ORIGINAL

Independent Auditor's Report

To,
The Members of
Ilex Developers and Resorts Limited

Report on the Ind AS financial statements

Opinion

We have audited the accompanying Ind AS financial statements of **Ilex Developers and Resorts Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (together referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time, of the financial position of the Company as at 31st March, 2022, and its loss including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

Reference is invited to note 41 of Ind AS financial statements regarding preparation of financial statements on going concern basis. The Company has incurred loss in the current year and previous year and its current liabilities are more than current assets as at year ended 31st March, 2022 and as at year ended 31st March, 2021. Further, in respect of loans, there are delays in repayment of principal, payment of interest and overdue instalments as on 31st March, 2022. In the opinion of management, the Company's accounts are prepared on going concern basis considering (i) positive earnings before interest, tax and depreciation ('EBITDA') in the year ended 31st March, 2022 as well as previous year; (ii) positive net worth as at year ended 31st March, 2022 as well as previous year; (iii) increase in capacity of the hotel property; (iv) future growth prospectus from this hotel property resulting in sufficient future cash flows to meet its future obligations; (v) management's action to mitigate the impact of COVID-19 as described in note 42 and (vi) management's request for seeking extension of the loan dues as stated in note 19.4 (also refer para (a) of Emphasis of matter section below).

Our opinion is not modified in respect of this matter. In respect of above matter, attention was also drawn by us in the earlier year's independent auditor's report. Our conclusion was not modified in respect of above matter in earlier year also.

N.A. SHAH ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Emphasis of matter

(a) Reference is invited to note 19.4 of the Ind AS financial statements. In respect of loans, there are delays in repayment of principal, payment of interest and there are unpaid instalments amounting to Rs. 1,577.00 lakhs as at year ended 31st March, 2022 (Rs. 1,151.00 lakhs as on 31st March, 2021). Considering COVID-19 pandemic, the Company had sent signed letter by e-mail in the month of March 2020, June 2020 and July 2021 for the extension of the dues upto December 2021. Further, the Company has submitted restructuring proposal to the lender. Again, in December 2021, the Company has sent letter for further extension till June 2022. Though written reply from the lender for extension or restructuring is awaited, the lender has verbally agreed for the extension. In view of the above, in the opinion of the management, event of default is not triggered and therefore, there is no other accounting implications and reclassification of non-current borrowing to current liability is not required as at 31st March, 2022. Impact, if any, will be considered in the period in which the Company and the lender agree on revised terms.

(b) Reference is invited to note 42 of the Ind AS financial statements, in respect of the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management.

Our opinion is not modified in respect of above matters. In respect of above matters, attention was also drawn by us in the earlier year's independent auditor's report. Our conclusion was not modified in respect of above matters in earlier years also.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no other Key Audit Matters to communicate in our audit report except matter described in "Material uncertainty related to going concern" and "Emphasis of matter" paragraph above and as reported below:

Key audit matter	How our audit addressed the key audit matter

Corporate guarantee given on behalf of Kamat Hotels (India) Limited - accounting treatment
 	
We refer to note 2.4(vi) of notes 45(e) of Ind AS Financial statements. The Company has given corporate guarantee (jointly with other group entities) on behalf of Kamat Hotels (India) Limited aggregating to Rs. 38,583.00 lakhs towards loan facilities taken from banks / others by Kamat Hotels (India) Limited in earlier financial year. As informed by management, share of Company in this corporate guarantee is not quantifiable.
 	
- Assessment of obligation towards the corporate guarantee has been identified as a key audit matter due to:
 	
  - Significance of the carrying amount of balances.
 	
  - The assessment requires management to make significant estimates concerning the estimated future cash flows, operations of the Kamat Hotels
	This matter is discussed with the management.
	
	- Management and those charge with governance are of the view that Kamat Hotels (India) Limited is taking appropriate steps to ensure that there is no default in repayment of loan from banks / other lenders. Hence, no obligation is required to be accounted out of the financial guarantee given by the Company.
	
