consolidated financial statements upto and including year ended March 31, 2020 were prepared in accordance with the accounting standards as prescribed under Section 133 of the Companies Act 2013 ('the Act') read with rule 7 of the Companies (Accounting) Rules, 2014, the provisions of the Companies Act 2013 (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) and other relevant provisions of the Act.

The consolidated financial statements for the year ended March 31, 2021 are the first financial statements of the Group under Ind AS. Refer note 42 for an explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

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

(iii) Current - non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current

A liability is treated 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 after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current

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

(All amounts in ₹ Crores, unless otherwise stated)

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

Operating cycle

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

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

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

The acquisition method of accounting is used to account for business combinations by the Group.

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint Ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity method

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

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

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

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

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other

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

(All amounts in ₹ Crores, unless otherwise stated)

comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who has the ability to evaluate financial performance and position of the Group and who allocates resources, is the Chairman and Managing Director.

Refer Note 34 for segment information provided"

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(e) Revenue recognition

The Group derives revenues primarily from sale of products. Revenue from contracts with customers is recognised when control of the products are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those products.

Revenue from sale of products:

Revenue from the sale of products is recognized at the point in time when control of the products is transferred to the customer, which generally coincides with dispatch. Revenue is measured on the basis of the contracted price net of returns and allowances, trade discounts and volume rebates.

(f) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

"Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

(All amounts in ₹ Crores, unless otherwise stated)

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses."

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Leases - as a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead account for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option"

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group :

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security."

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

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

(All amounts in ₹ Crores, unless otherwise stated)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a practical expedient of Ind AS 116 "Leases", the Group has considered Covid-19-related rent concessions not to be lease modification, hence the income towards rent concession is recognised in "Other Income" in the statement of profit and loss account."

(h) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement."

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate."

(i) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised 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. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there 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 an impairment are reviewed for possible reversal of the impairment at the end of each reporting period."

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

(All amounts in ₹ Crores, unless otherwise stated)

(j) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(k) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

(l) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on a "Weighted Average Cost" basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(m) Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sell the financial asset.

(iii) Measurement

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

Debt instruments

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

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses if any, are presented as separate line item in the statement of profit and loss.

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

(All amounts in ₹ Crores, unless otherwise stated)

- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses are presented as a separate line item in statement of profit and loss.
- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income."

Equity instruments

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

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

(iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Group determines whether there has been a significant increase in credit risk. The Group does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables.

(v) Derecognition of financial assets

A financial asset is derecognised only when:

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

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

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

(vi) Income recognition

Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

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

(All amounts in ₹ Crores, unless otherwise stated)

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably."

(n) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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 Group or the counterparty.

(o) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management.

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

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated using written-down value method over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis upto the month preceding the month of deletions/ disposals. The management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used. The Group has used the following rates to provide depreciation on its tangible fixed assets:

Assets	Useful lives followed by company	Useful lives prescribed in Schedule II of the Companies Act, 2013
Plant and machinery	15 years	15 years
Furniture and fixtures	10 years	10 years
Vehicles	10 years	8 years
Office equipments	15 years	5 years
Computers	3 years	3 years
Computer Servers	6 years	6 years
Immovable asset	60 years	60 years

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The useful lives of few assets have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

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

(All amounts in ₹ Crores, unless otherwise stated)

(p) Intangible assets

(i) Goodwill

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

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(ii) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

(iii) Amortisation methods and periods

The Group amortises intangible assets using the straight-line method over the following periods:

Asset	Useful lives followed by company
Computer software	6 years

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2019 measured as per the previous GAAP and used that carrying value as the deemed cost of intangible assets.

(q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

(All amounts in ₹ Crores, unless otherwise stated)

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(s) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

(t) Provisions and contingent liabilities

Provisions: Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are not recognised for future operating losses.

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

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

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

(u) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds."

(v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year. (Note 30)

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares. (Note 30)"

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

(All amounts in ₹ Crores, unless otherwise stated)

(x) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated. The figure 0.00 wherever stated represents value less than ₹50,000.

2B CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates of judgements are:

- Estimation of current tax expense and current tax payable - Note 29
- Estimation fair value of unlisted equity securities - Note 31
- Estimated useful life of tangible and intangible asset - Note 3, 5
- Recognition of revenue and allocation of transaction price - Note 21
- Recognition of deferred tax assets for carried forward tax losses - Note 29
- Determination of lease term and estimation of amount payable under residual value guarantees - Note 4"

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 3- PROPERTY, PLANT AND EQUIPMENT

Particulars	Furniture and fixture	Computer	Plant and Equipment	Office equipment	Vehicle	Building	Total
Year ended March 31, 2020							
Gross carrying amount							
Deemed cost as at April 1, 2019	0.43	0.02	1.21	-	-	-	1.67
Additions	0.17	0.09	1.01	0.04	0.63	-	1.94
Closing gross carrying amount	**0.60**	**0.11**	**2.23**	**0.04**	**0.63**	**-**	**3.61**
Accumulated depreciation							
Depreciation charge during the year	0.06	0.02	0.13	0.00	0.01	-	0.22
Closing accumulated depreciation	**0.06**	**0.02**	**0.13**	**0.00**	**0.01**	**-**	**0.22**
Net carrying amount as at March 31, 2020	**0.54**	**0.09**	**2.10**	**0.03**	**0.63**	**-**	**3.39**
Year ended March 31, 2021							
Gross carrying amount							
Opening gross carrying amount	0.60	0.11	2.23	0.04	0.63	-	3.61
Additions	-	0.09	-	-	-	5.05	5.14
Closing gross carrying amount	**0.60**	**0.20**	**2.23**	**0.04**	**0.63**	**5.05**	**8.75**
Accumulated depreciation							
Opening accumulated depreciation	0.06	0.02	0.13	0.00	0.01	-	0.22
Depreciation charge during the year	0.06	0.03	0.13	0.02	0.06	0.04	0.34
Closing accumulated depreciation	**0.12**	**0.05**	**0.25**	**0.03**	**0.07**	**0.04**	**0.56**
Net carrying amount as at March 31, 2021	**0.48**	**0.15**	**1.97**	**0.01**	**0.57**	**5.01**	**8.19**

Notes:

(i) Contractual obligations

Refer Note 38 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Property, Plant & Equipment pledged as a security

Refer Note 16 for information on Property, Plant & Equipment pledged as a security by the Group.

