

No. CTL/DEB/21-22/Noting Certificate/1465

July 01, 2021

To Whomsoever It May Concern,

CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Sugam Vanijya Holdings Private Limited** (“**the Company**”) for the Half Year ended March 31, 2021.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For Catalyst Trusteeship Limited



Authorised Signatory

Encl: Results submitted by Company



SUGAM VANIJYA HOLDINGS PRIVATE LIMITED

Regd Office: VR Bengaluru, Plot No. 11B, Sy No. 40/9, Dyvasandra Industrial Area Stage II, KR
Puram Hobli
Bengaluru -560 048. Karnataka
CIN No: U74899KA1987PTC070519
Website: www.vrbengaluru.com; Phone No. 080-67234313

To,
The Manager,
Listing Department,
Debt Market,
BSE Ltd,
PJ Towers, Dalal Street,
Mumbai – 400 001

Date: 30th June, 2021

Dear Sir/Ma'am,

Reference: Sugam Vanijya Holdings Private Limited - Script Code: 951654, 958505, 958506

Subject: Submission of Standalone Audited Financial Results under regulation 52 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

Pursuant to Regulation 52 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 ("Listing Regulation"), we wish to inform you that the Board of Directors at its meeting held on 30th June, 2021 has approved the Audited Standalone Financial Results for the year 31st March, 2021.

Accordingly, we are enclosing the followings:

1. A copy of standalone Audited Financial Results of the Company for the year ended 31st March, 2021;
2. Audit Report on Standalone Financial Results of the Company for the year ended 31st March, 2021, issued by Statutory Auditors S.R. Batliboi & Associates LLP, Chartered Accountants;
3. Declaration pursuant to Regulation 52(3) of the Listing Regulations regarding audit reports with unmodified opinion for the standalone financial year ended 31st March, 2021;
4. Disclosures pursuant to Regulation 52(4) of the Listing Regulations; and
5. Statement pursuant to Regulation to Regulation 52(7) of the Listing Regulations;

The meeting of the Board of Directors commenced at 3:00 PM and concluded at 7:00 PM Kindly acknowledge the receipt of the same and make these available to the public at large.

Thanks & Regards,
For **Sugam Vanijya Holdings Private Limited**



Rajendra Pai
(Chief Financial Officer)
Place: Bangalore

SUGAM VANIJYA HOLDINGS PRIVATE LIMITED

Regd Office: VR Bengaluru, Plot No. 11B, Sy No. 40/9, Dyvasandra Industrial Area
Stage II, KR Puram Hobli
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Website: www.vrbengaluru.com; Phone No. 080-67234313

Date: 30th June 2021

To,
The Manager,
Listing Department, Debt Market,
BSE Ltd,
PJ Towers, Dalal Street,
Mumbai – 400 001

Dear Sir/Ma'am,

Reference: Sugam Vanijya Holdings Private Limited - Script Code: 951654, 958505, 958506

Subject: Declaration regarding Audit Report with Unmodified Opinion for the Financial Year ended 31st March, 2021 in pursuant to Regulation 52(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Pursuant to the requirement of Regulation 52(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended from time to time, we hereby declare that M/s S.R. Batliboi & Associates LLP, Chartered Accountants, Statutory Auditors of the Company have submitted the Audit Report with unmodified opinion for Audited Standalone Financial Results of the Company for the Financial year ended 31st March, 2021.

We request you to take the above on records.

Thanks & Regards,
For **Sugam Vanijya Holdings Private Limited**



Rajendra Pai
(Chief Financial Officer)
Place: Bangalore

Statement of Audited Financial results for the Year Ended March 31, 2021

a. Statement of profit and loss

(Rs. in millions)