	- We assessed the conclusion reached by management and those charge with governance on account of various estimates and judgments including possible impact of COVID-19 pandemic as well as the disclosure made in the Ind AS financial statements as per Ind AS 109 Financial Instruments.

N.A. SHAH ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Key audit matter	How our audit addressed the key audit matter
(India) Limited including any possible impact arising out of the COVID-19 pandemic on these estimates. - Changes to any of these assumptions could lead to material changes in the estimated obligation and recoverable amounts.	

Information other than the Ind AS financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises of the information included in the Board's Report including Annexures to Board's Report but does not include the Ind AS financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and make other appropriate reporting as prescribed.

Responsibilities of management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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

Auditor's responsibilities for the audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the 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

N.A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

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 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 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

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

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows and dealt with by this report are in agreement with the books of account.

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.

   e) The matters described in 'Material uncertainty related to going concern' and 'Emphasis of matter' paragraph above, in our opinion, may have an adverse impact on the functioning of the Company.

   f) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.

   g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   h) During the year, there is no managerial remuneration. Hence, reporting under section 197(16) of the Act is not applicable.

   i) 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 does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. The management has represented that,
         a) no funds have been advanced or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate

N.A. SHAH ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

b) no funds have been received by the Company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations given by the management contain any material misstatement.

v. The Company has not declared or paid dividend during the year. Hence our comments on compliance with section 123 of the Companies Act 2013 does not arise.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No.: 116560W / W100149

M. Mody

N. A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Milan Mody
Partner
Membership No.: 103286
UDIN: 22103286AJFYTO8625

Place: Mumbai
Date: 19th May, 2022

Ilex Developers and Resorts Limited
Annexure A to Independent Auditor's Report for the year ended 31st March 2022
[Referred to in paragraph 1 of 'Report on other legal and regulatory requirements' of our report of even date]

i. In respect to Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

b) The Property, Plant and Equipment were physically verified by the management at reasonable intervals, which, in our opinion, is reasonable. According to the information and explanation given to us, discrepancies noticed on such physical verification were not material and have been appropriately dealt with in the books of accounts.

c) The Company does not hold any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Hence, the question of our comment on title deeds of all the immovable properties being held in the name of the Company does not arise.

d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment or Intangible Assets or both during the year. Therefore, clause (i)(d) of paragraph 3 of the Order is not applicable to the Company.

e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, clause (i)(e) of paragraph 3 of the Order is not applicable to the Company.

ii. In respect of inventories:

a) In our opinion, physical verification of inventories has been conducted by the management at reasonable intervals and the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on such verification by the management, were less than 10% for each class of inventory and have been appropriately dealt with in the books of accounts.

b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. Therefore, clause (ii)(b) of paragraph 3 of the Order is not applicable to the Company

iii. In respect of investments made in, guarantee or security provided or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties by the Company:

a) According to the information and explanation given to us, during the year the Company has not provided loans or provided any advances in nature of loans, or stood guarantee, or provided security to any other entity. Therefore, clause (iii)(a)(A), (iii)(a)(B) of paragraph 3 of the Order is not applicable to the Company.

b) According to the information and explanations given to us, further as mentioned in the 'Key Audit matter' paragraph and based on the audit procedures performed by us, we are of the opinion that guarantee provided by the Company in earlier years to Kamat Hotels (India) Limited are not prejudicial to the Company's interest. As inform to us the Company has not made any investment, given security or given any loan or advance in the nature of loans.

c) According to the information and explanations given to us, the Company has not given any loans & advances in nature of loans. Therefore, clause (iii)(c), (iii)(d), (iii)(e) & (iii)(f) of paragraph 3 of the Order is not applicable to the Company.