NOTE 4 - LEASES

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective April 1, 2019 the Group adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. The Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on April 1, 2019. There is no impact on retained earnings as on April 1, 2019.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standards to its leases, prospectively, applying the standards on initial application without making any adjustment to opening balance of retained earnings.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8.90%. This note provides information for leases where the Group is a lessee. The Group leases various spaces in malls and godowns. Rental contracts are typically made for fixed periods of 2 years to 5 years, but may have extension option as described in (ii) below.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 4 - LEASES (contd.)

i) Amounts recognised in Balance Sheet

The balance sheet shows the following amount relating to leases:

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Right-of-use assets			
Premises	6.69	0.78	0.83
Total	**6.69**	**0.78**	**0.83**
Lease liabilities			
Current	1.04	0.25	0.17
Non-current	5.71	0.56	0.64
Total	**6.75**	**0.81**	**0.81**

Additions to the right-of-use assets during the year were 6.66 Crores (31 March 2020: 0.19 Crores)

ii) Amounts recognised in Statement of Profit and loss

The statement of profit or loss shows the following amounts relating to leases:

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Depreciation			
-Premises	27	0.72	0.25
Interest expense	26	0.18	0.07
Total		**0.90**	**0.32**

The total cash flow for leases for the year was 0.57 Crores (31 March 2020: 0.26 Crores)

a) Extension and Termination options

Extension and Termination options are sometimes included in leases of the Group. Extension options held by the Group have not been included in the lease liabilities only when the Group could replace the asset without significant cost or disruption to business operations or it is reasonably certain that the Group will not extend the lease. The Group continues to make this assessment on ongoing basis for any change. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

b) Practical expedient applied

While applying Ind AS 116 on the transition date, the Group has adopted following practical expedients available in the standard as on transition date:

- the Group has utilized the exemptions provided for short-term leases (less than a year).
- initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application.
- the Group has used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- the Group has applied practical expedients on not to separate non-lease component from leases on initial application and instead accounts for these as a single lease component.
- using hindsight in determining the lease term where the contract contains options.

c) The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116 - Leases, by inserting a practical expedient w.r.t. "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Group has received the Covid-19-related rent concessions for lessees amounting to 0.14 crores and on the basis of practical expedient as per Ind AS 116 "Leases", the same is not considered to be lease modification, hence the income towards rent concession is recognised in "Other Income" in the statement of profit and loss account.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 5 - GOODWILL AND OTHER INTANGIBLE ASSETS

Particulars	Goodwill	Computer software
Year ended March 31, 2020		
Gross carrying amount		
Deemed cost as at April 1, 2019	0.15	-
Additions	-	0.01
Disposals and transfers	-	-
Closing gross carrying amount	**0.15**	**0.01**
Accumulated amortization		
Amortization charge during the year	-	0.00
Disposals and transfers	-	-
Closing accumulated amortization	**-**	**0.00**
Net carrying amount as at March 31, 2020	**0.15**	**0.01**
Year ended March 31, 2021		
Gross carrying amount		
Opening gross carrying amount	0.15	0.01
Additions	-	-
Closing gross carrying amount	**0.15**	**0.01**
Accumulated amortization and impairment		
Opening accumulated amortization	-	0.00
Amortization and impairment charge during the year	0.10	0.00
Closing accumulated amortization and impairment	**0.10**	**0.00**
Net carrying amount as at March 31, 2021	**0.05**	**0.01**

NOTE 6 - INVESTMENTS

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Other investments : (carried at fair value through profit and loss)			
Unquoted			
Nil (March 31, 2020: 38,040) fully paid equity shares of ₹25 each of Arihant Bank Shares	-	0.10	-
Total (Equity instruments)	**-**	**0.10**	**-**
Total non-current investments	**-**	**0.10**	**-**
Aggregate amount of Unquoted investments	-	0.10	-

NOTE 7 - LOANS

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Current			
Loans to others	8.23	0.63	2.74
Loans to related parties (refer note 35)	6.05	-	-
Security deposits	1.79	-	-
Total (A)	**16.07**	**0.63**	**2.74**
Non-Current			
Security deposits	0.51	0.24	0.66
Total (B)	**0.51**	**0.24**	**0.66**
Loans considered good - Unsecured	16.58	0.88	3.40
(less): Allowance for impairment loss	-	-	-
Total (A)+(B)	**16.58**	**0.88**	**3.40**

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 8 - INCOME TAX ASSET

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Income tax paid for appeal	0.09	-	-
Advance Tax	0.92	-	-
Total	1.01	-	-

During the year, Income tax paid for appeal has been reclassified from current income tax asset to non-current income tax asset.

NOTE 9 - OTHER ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Non Current			
Capital advances	-	1.08	-
Investment in gold	0.83	-	-
Total other non-current assets	0.83	1.08	-
Current			
Investment in gold	-	0.58	-
Advance to supplier	48.71	-	-
Prepaid expense	0.08	-	-
GST recoverable	-	5.83	0.41
Balance with government authorities	0.33	-	-
Other asset	0.02	0.15	-
Total other current assets	49.14	6.56	0.41

During the year, investment in gold has been reclassified from other current asset to other non-current asset.

NOTE 10 - INVENTORIES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Stock in trade	134.88	11.84	13.84
Finished goods	315.19	1.53	1.33
Total	450.07	13.37	15.17

NOTE 11 - TRADE RECEIVABLES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Trade receivables from contract with customers - secured	-	-	-
Trade receivables from contract with customers - unsecured	3,627.63	65.77	48.16
Trade receivables from contract with customers - related parties (Refer Note - 35)	65.73	-	-
Total	3,693.36	65.77	48.16
Current portion	3,693.36	65.77	48.16

Transferred Receivables

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, the Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The Group considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 11 - TRADE RECEIVABLES (contd.)

The relevant carrying amounts are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Total transferred receivables	43.67	-	-
Associated secured borrowings	43.67	-	-

NOTE 12(A) - CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Cash on hand	1.42	4.93	4.19
Balances with banks			
-in current account	87.43	0.07	1.25
Total	88.86	5.00	5.44

Balances with banks includes unclaimed dividend of ₹0.05 Cr as at March 31, 2021

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and the prior years.

NOTE 12(B) - OTHER BANK BALANCES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Deposits with remaining maturity more than 3 months and less than 12 months	15.00	-	-
Total	15.00	-	-

The deposit amounting to ₹15 Cr as at March 31, 2021 is held as lien by the bank against the cash credit facility availed by the Company.