	Particulars	Current 6 months ended 31/03/2021	Corresponding 6 months ended in the previous year 31/03/2020	Current year ended 31/03/2021	Previous year ended 31/03/2020
		[Refer Note 8]	[Refer Note 8]	[Audited]	[Audited]
1	Income				
	Revenue from operations	908.87	1,227.87	1,155.90	2,479.75
	Other income	47.64	25.68	75.70	55.18
	Total Income	956.51	1,253.55	1,231.60	2,534.93
2	Expenses				
	Employee benefits expense	52.75	67.92	98.08	166.58
	Depreciation and amortization expense	208.41	201.88	414.40	400.13
	Finance costs	709.53	768.65	1,455.98	1,530.10
	Other expenses	335.07	543.88	580.10	1,017.24
	Total Expenses	1,305.75	1,582.33	2,548.56	3,114.05
3	Loss before exceptional items and tax (1-2)	(349.24)	(328.78)	(1,316.96)	(579.12)
4	Exceptional items (refer note 6)	-	220.18	-	220.18
5	Loss before tax (3-4)	(349.24)	(548.95)	(1,316.96)	(799.29)
6	Tax expense				
	(i) Current tax	-	-	-	-
	(ii) Deferred tax charge/(credit)	29.75	25.79	57.62	50.71
	Total	29.75	25.79	57.62	50.71
7	Loss for the year/period (5-6)	(378.99)	(574.74)	(1,374.59)	(850.00)
8	Other comprehensive income (net of tax expenses)	0.92	0.84	0.92	0.84
9	Total comprehensive income for the year/period (7+8)	(378.07)	(573.90)	(1,373.67)	(849.16)
10	Paid-up equity share capital (Face value per share - Rs. 10)	0.20	0.20	0.20	0.20
11	Paid-up debt capital (refer note 5)	14,054.38	14,100.56	14,054.38	14,100.56
12	Reserves and Surplus [included under Other Equity]	(2,521.97)	(1,148.30)	(2,521.97)	(1,148.30)
13	Earnings Per Share (EPS) - (in Rs.) (not annualised, face value Rs.10)				
	a) Basic	(17,312)	(26,253)	(62,789)	(38,826)
	b) Diluted	(17,312)	(26,253)	(62,789)	(38,826)
14	Debt equity ratio (refer note 5)	(5.57)	(12.28)	(5.57)	(12.28)
15	Debt service coverage ratio (DSCR) (refer note 5)	0.42	0.07	0.08	0.18
16	Interest service coverage ratio (ISCR) (refer note 5)	0.51	0.29	0.10	0.48

b. Balance Sheet

(Rs. in millions)

	Particulars	As at 31/03/2021 [Audited]	As at 31/03/2020 [Audited]
1	ASSETS		
	Non-current Assets		
	Property, plant and equipment	637.61	629.45
	Investment property	12,270.26	12,565.93
	Capital work-in-progress	1.58	25.39
	Financial Assets		
	Investments	0.01	0.01
	Other financial assets	69.55	64.69
	Assets for Current tax (net)	481.55	538.61
	Other non-current assets	196.21	221.27
	Sub total	13,656.77	14,045.35
	Current Assets		
	Inventories	17.86	20.57
	Financial assets		
	Loans	0.50	0.50
	Trade receivables	269.50	166.64
	Cash and cash equivalents	92.43	501.51
	Bank balances other than Cash and cash equivalents	312.48	339.59
	Other current financial assets	83.42	63.16
	Other current assets	36.34	36.01
	Sub total	812.53	1,127.97
	Total Assets	14,469.29	15,173.33
2	EQUITY AND LIABILITIES		
	Equity		
	Equity share capital	0.20	0.20
	Other equity	(2,521.97)	(1,148.30)
	Sub total	(2,521.77)	(1,148.10)
	LIABILITIES		
	Non-Current Liabilities		
	Financial liabilities		
	Borrowings	13,364.27	13,564.60
	Other non-current financial liabilities	1,264.56	846.02
	Deferred revenue	22.08	43.55
	Long term provisions	2.76	3.72
	Deferred tax liabilities (net)	404.40	346.45
	Sub total	15,058.06	14,804.34
	Current Liabilities		
	Financial liabilities		
	Borrowings	271.37	298.45
	Trade payables		
	i) total outstanding dues of micro enterprises and small enterprises	-	-
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	239.78	184.16
	Other current financial liabilities	1,373.95	955.40
	Other current liabilities	23.71	35.45
	Deferred revenue	21.96	41.17
	Provisions	2.23	2.44
	Sub total	1,933.00	1,517.08
	Total equity and liabilities	14,469.29	15,173.33

Notes to the financial results for the year ended March 31, 2021

- 1 Sugam Vanijya Holdings Private Limited ('the Company' or 'Sugam') had issued 448 redeemable non-convertible debentures ('NCD') of Rs.10,000,000 each on February 04, 2015, which were listed on BSE Limited ('BSE') on February 04, 2015. Further, the Company had issued 4,725 secured redeemable non-convertible bonds of Rs.1,000,000 each on December 20, 2018, which were listed on BSE Limited ('BSE') on January 09, 2019.
- 2 The above audited financial results of the Company for the year ended March 31, 2021 have been reviewed and taken on record at the meeting of the Board of Directors of the Company held on June 30, 2021. The statutory auditors of the Company have audited the annual financial results of the Company for the year ended March 31, 2021.
- 3 The Company is engaged in carrying on the business of real estate development, leasing and hospitality and related services. As such, the Company operates in single business and geographical segment and hence disclosing information as per requirements of Ind AS 108 "Operating Segments" is not required.
- 4 In March 2014, the Tehsildar of East Taluk, K.R. Puram, Bengaluru, had issued a notice to the Company to stop the construction of the VR Mall, Bengaluru at Dyvasandra Village, Bengaluru East Taluk, citing inaccurate allegations against the Company when the mall was under construction. The Tehsildar was of the contention that the Company had build the compound area in the encroached land ("the disputed land").

The Company filed a writ petition in Honourable High Court of Karnataka ("the High Court") against the said notice issued by the Tehsildar. A stay was granted by the High Court vide its order dated March 15, 2014 and also directed the Government of Karnataka to file its reply. The Government of Karnataka had filed its reply thereon. The High Court of Karnataka in its judgement dated February 16, 2016 had vacated the stay granted earlier and stated that the Government will take into consideration all the documents produced by the Company and would proceed further only after looking at all the documents. The High Court has also stated that the Company shall not be dispossessed of the disputed land otherwise other than under the process of law. On September 03, 2015, the Company had obtained final occupancy certificate for the Mall.

A new order was passed by the Assistant Commissioner, Bengaluru North, sub-division dated March 08, 2017 stating that the disputed land possessed by the Company was encroached Government land reserved for public purpose. The Commissioner ordered to evict the Company from an extent of 4046.86 square meters of land and directed the Tehsildar, Bengaluru East Taluk to take action to evict the Company from the said land, resume it to Government and safeguard the same as 'Government Property'. The Company had challenged the said order in the High Court of Karnataka. The High Court of Karnataka admitted the writ petition, granted a stay vide its order dated March 24, 2017 and has also directed the Government of Karnataka to file its reply. The Government of Karnataka and other respondents have not filed their objection till date. The Company has also filed a contempt petition on March 20, 2017 stating that new order issued by the Assistant Commissioner was against the earlier order issued by the High Court of Karnataka.

During the year ended March 31, 2018, a Special court, had initiated a suo moto proceedings against the Company. On February 27, 2018, the said Court has dismissed the proceedings and released the Company from the said proceedings.

In order to safeguard its Interest, Company has kept the writ petition open and the management of the Company does not expect any bearing on the matter whatsoever.

- 5 Assumptions to financial ratios:
 - a) Debt Equity Ratio = Paid up debt capital / equity (Net worth)
Equity (Net worth) = Equity share capital + Other equity (including retained earnings and securities premium)
Paid up debt capital = Long term borrowings + current maturities of long term borrowings + short term borrowings.
 - b) Debt Service Coverage Ratio (DSCR) = Profit or loss before finance cost and tax expense / (Finance costs + Principal repayment)
 - c) Interest Service Coverage Ratio (ISCR) = Profit or loss from operations before finance cost and tax expense / Finance costs.
- 6 The outbreak of COVID-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activities. Due to the lock down announced by the Government, the Company's operations were slowed down/ suspended for part of the current period and accordingly the accompanying financial results are adversely impacted and not fully comparable with those of the earlier periods.

The Company's management has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of its assets including property, plant and equipment, investment property, capital work in progress, inventories, loans and receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2021, are fully recoverable. The management has also estimated the future cash flows with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial results.

During the year ended March 31, 2021, the leasing and hospitality operations of the Company was impacted due to COVID-19 restrictions. Due to the prevailing circumstances, the Company has recognized revenue for the year and the underlying receivables after having regard to the Company's ongoing discussions with certain customers on best estimate basis. During the year ended March 31, 2020, an impairment loss of Rs. 220.18 million had been recognised in the statement of profit and loss, which represented the write-down value of certain property, plant and equipment to the recoverable amount as a result of the impact of COVID-19 pandemic.

- 7 The financial results indicate that the Company has accumulated losses amounting to Rs. 2,521.97 million, its net worth has been fully eroded and current liability exceeds current assets by Rs. 1,120.48 million as at March 31, 2021.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realize its assets and discharge its liabilities. The financial results of the Company have been prepared on a 'Going Concern' basis, based on the letter of support from its Parent Company for a period of at least 1 year.

- 8 The figures for the half year ended March 31, 2021 and March 31, 2020 are the derived balancing figures between audited figures in respect of full financial year ended March 31, 2021 and March 31, 2020 respectively and the unaudited figures in respect of half year ended September 30, 2020 and September 30, 2019 (restated) respectively.
- 9 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 10 Figures pertaining to previous period have been regrouped or reclassified, wherever necessary, to conform to the classification adopted in the current period.