NOTE 13 - OTHER FINANCIAL ASSET

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Other financial assets	31.82	-	-
Total	31.82	-	-

NOTE 14 - INCOME TAX ASSET

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Current income tax asset	-	0.09	0.09
Amount receivable from government authorities	-	0.29	0.06
Total	-	0.38	0.15

NOTE 15(A) - EQUITY SHARE CAPITAL

Authorised equity share capital

Particulars	Number of shares	Amount
As at 1 April 2019	2,50,00,000	25.00
Increase during the year	-	-
As at 31 March 2020	2,50,00,000	25.00
Increase during the year	2,90,00,000	29.00
As at 31 March 2021	5,40,00,000	54.00

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 15(A) - EQUITY SHARE CAPITAL (contd.)

a) Movements in equity share capital

Issued,subscribed and paid up capital

Particulars	Number of shares	Amount
As at 1 April 2019	2,40,08,000	24.01
Increase during the year	-	-
As at 31 March 2020	2,40,08,000	24.01
Increase during the year	40,60,000	4.06
As at 31 March 2021	2,80,68,000	28.07

Notes:

The above equity shares include 40,60,000 equity shares alloted to the Promoter and Promoter Group category on March 24, 2021, upon conversion of equivalent number of warrants issued on preferential basis.

b) Terms and rights attached to equity shares

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

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

Equity shareholders	As at March 31, 2021		As at March 31, 2020		As at April 1, 2019	
	Number	% holding	Number	% holding	Number	% holding
Indiacredit Risk Management LLP	48,60,000	17.32%	48,60,000	20.24%	48,60,000	20.24%
Ishita Mahesh Gala	20,03,500	7.14%	18,87,500	7.80%	18,87,500	7.80%
Ushik Mahesh Gala	42,62,000	15.18%	-	-	-	-

As per the records of the Group including its register of members and other declarations received from the shareholders regarding beneficial interest, the above shareholders represent legal ownership of shares.

d) Convertible Share Warrants (Pending Allotments)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Convertible Share Warrants (Pending Conversion)	10.76	-	-
Total	10.76	-	-

Money received against Share Warrants represents amounts received towards warrants which entitles the warrant holders, the option to apply for and be alloted equivalent number of equity shares of the face value of ₹10 each.

During the financial year, the Group has issued to its Promoter and Promoter Group category 98 Lakh warrants at a price of ₹75 each entitling them for subscription of equivalent number of Equity Shares of ₹10 each (including premium of ₹65 each share) in accordance with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018. Allottees of 40.60 Lakh warrants have exercised their right to convert the warrants into equity shares by paying balance 75% of the consideration aggregating ₹7.61 Crores and consequently 40.60 Lakh equity shares were issued to them.

NOTE 15(B) - OTHER EQUITY

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Securities premium	27.47	1.08	1.08
Retained earnings	419.26	13.65	5.52
Equity component - Convertible Share Warrants	10.76	-	-
Total	457.49	14.73	6.60

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 15(B) - OTHER EQUITY (contd.)

a) Securities premium

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	1.08	1.08
Premium amount from conversion of warrants	26.39	-
Closing balance	27.47	1.08

b) Retained earnings

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	13.65	5.52
Profit for the period	406.09	8.12
Interim Dividend	(0.41)	-
Deferred Tax on Share issue	0.08	-
Share issue expenses	(0.16)	-
Closing balance	419.26	13.65

b) Equity component - Convertible Share Warrants

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	-	-
Issue of warrants	18.38	-
Transfer of warrants into shares	7.62	-
Closing balance	10.76	-

Nature and purpose of reserve

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained earnings

Retained Earnings are profits that the Group has earned till date less transfer to General Reserve, dividend or other distribution or transaction with shareholders.

NOTE 16 - BORROWINGS

Equity shareholders	As at March 31, 2021		As at March 31, 2020		As at April 1, 2019	
	Current	Non Current	Current	Non Current	Current	Non Current
Secured						
Factored receivables	43.67	-	-	-	-	-
Working Capital loan	8.06	-	-	-	-	-
Indian Rupee loan from banks						
Vehicle Loans	-	0.63	-	-	-	-
Term Loans	-	3.51	4.29	-	-	-
Unsecured						
Indian Rupee loan from banks	-	-	0.24	-	0.15	-
Supplier Financing	1.51	-	-	-	-	-
Loans from related parties	1.31	-	16.26	-	11.62	-
	54.56	4.14	20.79	-	11.77	-
Less: Current maturities of long term debt	-	(1.11)	-	-	-	-
Total	54.56	3.03	20.79	-	11.77	-

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 16 - BORROWINGS (contd.)

Repayment terms and security disclosure for the outstanding Borrowings

Particulars	Maturity date	Terms of repayment	Interest rate	Asset pledged as security
Current Borrowings				
Factored receivables	-	-	Interest rate ranging from 12.5% to 18%	Factored receivables are secured by charge on trade receivables subject to factoring arrangement.
Supplier Financing	Sept 29, 2021	Revolving	17%	This financing is unsecured and therefore there is no hypothecation against stock or debtors
Working Capital loan	Sept 10, 2021	Repayble on demand	11%	Secured by charge on the current assets of the Company
Non- Current Borrowings				
Indian Rupee loan from banks				
Vehicle Loans - Yes Bank Loan	Aug 15, 2025	Equated monthly installments	9.10%	Secured by way of hypothecation of vehicle.
Loans from banks - PNB Loan	Sept 29, 2027		8.90%	Secured by way of mortgage of building

a) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and bank	88.86	5.00
Lease liabilities	(6.75)	(0.81)
Current Borrowings	(54.56)	(20.79)
Non-current Borrowings	3.03	-
Total	24.52	(16.60)

Particulars	Cash and bank	Non-current borrowings	Lease liabilities	Current borrowings	Total
Net debt as at April 1, 2019	5.44	-	(0.81)	(11.77)	(7.15)
Cash flows	(0.44)	-	0.26	(9.02)	(9.20)
Additional leases	-	-	(0.19)	-	(0.19)
Interest expense	-		(0.07)	(0.18)	0.25
Interest paid	-		-	0.17	0.17
Net debt as at March 31, 2020	5.00	-	(0.81)	(20.79)	(16.60)
Cash flows	83.86	3.03	0.57	(33.51)	47.90
Additional leases	-	-	(6.50)	-	(6.50)
Interest expense	-	(0.21)	(0.17)	(2.26)	(2.65)
Lease rent concession	-	-	0.14	-	0.14
Deletion on account of termination	-	-	0.02	-	0.02
Interest paid	-	0.21	-	2.00	2.21
Net debt as at March 31, 2021	88.85	3.03	(6.75)	(54.56)	24.52

NOTE 17 - TRADE PAYABLES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Trade payables : others	3,013.60	32.71	30.46
Trade payables to related parties (refer note 35)	715.65	-	-
Total	3,729.25	32.71	30.46

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 18 - OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Current			
Auditor's remuneration payable	0.08	-	-
Current maturities of long term debt	1.11	-	-
Unpaid dividend	0.05	0.04	0.02
Provision for Expenses	0.12	-	-
Other payables	0.21	1.63	0.22
Total	**1.57**	**1.67**	**0.24**

NOTE 19 - INCOME TAX LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Current			
Provision for income tax (Net of advance income tax)	63.17	2.61	1.41
Total	**63.17**	**2.61**	**1.41**

NOTE 20 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Current			
Statutory dues payable	14.55	-	-
Other Current Liabilities	3.81	-	-
Total	**18.36**	**-**	**-**

NOTE 21 - REVENUE FROM OPERATIONS

The Group derives the following types of revenue:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Revenue from contracts with customers		
Sale of products	4,262.25	210.70
Total revenue from continuing operations	**4,262.25**	**210.70**

a) **Disaggregation of revenue from contract with customers:**

In the following table, revenue is disaggregated into categories that depict how different economic factors affect the nature, amount and timing of revenue recognition. This includes primary geographical markets, method of revenue recognition and type of products based on segments.

i) Timing of revenue recognition

Timing of revenue recognition	Year ended 31st March 2021	Year ended 31st March 2020
Goods transferred at a point in time	4,262.25	210.70
Goods transferred over time	-	-
Total revenue from contract with customers	**4,262.25**	**210.70**

ii) Revenue by location of customers

Primary geographical markets	Year ended 31st March 2021	Year ended 31st March 2020
India	4,262.25	210.70
Outside India	-	-
Total revenue from contract with customers	**4,262.25**	**210.70**

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 21 - REVENUE FROM OPERATIONS (contd.)

iii) Disaggregation of revenue based on segments

Type of Product	Year ended 31st March 2021	Year ended 31st March 2020
Textile	863.92	210.70
Retail	594.08	-
Agri produce	2804.25	-
Total revenue from contract with customers	4,262.25	210.70

NOTE 22 - OTHER INCOME

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Discount received	-	0.01
Lease rent concession (refer note 4)	0.14	-
Unwinding of discount on deposits	0.01	0.01
Interest income	1.01	0.00
Miscellaneous income	0.00	0.01
Total	1.17	0.03

NOTE 23 - COST OF MATERIAL CONSUMED

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Purchases of raw material	3,466.74	191.98
Total	3,466.74	191.98

NOTE 24 - CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Opening balance		
- Stock in trade	11.84	13.84
- Finished goods	1.53	1.33
Total opening balance	13.37	15.17
Closing balance		
- Stock in trade	134.88	11.84
- Finished goods	315.19	1.53
Total closing balance	450.07	13.37
(Increase)/decrease in inventories	(436.70)	1.79

NOTE 25 - EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Salaries , wages and bonus	3.01	-
Staff welfare expenses	0.03	1.71
Total	3.04	1.71

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 26 - FINANCE COSTS

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Interest on lease liability	0.18	0.07
Interest and other charges		
To Bank	0.70	0.18
To Others	8.24	-
Processing Fees	0.34	-
Total	9.46	0.25

NOTE 27 - DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Depreciation and amortisation expenses (refer note 3 and note 5)	0.39	0.22
Depreciation on right-of-use assets (refer note 4)	0.72	0.25
Total	1.11	0.47

NOTE 28 - OTHER EXPENSES

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Commission	8.60	0.16
Legal and professional fees	10.06	0.24
Advertisement and business promotion expenses	9.18	0.98
Freight outward	2.82	-
Auditor's Remuneration (Refer note (a) below)	0.13	0.01
Loss on termination	0.00	-
Expenditure for Corporate Social Responsibility (Refer note (b) below)	0.29	0.05
Miscellaneous expenses	1.90	0.85
Travelling and conveyance	0.22	0.52
Postage and telephone	0.04	-
Office expenses	0.49	0.18
Rates and taxes	0.21	-
Rent	6.95	0.21
Bank charges	0.08	0.01
Repairs and maintenance	0.06	0.06
Printing and stationery	0.07	0.19
Directors' fees	0.21	0.26
Technology and infrastructure cost	2.26	-
Store establishment expense	8.09	-
Total	51.66	3.73

a) Details of payment to Auditor

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Payment to auditors		
As auditor:		
Audit fees	0.09	0.01
Tax audit fees	0.04	0.00
In other capacities:		
Other services	0.00	-
Re-imbursement of expenses		
Total	0.13	0.01

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 28 - OTHER EXPENSES (contd.)

b) Corporate social responsibility expenditure

In terms of provisions of Section 135 of the Companies Act, 2013, the Group is required to spend 2% of its average net profit for the immediately preceding three financial years on prescribed corporate social responsibility (CSR) activities. A CSR committee has been formed by the Group as per the Act. The funds were contributed to eligible trusts for carrying out activities as specified in Schedule VII of the Companies Act, 2013.

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Education	0.02	0.05
Animal Welfare	0.20	
Disaster Response (including COVID -19)	0.05	
Eradicating hunger, malnutrition and poverty	0.02	
Total	**0.29**	**0.05**
Amount required to be spent as per Section 135 of the Act	**0.12**	**0.05**
In Cash		
Amount spent during the year on		
i) Construction/acquisition of an asset	-	-
ii) On purposes other than (i) above	0.29	0.04
Yet to be paid in Cash		
Amount spent during the year on		
i) Construction/acquisition of an asset		
ii) On purposes other than (i) above	-	0.01

NOTE 29 - INCOME TAX EXPENSE

a) The components of income tax expense for period are:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Current tax		
Current tax on profits for the year	58.55	2.61
Total current tax expense	**58.55**	**2.61**
Deferred tax		
(Decrease)/increase in deferred tax liabilities	(0.02)	0.07
Total deferred tax expense/(benefit)	**(0.02)**	**0.07**
Total income tax expense	**58.53**	**2.68**

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

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Profit before income tax expense	464.62	10.80
Tax at Indian tax rate of 25.168% (March 31, 2020 at 29.12%)	**116.94**	**3.14**
Tax effect of the amount which are not deductible (taxable) in calculating taxable income:		
- Expenses not allowed for tax purposes	350.52	-
- Income not chargeable for tax purposes	(411.28)	-
- Adjustments of current tax of prior years	0.38	(0.38)
- Others	1.98	(0.08)
Income tax expense at effective tax rate	**58.53**	**2.68**

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 29 - INCOME TAX EXPENSE (contd.)

c) Deferred tax liabilities

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Deferred tax Asset/(Deferred tax Liability)			
Property, plant and equipment and intangible assets	(0.15)	(0.15)	(0.07)
Right-of-use assets	(0.86)	(0.21)	(0.23)
Financial assets	0.00	0.00	0.00
Lease liabilities	0.90	0.22	0.23
Others	(0.01)	-	-
Share issue expenses	0.06	-	-
Net deferred tax asset/(deferred tax liability)	**(0.06)**	**(0.13)**	**(0.07)**

d) Deferred tax assets

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Deferred tax Asset/(Deferred tax Liability)			
Right-of-use assets	(0.81)	-	-
Financial assets	0.00	-	-
Lease liabilities	0.81	-	-
Share issue expenses	0.02	-	-
Net deferred tax asset/(deferred tax liability)	**0.02**	**-**	**-**

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Movement in deferred tax asset /deferred tax liability