For and on behalf of the Board of Directors of
Sugam Vanijya Holdings Private Limited



Tariq Chinoy
Director
DIN: 08830666

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BHUSHAN

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AMIT BHUSHAN
Date: 2021.06.30
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Amit Bhushan
Director
DIN: 01910476

Place : New Delhi, India
Date : June 30, 2021

Independent Auditor's Report On the Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Sugam Vanijya Holdings Private Limited

Report on the audit of the Financial Results**Opinion**

We have audited the accompanying statement of financial results of Sugam Vanijya Holdings Private Limited (the "Company"), for the year March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw to attention to Note 4 to the statement which states that the Company is in legal dispute in relation to a portion of its land, alleged to be encroached land reserved for public purposes. Our opinion is not modified in respect of this matter.

We draw attention to Note 6 to the statement for the year ended March 31, 2021, which describes the management's evaluation of COVID-19 impact on the business operations and future cash flows of the Company and its consequential effects on the carrying value of its assets as at March 31, 2021. In view of the uncertain economic conditions, the management's evaluation of the impact on the subsequent periods is highly dependent upon conditions as they evolve. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results 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 Statement, including the disclosures, and whether the Statement represents 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.

Other matters

Further, we report that the figures for the half year ended March 31, 2021 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2021 and the published unaudited figures for the half year ended September 30, 2020, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**ADARSH
RANKA**

Digitally signed by

ADARSH RANKA

Date: 2021.06.30

22:57:07 +05'30'

per Adarsh Ranka

Partner

Membership No.: 209567

UDIN: 21209567AAAAEK5913

Place: Bengaluru, India

Date: June 30, 2021

SUGAM VANIJYA HOLDINGS PRIVATE LIMITED

Regd Office: VR Bengaluru, Plot No. 11B, Sy No. 40/9, Dyvasandra Industrial Area
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Bengaluru -560 048. Karnataka
CIN No: U74899KA1987PTC070519
Website: www.vrbengaluru.com; Phone No. 080-67234313

Date: 30th June 2021

To,
The Manager,
Listing Department, Debt Market,
BSE Ltd,
PJ Towers, Dalal Street,
Mumbai – 400 001

Dear Sir/Ma'am,

Reference: Sugam Vanijya Holdings Private Limited - Script Code: 951654, 958505, 958506

Subject: Submission of Statement under Regulation 52(7) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

We wish to inform you that the proceeds raised from the issue of 448 Non-Convertible Debenture (NCDs) & 4725 Bonds have been utilized for the purpose as mentioned in the offer document/disclosure document and there are no material deviations in the utilization of such proceeds during half year ended 31st March, 2021

We request you to take the above information on records.

Thanks & Regards,
For **Sugam Vanijya Holdings Private Limited**



Rajendra Pai
(Chief Financial Officer)
Place: Bangalore

SUGAM VANIJYA HOLDINGS PRIVATE LIMITED

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CIN No: U74899KA1987PTC070519
Website: www.vrbengaluru.com; Phone No. 080-67234313

Date: 30th June 2021

To,
The Manager,
Listing Department, Debt Market,
BSE Ltd,
PJ Towers, Dalal Street,
Mumbai – 400 001

Dear Sirs/Ma'am,

Ref: Sugam Vanijya Holdings Private Limited - Script Code: 951654, 958505, 958506

Sub: Submission of Disclosure for Non-Convertible Debenture issued on private placement basis under Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

With reference to the above subject, we submit herewith the information and documents as per the provisions of Uniform Listing Agreement entered into with the Stock Exchange where Debt Securities of the Company are listed and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 thereunder dissemination to the debenture holders as mentioned below:

a) Credit Rating and Changes in Credit Rating (if any):

Sugam Vanijya Holdings Private Limited being rated as CRISIL BBB+/Negative by agency M/s CRISIL Ltd for 448 NCDs and ICRA BBB+/negative for 4725 Bonds

Note: No Change happened during the half year ended 31st March 2021

b) Asset Cover Available: For the secured 4725 Bonds, Asset Cover available is 165.65%. For Other Unsecured Borrowings including 448 Unsecured NCDs, Asset Cover available is 176%

c) Debt Equity Ratio: (5.57:1) (Standalone)

d) Previous due date for the payment of interest/principal for the half year ended 31st March, 2018:

Interest on 448 NCDs for the year ended 31st March, 2019, Interest was paid on 31st December 2018 and Interest/ Principal on 4725 Bonds for the period ended 31st March, 2021 was paid on 31st March 2021.