Particulars	As at April 1, 2019	(Charged)/ credited to Statement of profit and loss	(Charged)/ credited to OCI	As at March 31, 2020
Deferred tax Asset / Liability				
Property, plant and equipment and intangible assets	(0.07)	(0.08)	-	(0.15)
Right-of-use assets	(0.23)	0.01	-	(0.21)
Financial assets	0.00	0.00	-	0.00
Lease liabilities	0.23	(0.00)	-	0.22
Net deferred tax asset/(deferred tax liability)	**(0.07)**	**(0.07)**	**-**	**(0.13)**

Movement in deferred tax asset /deferred tax liability

Particulars	As at April 1, 2020	(Charged)/ credited to Statement of profit and loss	(Charged) / credited to OCI	As at March 31, 2021
Deferred tax Asset / Liability				
Property, plant and equipment and intangible assets	(0.15)	(0.00)	-	(0.15)
Right-of-use assets	(0.21)	(1.46)	-	(1.67)
Financial assets	0.00	0.00	-	0.00
Lease liabilities	0.22	1.49	-	1.71
Others	0.00	(0.01)	-	(0.01)
Net deferred tax asset/(deferred tax liability)	**(0.13)**	**0.02**	**-**	**(0.12)**

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 29 - INCOME TAX EXPENSE (contd.)

e) Amounts recognised directly in equity

Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate deferred tax arising in the reporting period and not recognised in net profit or loss or OCI but directly debited to equity:		
Deferred tax: share issue transaction costs (Refer note 15(b))	0.08	-
Total	0.08	-

NOTE 30 - EARNINGS PER SHARE (EPS)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Earnings per share on profit for the year (in ₹)		
Basic earnings per share (Face value ₹10 per share)	168.52	3.38
Diluted earnings per share (Face value ₹10 per share)	160.21	3.38

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
a) Profit attributable to the equity holders of the Group	406.09	8.12
b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,40,96,986	2,40,08,000
Adjustments for calculation of diluted earnings per share:		
Convertible warrants	12,50,401	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	2,53,47,387	2,40,08,000

c) Information concerning the classification of securities

(i) Convertible warrants

Convertible warrants issued during the year are considered to be potential equity shares and have been included in the determination of diluted earnings per share from their date of issue. The warrants have not been included in the determination of basic earnings per share. Details relating to the notes are set out in note 15(a).

NOTE 31 - FAIR VALUE MEASUREMENT

a) Financial instruments by category

Particulars	As at March 31, 2021		As at March 31, 2020		As a April 1, 2019	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets						
Investment in unquoted equity instruments	-	-	0.10	-	-	-
Security deposits	-	2.29	-	0.24	-	0.66
Trade receivables	-	3,693.36	-	65.77	-	48.16
Loans	-	14.28	-	0.63	-	2.74
Cash and cash equivalents (including Other bank balances)	-	103.86	-	5.00	-	5.44
Other financial assets	-	31.82	-	-	-	-
Total financial assets	-	3,845.62	0.10	71.65	-	57.00
Financial liabilities						
Trade payables	-	3,729.25	-	32.71	-	30.46
Borrowings	-	58.70	-	20.79	-	11.77
Other financial liabilities	-	1.57	-	1.7	-	0.24
Total financial liabilities	-	3,789.52	-	55.18	-	42.48

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 31 - FAIR VALUE MEASUREMENT(contd.)

b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2021

Financial Assets and Liabilities as at March 31, 2021	Note	Level 1	Level 2	Level 3	Total
Financial asset					
Loans					
Loans to related parties	7	-	-	6.05	6.05
Loans to others	7	-	-	8.23	8.23
Security deposits	7	-	-	2.29	2.29
Total financial assets		-	-	16.58	16.58
Financial liabilties					
Borrowings	16	-	-	58.70	58.70
Total financial liabilities		-	-	58.70	58.70

As at March 31, 2020

Financial Assets and Liabilities as at March 31, 2020	Note	Level 1	Level 2	Level 3	Total
Financial asset					
Investments	6	-	-	0.10	0.10
Loans					
Loans to others	7	-	-	0.63	0.63
Security deposits	7	-	-	0.24	0.24
Total financial assets		-	-	0.97	0.97
Financial liabilties					
Borrowings	16	-	-	20.79	20.79
Total financial liabilities		-	-	20.79	20.79

As at March 31, 2019

Financial Assets and Liabilities as at April 1, 2019	Note	Level 1	Level 2	Level 3	Total
Loans					
Loans to others	7	-	-	2.74	2.74
Security deposits	7	-	-	0.66	0.66
Total financial assets		-	-	3.40	3.40
Financial liabilties					
Borrowings	16	-	-	11.77	11.77
Total financial liabilities		-	-	11.77	11.77

There are no transfers between levels 1, 2 and 3 during the period.

Level 1: Hierarchy includes financial instruments measured using quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on the entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is include in level 3.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans, other current financial assets, current borrowings, trade payables, other current financial liabilities are considered to be approximately equal

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 31 - FAIR VALUE MEASUREMENT(contd.)

to their fair value due to their short term nature. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

c) Valuation Process used to determine fair value

The fair value of level 3 instruments is valued using inputs based on information about market participants assumptions and other data that is available. Discount rates as at balance sheet is used to derive fair value of security deposits using discounting model.

NOTE 32 - FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk.

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Board of Directors.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost and fair value through profit and loss.	Ageing analysis, credit rating	Diversification of bank deposits, credit limits
Liquidity risk	Trade Payables, borrowings, lease liabilities and other liabilities	Rolling cash flow forecasts	Continuous monitoring of Fund management to ensure timely payment of dues.

a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the notes to the financial statements. The Group's major classes of financial assets are cash and cash equivalents, fixed deposits, security deposits and trade receivables.

Credit risk from customers is managed by the Group through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. Due to large geographical base & number of customers, the Group is not exposed to material concentration of credit risk. Basis the historical experience, the risk of default in case of amount receivable from customers is low.

Deposits with banks are considered to be having negligible risk or nil risk, as they are maintained with high rated banks or financial institutions as approved by the Board of Directors.

Trade receivables

Considering the nature of financing arrangements, the management considers the overall risk of loss on receivables to be low. The actual losses on trade receivables have historically been very low and no losses were incurred on trade receivables either in 2019, 2020 or in 2021.

Loans

All of the Group's loans at amortised cost are considered to have low credit risk. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term (for example, investment grade credit rating with at least one major rating agency).

b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors the forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. Accordingly, liquidity risk is perceived to be low.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 32 - FINANCIAL RISK MANAGEMENT(contd.)

Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

Contractual maturities of financial liabilities As at March 31, 2021	Note No.	Less than 12 months	More than 12 months	Total
Lease liabilities	4	2.25	5.70	7.95
Borrowings	16	54.56	4.57	59.13
Trade payables	17	3,729.25	-	3,729.25
Other financial liabilities	18	1.57	-	0.46
Total non-derivative liabilities		3,788.74	10.27	3,796.79

Contractual maturities of financial liabilities As at March 31, 2020	Note No.	Less than 12 months	More than 12 months	Total
Lease liabilities	4	0.31	0.61	0.92
Borrowings	16	20.79	-	20.79
Trade payables	17	32.71	-	32.71
Other financial liabilities	18	1.67	-	1.67
Total non-derivative liabilities		55.48	0.61	56.10

Contractual maturities of financial liabilities As at April 1, 2019	Note No.	Less than 12 months	More than 12 months	Total
Lease liabilities	4	0.23	0.74	0.97
Borrowings	16	11.77	-	11.77
Trade payables	17	30.46	-	30.46
Other financial liabilities	18	0.24	-	0.24
Total non-derivative liabilities		42.70	0.74	43.45

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and price risk. Market risk is attributable to all market risk sensitive financial instruments.

i) Interest rate risk:

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations. The Group's borrowings outstanding as at March 31, 2021 comprise of fixed rate loans and accordingly, are not exposed to risk of fluctuation in market interest rates.

ii) Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate becauseof changes in foreign exchange rates. The Group does not undertake transactions denominated in foreign currency which are subject to the risk of exchange rate fluctuations. The Financial assets and liabilities of the Group are not denominated in foreign currency, subject to reinstatement risks. This mitigates the foreign currency risk exposure for the Group.

iii) Price risk:

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet as fair value through fair value through profit or loss. To manage its price risk arising from investments in equity securities, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

As at March 31, 2021 the Group does not hold any financial instrument subject to a change in price.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 33 - CAPITAL MANAGEMENT

The Group aims to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise its returns to our shareholders. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs.

The Group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by Total equity (as shown in the Balance Sheet)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Net Debt	(23.42)	16.60	7.15
Total Equity	485.56	38.74	30.61
Net Debt to Equity Ratio	(4.82)%	42.85%	23.34%

NOTE 34 - SEGMENT INFORMATION

Operating segments and principal activities:

Based on the guiding principles given in Ind AS - 108 'Operating segments', the Chairman and Managing Director of the Group is the Chief Operating Decision Maker (CODM) and for the purposes of resource allocation and assessment of segment performance the business of the Group is segregated on the basis of nature of products and other quantitative criteria specified in Ind AS 108 in the three segments below:

i) Textile

ii) Retail

iii) Agri produce

Textile business includes manufacturing and retailing of apparels, PPE kits and other covid essentials. It also includes trading of fabric, yarn and other textile commodities.

Retail business includes retailing of groceries and staples through neighbourhood stores under various formats across the country.

Agri produce business deals with supply chain of various agri commodities viz. wheat, rice and dal.

Segment revenue and expenses:

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment.

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventories and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities. Unallocated assets mainly include cash and cash equivalents, intangible assets, and other corporate assets. Unallocated liabilities mainly include corporate borrowings, income tax liabilities, and other current liabilities.

(I) **Primary segment information:**

a) Segment revenue

Year ended 31st March 2021	Textile	Retail	Agri produce	Unallocable	Total
I. **Segment Revenue**					
External turnover	863.92	594.08	2,804.25	-	4,262.25
Inter segment turnover	-	-	-	-	-
Total Revenue	**863.92**	**594.08**	**2,804.25**	**-**	**4,262.25**
II. **Segment Results (EBITDA)**					
Segment Profit before Interest, Depreciation, and Tax	244.04	(0.69)	230.67	-	474.02
Less : Depreciation and amortisation expense	-	-	-	-	(1.11)
Less : Finance cost	-	-	-	-	(9.46)
Add : Other income	-	-	-	-	1.17
Profit before tax	**-**	**-**	**-**	**-**	**464.62**
Less : Current tax	-	-	-	-	(58.55)
Less : Deferred tax	-	-	-	-	0.02
Profit after tax	**-**	**-**	**-**	**-**	**406.09**
III. **Other Information**					
Segment Assets	486.79	727.74	2,937.13	210.65	4362.31
Segment Liabilities	174.98	728.12	2,818.76	154.89	3876.75

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 34 - SEGMENT INFORMATION (contd.)

Year ended 31st March, 2020	Textile	Retail	Agri produce	Unallocable	Total
I. **Segment Revenue**					
External turnover	210.70	-	-	-	210.70
Inter segment turnover	-	-	-	-	-
Total Revenue	**210.70**	**-**	**-**	**-**	**210.70**
II. **Segment Results (EBITDA)**					
Segment Profit before Interest, Depreciation, and Tax	11.49	-	-	-	11.49
Less : Depreciation and amortisation expense	-	-	-	-	(0.47)
Less : Finance cost	-	-	-	-	0.25
Add : Other income	-	-	-	-	0.03
Profit before tax	**-**	**-**	**-**	**-**	**10.80**
Less : Current tax	-	-	-	-	(2.61)
Less : Deferred tax	-	-	-	-	(0.07)
Profit after tax	**-**	**-**	**-**	**-**	**8.12**
III. **Other Information**					
Segment Assets	79.93	-	-	17.53	97.46
Segment Liabilities	33.52	-	-	25.20	58.72

(II) **Secondary segment information:**

a) Segment revenue

Particulars	As at March 31, 2021	As at March 31, 2020
Segment revenue		
- Within India	4262.25	210.70
- Outside India	-	-
Total	4,262.25	210.70

b) Non- Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Non- Current Assets			
- Within India	17.99	5.75	**3.31**
- Outside India	-	-	-
Total	17.99	5.75	**3.31**

Sales of ₹2,506.97 Cr (March 31, 2020: ₹ Nil) included in total revenue, which arose from sales to Group's largest customers. No other single customer contributed 10% or more to the Group's revenue in current year 2020-2021 and previous year 2019-2020.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 35 - RELATED PARTY TRANSACTIONS

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) Key management personnel

Name of the person	Designation
Ushik Gala	Chairman and Managing Director
Ishita Gala (M.D up to January 2, 2021)	Vice-President
Dhwani Dattani	Finace and Credit Head
Sumit Singh	CEO
Heena Shah	Company Secretary
Karishma Kaku (upto 31st December 2020)	CFO
Sneha Shah (w.e.f. 2nd November, 2020)	CFO

(ii) Entities over which Key Management Personnel, and their relatives are able to exercise significant control and with whom transactions have taken place

Name of the Group	Relationship
Olympus Fintax Solutions Pvt Ltd	Entities over which key management personnel, and their relatives are able to exercise significant control
India Credit Risk Management LLP	
Om Sai Nityanand Management Pvt Limited	
Rangoli Tradcomm Private Limited	
Mcube Hospitality	
Suumaya Fabrics Limited	
KSPM Advisors LLP	
Shree Malad K.V.O Jain Samaj Foundation	