SUGAM VANIJYA HOLDINGS PRIVATE LIMITED

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CIN No: U74899KA1987PTC070519
Website: www.vrbengaluru.com; Phone No. 080-67234313

- e) **Next due date for the payment of interest / principal along with the amount of Interest payable and the redemption amount:** For 448 NCD, Interest is payable on quarterly basis or on a pay as able basis based on sufficiency of funds available with the Company. For 4725 Bonds, Interest is payable on monthly basis.
- f) **Debenture Redemption Reserve:** as the Company has incurred a loss for the year ended 31 March 2021, no amount has been transferred to debenture redemption reserve.
- g) **Net Worth:** Net Worth of the Company as on 31st March, 2021 is INR -2521.77 mm
- h) **Net Profit after Tax:** the net loss after tax for the year ended 31st March, 2021 is INR -1373.67 mm
- i) **Earning Per Share:**
Earning per equity share excluding exceptional items

Basic (EPS) in Rs.	(62,789)
Diluted (DPS) in Rs.	(62,789)

Earning per equity share including exceptional items

Basic (EPS) in Rs.	(62,789)
Diluted (DPS) in Rs.	(62,789)

Yours faithfully,

For Sugam Vanijya Holdings Private Limited

Sd/-

Rajendra Pai

(Chief Financial Officer)

Place: Bangalore

Independent Auditor's Report on Asset Cover and Compliance with all Covenants as at March 31, 2021 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to Catalyst Trusteeship Limited and IDBI Trusteeship Services Limited (the 'Debenture Trustees')

To

The Board of Directors

Sugam Vanijya Holdings Private Limited

VR Bengaluru, No.11B, Survey No. 40/9,

Dyvasandra Industrial Area, 2nd stage, K.R Puram,

Bengaluru- 560048

1. This Report is issued in accordance with the terms of the service scope letter dated June 29, 2021 and master engagement agreement dated October 31, 2018, as amended with Sugam Vanijya Holdings Private Limited (hereinafter the "Company").
2. We S.R. Batliboi & Associates LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'Asset Cover as per the terms of Debenture Trust Deed and Compliance with Covenants for a) Secured, Rated, Listed, Redeemable and Non-Convertible debentures; and b) Unsecured, Rated, Listed Redeemable and Non-Convertible debentures (hereinafter together referred to as the "Debentures") as at March 31, 2021 (hereinafter the "Statement"). The statement is prepared by the Company from the audited financial results and other relevant records and documents maintained by the Company as at and for the period ended March 31, 2021 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter the "SEBI Regulations"), and has been initialed by us for identification purpose only.

This Report is required by the Company for the purpose of submission with Catalyst Trusteeship Limited and IDBI Trusteeship Services Limited (hereinafter the "Debenture Trustees") of the Company to ensure compliance with the SEBI Regulations in respect of its Debentures having face value of Rs. 1 million in case of secured, rated listed & tradable redeemable non-convertible debentures (hereinafter referred to as "Secured bonds") and Rs. 10 million in case of listed & tradable redeemable non-convertible debentures (hereinafter referred to as "Unsecured NCD's"). The Company has entered into an agreement with the Debenture Trustees vide Bond Trust Deed dated December 03, 2018 and first supplemental deed to the bond trust deed dated January 27, 2020 entered between the Company and Catalyst Trusteeship Limited ("DTD dated December 03, 2018") and Debenture Trust Deed dated January 28, 2015 entered between the Company and IDBI Trusteeship Services Limited ("DTD dated January 28, 2015") in respect of such Debentures.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the

Debenture Trustees and for complying with all the covenants as prescribed in the DTD dated December 03, 2018 and DTD dated January 28, 2015 entered into between the Company and the Debenture Trustees ('Trust Deeds').

Auditor's Responsibility

5. It is our responsibility is to provide limited assurance as to whether:
 - (a) the Company has maintained hundred percent asset cover or asset cover as per the terms of the Debenture Trust deed; and
 - (b) the Company is in compliance with all the covenants as mentioned in the Debenture Trust Deed as on March 31, 2021.
6. We have audited the financial results of the Company for the year ended March 31, 2021, prepared by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and issued an unmodified conclusion dated June 30, 2021. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 as amended.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI").
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.
10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:
 - a) Obtained and read the Trust Deeds pursuant to which Secured bonds and Unsecured NCD's respectively have been issued
 - i. We noted that DTD dated December 03, 2018 pursuant to which Secured bonds have been issued, requires the company to maintain a minimum of 100% asset cover at all times during the tenure of bonds in respect of outstanding bonds.
 - ii. We noted that DTD dated January 28, 2015 pursuant to which Unsecured NCD's have been issued, there is no requirement regarding maintenance of security/ asset cover as they were unsecured.

- b) In relation to “Total outstanding nominal value of the Secured bonds and accrued but unpaid interest” used in the calculation of Asset cover ratio in the Statement, we have traced the underlying components of the said amount to the audited financial results of the Company and books of account maintained by the Company as on March 31, 2021.
- c) Obtained and read the list of asset cover in respect of Secured bonds outstanding as per the Statement.
- d) In relation to “Value of assets provided as security” used in the calculation of Asset cover ratio in the Statement, we have traced the underlying components of the said amount to the audited financial results of the Company and books of account maintained by the Company as on March 31, 2021. As regards “Aggregate value of the LRD Property (“VR Chennai”)”, the management has considered the proportionate amount available to Secured Bonds in comparison with other loans/ borrowings having same LRD Property as security.
- e) Obtained the list of security created in the register of charges maintained by the Company and ‘Form No. CHG-1’ filed with Ministry of Corporate Affairs (‘MCA’). Traced the value of charge created against Assets to the calculation of Asset Cover in the Statement.
- f) Obtained the list and value of assets placed under lien or encumbrance for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Asset Cover in respect of Secured bonds.
- g) Examined and verified the arithmetical accuracy of the computation of Asset Cover in the accompanying Statement.
- h) Compared the Asset Cover with the Asset Cover required to be maintained as per Trust Deed.
- i) With respect to compliance with financial covenants included in the attached Statement, we have performed following procedures:
 - (i) Obtained and verified the computation of Minimum Debt Service Coverage Ratio, Loan to Value Ratio and Net Operating Income as defined in the Statement.
 - (ii) In relation to computation of Minimum Debt Service Coverage Ratio, Loan to Value Ratio and Net Operating Income we have traced the underlying components of the said amount to the audited financial results of the Company and books of account maintained by the Company as on March 31, 2021.
 - (iii) In relation to “Principal amount and interest paid on the loan and face value redeemed and interest paid on bonds for the immediately preceding six months period i.e. April 1, 2020 to September 30, 2020”, used in the calculation of Minimum Debt Service Coverage Ratio, we have obtained the bank statements and traced the payments pertaining to principal and interest on loan and payments pertaining to redemption and interest on bonds for the period April 1, 2020 to September 30, 2020.
 - (iv) In relation to “Valuation”, used in the calculation of Loan to Value Ratio, we obtained valuation report as at December 31, 2020 dated February 18, 2021 issued by CBRE South Asia Private Limited pertaining to VR Chennai.
- j) With respect to covenants other than those mentioned in paragraph 10(i) above, the management has represented and confirmed that the Company has complied with all the other covenants including affirmative, informative, and negative covenants, as prescribed in the Debenture Trust Deed, as at March 31, 2021. We have relied on the same and not performed any independent procedure in this regard.

- k) Performed necessary inquiries with the Management and obtained necessary representations.

Basis of Qualified conclusion

11. The Company has not complied with one of the financial covenants i.e. maintenance of prescribed Net Operating Income as per the terms of the Debenture Trust deed.

Qualified Conclusion

12. Based on the procedures performed by us, as referred to in paragraph 10 above and for the effect of the matter described in the Basis for Qualified Conclusion section of our report in our opinion and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:
- a) The Company has not maintained asset cover as per the terms of the Debenture Trust deed; and
 - b) The Company is not in compliance with all the covenants as mentioned in the Debenture Trust Deed as on March 31, 2021.

Restriction on Use

13. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustees and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this report

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**ADARSH
RANKA**

Digitally signed by
ADARSH RANKA
Date: 2021.06.30
23:00:46 +05'30'

per Adarsh Ranka

Partner

Membership Number: 209567

UDIN: 21209567AAAAEM6810

Place of Signature: Bengaluru, India

Date: June 30, 2021

Sugam Vanijya Holdings Private Limited ("the Company")
Statement showing 'Asset Cover as per the terms of Debenture Trust Deed and Compliance with Covenants'