(iii) Relatives of Key Management Personnel with whom transactions have taken place

Name of the person	Relationship
Ms. Karishma Kaku	Relative of key management personnel
Ms. Ishita Gala	
Mr. Mahesh Gala	

(iv) Non executive directors and enterprises over which they are able to exercise significant influence (with whom transactions have taken place):

Name of the person	Relationship
Expotium Trading LLP	Enterprises over which non executive directors have significant influence
Mr. Sejal Doshi	Non Executive Director

NOTE 35 - RELATED PARTY TRANSACTIONS

(i) Remuneration to key managerial personnel

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Short-term employee benefits		
Ushik Gala	0.12	0.07
Ishita Gala	0.02	0.02
Mahesh Gala	-	0.07
Karishma Kaku	0.03	0.05
Dhwani Dattani	0.10	
Sumit Singh	1.25	-
Sneha Shah	0.13	-
Heena Shah	0.05	0.03
Total	1.71	0.24

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 35 - RELATED PARTY TRANSACTIONS (contd.)

(ii) Other transactions with related parties

Particulars	Other related parties		KMP and Relative of KMP	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from Operations (Sales)				
Rangoli Tradecomm Limited	98.70	-	-	-
Expotium Trading LLP	1.80	-	-	-
Suumaya Fabrics Limited	8.62	-	-	-
Shree Malad K.V.O Jain Samaj Foundation (I Say Education and Skill Development Foundation)	0.04	-	-	-
Total	109.17	-	-	-
Purchases				
Rangoli Tradcomm Limited (Formerly known as Rangoli Tradcomm Private Limited)	747.15	-	-	-
Total	747.15	-	-	-

(iii) Closing balances

Particulars	Other related parties			KMP and Relative of KMP		
	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Receivable						
Rangoli Tradecomm Limited	56.84	-	-	-	-	-
Expotium Trading LLP	0.33	-	-	-	-	-
Suumaya Fabrics Limited	8.56	-	-	-	-	-
Total	65.73	-	-	-	-	-
Payable						
Suumaya Fabrics Limited	-	1.45	1.19			
Rangoli Tradcomm Private Limited	715.65	14.81	10.43			
Total	715.65	16.26	11.62	-	-	-
Loans and advances (given)						
Mcube Hospitality	-	0.45	-	-	-	-
Om Sai Nityanand Management Private Limited	6.05	-	-	-	-	-
Olympus Fintax Solutions Private Limited	0.00	-	-	-	-	-
Total	6.05	0.45	-	-	-	-
Borrowings						
Ishita Gala		-	-	0.01	-	-
Ushik Gala		-	-	1.34	-	-
Rangoli Tradecomm Limited	0.05	-	-	-	-	-
Total	0.05	-	-	1.35	-	-

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 36 - INTERESTS IN OTHER ENTITIES

(a) Subsidiaries

The Group's subsidiaries at 31 March 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Relationship with the Company	Country of Incorporation	Principal Activities	Proportion of ownership interest and voting power held by Holding Company	
				As at March 31, 2021	As at March 31, 2020
Suumaya Agro Limited	Subsidiary	India	Agri commodities	100%	-
Suumaya Retail Limited	Subsidiary	India	Retailing of groceries and staples through kirana stores	100%	-
Suumaya Protective Texcorp Limited	Subsidiary	India	Manufacturing of garments for defense sector	100%	-
Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP)	Subsidiary	India	Manufacturing and trading of readymade garments	64%	64%

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for the subsidiary that has non-controlling interests. The amounts disclosed for the subsidiary is before inter-company eliminations.

Sumarised balance sheet	Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP)	
	As at March 31, 2021	As at March 31, 2020
Current assets	5.59	0.22
Current liabilities	5.48	0.21
Net Current assets	**0.11**	**0.00**
Non-current assets	-	-
Non-current liabilities	-	-
Net non-current assets	**-**	**-**
Net assets	**0.11**	**0.00**
Accumulated NCI*	**-**	**-**

Sumarised statement of profit and loss	Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP)	
	Year ended 31st March 2021	Year ended 31st March 2020
Revenue	5.15	-
Loss for the year	(0.39)	(0.00)
Other comprehensive income	-	-
Total comprehensive loss	**(0.39)**	**(0.00)**
Loss allocated to NCI*	-	(0.00)

Sumarised balance sheet	Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP)	
	Year ended 31st March 2021	Year ended 31st March 2020
Cash flows from operating activities	(0.49)	(0.00)
Cash flows from investing activities	-	(0.18)
Cash flows from financing activities	0.05	0.01
Net increase/decrease in cash and cash equivalents	**(0.44)**	**(0.18)**

*Negative non-controlling interests and any further losses belonging to the non-controlling interests are adjusted against the majority interest except to the extent that the non-controlling interest has a binding obligation to, and is able to, make good the losses.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 37 - ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Suumaya Industries Limited								
31 March 2021	90.01%	437.04	88.10%	357.78	-	-	88.10%	357.78
31 March 2020	100.00%	38.74	100.02%	8.12	-	-	100.02%	8.12
Subsidiaries								
Indian								
Suumaya Agro Limited								
31 March 2021	10.33%	50.14	12.11%	49.16	-	-	12.11%	49.16
31 March 2020	-	-	-	-	-	-	-	-
Suumaya Retail Limited								
31 March 2021	0.06%	0.29	(0.17)%	(0.69)	-	-	(0.17)%	(0.69)
31 March 2020	-	-	-	-	-	-	-	-
Suumaya Protective Texcorp Limited								
31 March 2021	1.01%	4.91	(0.01)%	(0.04)	-	-	(0.01)%	(0.04)
31 March 2020	-	-	-	-	-	-	-	-
Suumaya Trends Pvt Ltd (formerly known as Suumaya Trends LLP)								
31 March 2021	0.02%	0.11	(0.10)%	(0.39)	-	-	(0.10)%	(0.39)
31 March 2020	0.01%	0.00	(0.01)%	(0.00)			(0.01)%	(0.00)
Intercompany Elimination and Consolidation Adjustments								
31 March 2021	(1.43)%	(6.93)	0.07%	0.27	-	-	0.07%	0.27
31 March 2020	(0.01)%	(0.01)	-	-	-	-	-	-
Non-controlling interests								
31 March 2021	-	-	-	-	-	-	-	-
31 March 2020	-	-	(0.01)%	(0.00)	-	-	(0.01)%	(0.00)
Total								
31 March 2021	**100.00%**	**485.56**	**100.00%**	**406.09**	**-**	**-**	**100.00%**	**406.09**
31 March 2020	**100.00%**	**38.74**	**100.00%**	**8.12**	**-**	**-**	**100.00%**	**8.12**

NOTE 38 - CAPITAL COMMITMENTS

Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) relating as at March 31, 2021 is ₹ Nil

NOTE 39- CONTINGENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Disputed tax demands/ claims:			
Income tax	1.41	1.32	1.32

The Group have ongoing disputes with income tax authorities in India. The disputes relate primarily relate to the method of computation of income tax and addition of commission income.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 40- EVENTS OCCURING AFTER THE REPORTING PERIOD

The Board of Directors have recommended a dividend of ₹2.75 per fully paid up equity share of ₹10/- each for the financial year 2020-21

NOTE 41 - IMPACT OF COVID-19 (GLOBAL PANDEMIC)

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Group has adopted measures to curb the spread of infection in order to protect the health of employees and ensure business continuity with minimal disruption. In view of the pandemic, the Group has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of assets including trade receivables, inventories and other non current/current assets (net of provisions established) for any possible impact on the financial statements. The Group has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc. and is of the view that based on its present assessment, the carrying amount of assets will be recovered and no material adjustments is required in the preparation of these financial statements. In this regard, the Group will continue to closely monitor any material changes to future economic conditions.

NOTE 42 - FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Group's first financial statements in accordance with Ind AS. For periods up to and including the year ended 31 March 2020, the Group prepared its financial statements in accordance with previous GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Group's Ind AS Opening balance sheet is 1 April 2019 (the date of transition to Ind AS).

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2021, the comparative information presented in these financial statements for the year ended 31 March 2020 and in the preparation of an opening Ind AS balance sheet at 1 April 2019 (the Group's date of transition). According to Ind AS 101, the first Ind AS financial statements must use recognition and measurement principles that are based on standards and interpretations that are effective at 31 March 2021, the date of first-time preparation of financial statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS financial statements.

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as at 1 April 2019 compared with those presented in the previous GAAP balance sheet as at 31 March 2019, were recognized in equity under retained earnings within the Ind AS balance sheet.

An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes

a) Optional exemptions availed

The Group has made use of the applicable Ind AS 101 optional exceptions and mandatory exemptions set out below in the transition from previous GAAP to Ind AS.

i) Property, plant and Equipment & Intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities, capital grant if applicable.

Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

ii) Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

Accordingly, the Group has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated."

iii) Arrangements containing a lease

Ind AS 116 requires an entity to assess whether an arrangement contains a lease at its inception. However, Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS. The Group has elected to apply this exemption for such contracts/ arrangements.

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

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 42 - FIRST TIME ADOPTION OF IND AS (contd.)

b) Ind AS mandatory exceptions

The Group has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2019 are consistent with the estimates as at the same date made in conformity with previous GAAP.

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c) Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires a first time adopter to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS. The presentation requirements under previous GAAP differs from Ind AS and hence the previous GAAP information has been restated for ease of reconciliation with Ind AS.

i) Reconciliation of Other equity between previous GAAP and Ind AS:

	Notes to first time adoption	As at March 31, 2020	As at April 1, 2019
Other equity as per previous GAAP		14.67	6.56
Adjustments:			
Fair valuation of security deposits	1	0.04	0.04
Lease accounting under Ind AS 116	2	(0.05)	-
Other adjustments		0.05	-
Tax Impact on above	3	0.01	0.00
Total adjustments		**0.05**	**0.04**
Total equity as per Ind AS		**14.73**	**6.60**

ii) Reconciliation of total comprehensive income as per Ind AS with profit reported under previous GAAP:

	Notes to first time adoption	Year ended 31st March 2020
Net profit after tax as per previous GAAP		8.16
Adjustments:		
Depreciation on Right-of-use assets	2	(0.24)
Fair valuation of deposits	1	0.01
Interest expense on lease liability	2	(0.07)
Reversal of rent expenses on account of Ind AS 116	2	0.26
Tax impact on above items	3	0.01
Profit after tax as per Ind AS		**8.12**
Other Comprehensive Income:		**-**
Total comprehensive income as per Ind AS		**8.12**

NOTE 42 - FIRST TIME ADOPTION OF IND AS (contd.)

iii) Impact of Ind AS adoption on the consolidated statements of cash flows for the year ended March 31, 2020

There is no change in the net cash flow from operating, investing or financing activities due to Ind AS adoption. Further, there is no change in the cash and cash equivalents for the purposes of statement of cash flows under previous GAAP and under Ind AS.

Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2020

	Previous IGAAP*	Adjustments	Ind AS
Net cash flow from operating activities	(7.40)	0.43	(6.97)
Net cash flow from investing activities	(2.05)	-	(2.05)
Net cash flow from financing activities	9.02	(0.43)	8.59
Net increase in cash and cash equivalents	**(0.44)**	**(0.00)**	**(0.44)**
Cash and cash equivalents as at April 1, 2019	5.44	-	5.44
Cash and cash equivalents as at March 31, 2020	**5.00**	**(0.00)**	**5.00**

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

d) Notes to first-time adoption:

1) Security Deposit

Under the previous GAAP, interest free deposits (that are refundable in cash on completion of the lease term) were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value on initial recognition and subsequently measured at amortised cost or fair value depending on their classification. Accordingly, the Group has fair valued these security deposits retrospectively from the date of this initial recognition under Ind AS and subsequently measured them at amortised cost. The difference thus calculated between the fair value and transaction value of the security deposit has been recognized as prepaid rent which has been adjusted against right-of-use assets. Consequent to this change, the amount of security deposits decreased by 0.41 Crores as at 31 March 2020 (1 April 2019: 0.66 Crores). The prepaid rent decreased by 0.01 Crores as at 31 March 2020 (1 April 2019: 0.02 Crores). An interest income of 0.01 Crores was recorded for the same.

2) Interest and depreciation on lease-liability and right-of-use asset

Under Ind AS, lease liability is recognised for discounted lease payments and a corresponding right-of-use asset is created. Interest as per effective interest rate is charged on the lease liability and depreciation is charged on right-of-use asset. As on the date of transition, right-of-use asset is assumed to be equal to the discounted lease liability. Under previous GAAP, lease rentals on operating leases were required to be recognised as expense on straight-line basis over the lease term by recognising corresponding lease equalisation liability. However, as part of Ind AS adjustments, right-of-use asset is adjusted for the amount of lease equalisation liability. Depreciation is charged on right of use asset and interest expense is charged on lease liability.

3) Deferred tax

Under previous GAAP, deferred tax accounting was done using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has accounted for deferred tax on such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or other comprehensive income, on the date of transition. As a result of this change, deferred tax liabilities increased by 0.06 Crores as at March 31, 2020."

For Naik Mehta & Co.
Chartered Accountants
FRN No: 124529W

For and on behalf of the Board of Directors of
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

CA. Alpa Mehta
Partner
Membership No: 107896

Ushik Gala
Chairman and Managing Director

Mumbai, June 30, 2021

Sneha Shah
CFO

Heena Shah
Company Secretary

SUUMAYA

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