This statement contains details of maintenance of security/ asset cover, including compliance with all the covenants as at and for the half-year ended March 31, 2021 in respect of a) Secured, Rated, Listed, Redeemable and Non-Convertible debentures; and b) Unsecured, Rated, Listed Redeemable and Non-Convertible debentures (hereinafter together referred to as the "Debentures") issued by the Company with particular reference to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter 'SEBI Regulations') read with the Bond Trust Deed dated December 03, 2018 and first supplemental deed to the bond trust deed dated January 27, 2020 entered between the Company and Catalyst Trusteeship Limited ("DTD dated December 03, 2018") in relation to 3,050 fully secured, rated, listed, redeemable and non-convertible debentures (Series 1 bonds), having face value of Rs. 1 million each amounting to Rs. 3,050 million and 1,675 fully secured, rated, listed, redeemable and non-convertible debentures (Series 2 bonds), having face value of Rs. 1 million each amounting to Rs. 1,675 million (hereinafter together referred to as "Secured bonds") and Debenture Trust Deed dated January 28, 2015 entered between the Company and IDBI Trusteeship Services Limited ("DTD dated January 28, 2015") in relation to 448 unsecured, rated, listed redeemable and non-convertible debentures having face value of Rs. 10 million each amounting to Rs. 4,480 million (hereinafter referred to as "Unsecured NCDs").

A. Maintenance of security/ asset cover

1. Asset cover calculation in relation to Secured bonds

DTD dated December 03, 2018, pursuant to which Secured bonds have been issued, requires the company to maintain a minimum of 100% asset cover at all times during the tenure of bonds in respect of outstanding bonds. However, the term asset cover is not defined in DTD dated December 2018. The following is the calculation of asset cover ratio in relation to Secured bonds.

Since the term asset cover is not defined in SEBI Regulations, the following formula is used to calculate asset cover ratio of the Company in relation to Secured bonds:

$$\text{Asset cover ratio} = \frac{\text{Value of assets provided as security}}{\text{Total outstanding nominal value of the Secured bonds and accrued but unpaid interest}}$$

$$\text{Asset cover ratio} = \frac{(A)}{(B)} = 165.65\%$$

Value of assets provided as security as at March 31, 2021 is as under:

Amounts in Rs. million	
Particulars	Amount
Aggregate value of the LRD Property ("VR Chennai")	7,183.54
Cash & Bank Balances including fixed deposits	168.21
Receivables	123.12
Value of assets provided as security = (A)	7,474.87

Total outstanding nominal value of the secured bonds and accrued but unpaid interest as at March 31, 2021 is as under:

Amounts in Rs. million	
Particulars	Amount
3,050 fully secured, rated, listed, redeemable and non-convertible debentures (Series 1 bonds)	2,912.75
1,675 fully secured, rated, listed, redeemable and non-convertible debentures (Series 2 bonds)	1,599.63
Accrued but unpaid interest as at March 31, 2021	-
Total outstanding nominal value of the secured bonds and accrued but unpaid Coupon = (B)	4,512.38

Asset cover ratio as at March 31, 2021 as calculated above 165.65% is more than the minimum asset cover of 100% required to be maintained by the Company.

2. Asset cover calculation in relation to Unsecured NCDs

Unsecured NCDs issued are unsecured and there is no requirement regarding maintenance of security/ asset cover, as at March 31, 2021.

Sugam Vanijya Holdings Private Limited ("the Company")
Statement showing 'Asset Cover as per the terms of Debenture Trust Deed and Compliance with Covenants'

B. Compliance with all the covenants

(a) Compliance with financial covenants

1. Compliance with financial covenants in respect of Secured Bonds as per DTD dated January 28, 2015

As per terms of clause 2 of Schedule 3 of DTD dated December 03, 2018, the financial covenants required to be complied with by the Company are as under:

I. Minimum Debt Service Coverage Ratio of 1.15

Calculation of Debt Service Coverage Ratio as per definitions para of DTD dated December 03, 2018

$$\text{DSCR on any date} = \frac{(A)}{(B)} = 1.15$$

(A) : Net Operating Income for the period October 1, 2020 to March 31, 2021 is calculated as under:

Amounts in Rs. million	
Particulars	Amount
Gross Lease Rentals, together with CAM Income	771.50
reduced by	
- Statutory Expenses	(9.70)
- CAM Expense	(346.20)
- Property Tax	(21.95)
Net Operating Income for the period October 1, 2020 to March 31, 2021 = (A)	393.65

(B) : Principal amount and interest paid on the loan and face value redeemed and interest paid on bonds for the immediately preceding six months period i.e. April 1, 2020 to September 30, 2020 is calculated as under:

Amounts in Rs. million	
Particulars	Amount
Principal amount paid on the term loan taken from HDFC Bank for the period April 1, 2020 to September 30, 2020	2.46
Total interest paid on the term loan taken from HDFC Bank for the period April 1, 2020 to September 30, 2020	65.53
Principal amount paid on the OD facility taken from Standard Chartered Bank for the period April 1, 2020 to September 30, 2020	-
Total interest paid on the the OD facility taken from Standard Chartered Bank for the period April 1, 2020 to September 30, 2020	14.93
Face value redeemed of the Series 1 bonds payable to Standard Chartered Bank for the period April 1, 2020 to September 30, 2020	30.56
Total interest paid on the Series 1 bonds payable to Standard Chartered Bank for the period April 1, 2020 to September 30, 2020	136.86
Face value redeemed of the Series 2 bonds payable to Deutsche Bank for the period April 1, 2020 to September 30, 2020	16.78
Total interest paid on the Series 2 bonds payable to Deutsche Bank for the period April 1, 2020 to September 30, 2020	75.37
Principal amount and interest paid on the loan and face value redeemed and interest paid on bonds for the immediately preceding six months period i.e. April 1, 2020 to September 30, 2020 (B)	342.49

Debt Service Coverage Ratio as calculated above 1.15 times is equal to the required DSCR of 1.15 times as specified in clause 2.1 of Schedule 3 of DTD dated December 03, 2018.

Sugam Vanijya Holdings Private Limited ("the Company")
Statement showing 'Asset Cover as per the terms of Debenture Trust Deed and Compliance with Covenants'

II. Loan to Value Ratio shall not be greater than 57% at all times

Calculation of Loan to Value ratio as per definitions para of DTD dated December 03, 2018

$$\text{Loan to Value Ratio} = \frac{\text{the aggregate of outstanding principal amount payable on loans and outstanding face value payable on the secured bonds}}{\text{Valuation}}$$

$$\text{Loan to Value Ratio} = \frac{(A)}{(B)} = 38.95\%$$

(A) = Aggregate of outstanding principal amount payable on loans and outstanding face value payable on secured bonds as at March 31, 2021 is calculated as under

Amounts in Rs. million	
Particulars	Amount
Oustanding principal amount payable on term loan to HDFC Bank as at March 31, 2021	1,484.01
Oustanding principal amount payable on OD facility to Standard Chartered Bank as at March 31, 2021	204.14
Oustanding face value payable on Series 1 bonds to Standard Chartered Bank as at March 31, 2021	2,912.75
Oustanding face value payable on Series 2 bonds to Deutsche Bank as at March 31, 2021	1,599.63
Aggregate of outstanding principal amount payable on loans and outstanding face value payable on secured bonds = (A)	6,200.53

(B) = Valuation

Valuation as per clause 1 of Schedule 8 of bond trust deed dated December 03, 2018 are as under

Amounts in Rs. million	
Particulars	Amount
Value of VR Chennai property with leasable area of 988,000 square feet situated in Chennai as reflected in the valuation report of a Loan valuer as at December 31, 2020 dated February 18, 2021	15,919.00
Valuation = (B)	15,919.00

Loan to Value Ratio as at March 31, 2021 as calculated above 38.95% is within the maximum limit of 57% as specified in clause 2.2 of schedule 3 of DTD dated December 03, 2018

Sugam Vanijya Holdings Private Limited ("the Company")
Statement showing 'Asset Cover as per the terms of Debenture Trust Deed and Compliance with Covenants'

III. Net Operating Income shall not be less than the limits set out for each half year ended

Net operating Income as as specified in clause 2.3 of schedule 3 of DTD dated December 03, 2018 for the current half year ended March 2021 is Rs. 542.75 million.

Actual Net Operating Income is Rs. 393.65 million . Refer calculation under **B(a)(1)(I)** above

Actual Net Operating Income as calculated above Rs. 393.65 million is less than required Net Operating Income as clause 2.3 of schedule 3 of DTD dated December 03, 2018

2. Compliance with financial covenants in respect of Unsecured NCDs as per DTD dated January 28, 2015

DTD dated January 28, 2015 does not prescribe any financial covenants to be complied with by the Company and hence, no such covenant is applicable and need to be disclosed in this Statement.

(b) Compliance with all covenants other than financial covenants

The Company has complied with all other affirmative and informative covenants as prescribed in the DTD dated December 03, 2018 and the DTD dated January 28, 2015.

We confirm that the aforesaid information is true and correct.

For Sugam Vanijya Holdings Private Limited



Authorised Signatory

Place: New Delhi, India

Date: June 30, 2021