N.A. SHAH ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Ilex Developers and Resorts Limited
Annexure A to Independent Auditor's Report for the year ended 31st March 2022
[Referred to in paragraph 1 of 'Report on other legal and regulatory requirements' of our report of even date]

iv. As per the information and explanation given to us, in respect of guarantee given in earlier years, the Company has complied with provisions of section 186 of the Act and section 185 of the Act is not applicable. Further, as informed to us, the Company has not made any investments, given loan or provided security to which the provisions of section 185 and 186 of the Act is applicable.

v. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the rules framed there under. We have been informed that no order relating to Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

vi. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act for the goods and services rendered by the Company. Accordingly, clause (vi) of paragraph 3 of the Order is not applicable to the Company.

vii. In respect of statutory dues:

a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of accounts, the Company has been regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable to the Company, during the period with the appropriate authorities except minor delays in payment of goods and services tax (GST), provident fund, employees' state insurance, tax deducted at source. There are no undisputed amounts payable in respect of statutory dues outstanding as on 31st March, 2022 for a period of more than six months from the date they become payable.

b) According to the records of the Company and information and explanations given to us, there are no statutory dues referred in clause (vii)(a) above which have not been deposited with appropriate authorities on account of any dispute.

viii. According to the information and explanations given to us and based on the procedures carried out during the course of our audit, we have not come across any transactions not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. In respect to repayment of loan:

a) According to the information and explanations given to us, and based on the procedures carried out during the course of our audit, the Company has defaulted in the payment of borrowings & payment of interest as tabulated below:

(Rs. in lakhs)

Nature of borrowing including debt security	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Unsecured term loan	Asset Care & Reconstruction Enterprise (ACRE) Limited	1577.00	Principal & Interest	274 to 821	
Unsecured term loan	Asset Care & Reconstruction Enterprise (ACRE) Limited	308.00	Delay Interest	274 to 821	

N.A. SHAH ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Ilex Developers and Resorts Limited
Annexure A to Independent Auditor's Report for the year ended 31st March 2022
[Referred to in paragraph 1 of 'Report on other legal and regulatory requirements' of our report of even date]

b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any other lender.

c) According to the information and explanations given to us, the Company has not taken term loan during the year, Therefore, the clause (ix)(c) of paragraph 3 of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, no funds have been raised on short-term basis. Therefore, the clause (ix)(d) of paragraph 3 of the Order is not applicable to the Company.

e) The Company does not have any subsidiaries, joint ventures or associate companies. Therefore, the clause (ix)(e) and (f) of paragraph 3 of the Order is not applicable to the Company.

x. In respect of issue of shares:

a) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year ended 31st March 2022. Therefore, the clause (x)(a) of paragraph 3 of the Order is not applicable to the Company.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the clause (x)(b) of paragraph 3 of the Order is not applicable to the Company.

xi. In respect of Fraud:

a) 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 has been noticed or reported during the year.

b) No report under section 143(12) of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) As represented to us by the management, there has been no whistle blower complaints received by the Company during the year.

xii. In our opinion, the Company is not a Nidhi Company. Therefore, clause (xii)(a), (xii)(b) and (xii)(c) of paragraph 3 of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and on the basis of our examination of records of the Company, transaction with related parties are in compliance with Section 188 of Act and have been disclosed in the Ind AS financial statements as required under Ind AS 24, Related Party Disclosure specified under section 133 of the Act (Also refer note 33 of Ind AS financial statements), read with Rule 7 of the Companies (Accounts) Rules 2014. Section 177 of the Act is not applicable to the Company.

xiv. In our opinion and based on our examination, the Company is not required to have an internal audit system as per the provisions of the Companies Act, 2013, hence question of our consideration of internal audit report does not arise.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or person connected with him. Therefore, question of our comment on compliance with provisions of Section 192 of the Act does not arise.

N.A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Ilex Developers and Resorts Limited
Annexure A to Independent Auditor's Report for the year ended 31st March 2022
[Referred to in paragraph 1 of 'Report on other legal and regulatory requirements' of our report of even date]

xvi. In respect of registration under section 45-IA of the Reserve Bank of India Act, 1934:

a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the clause (xvi)(a) of paragraph 3 of the Order is not applicable to the Company.

b) During the year, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Therefore, the clause (xvi)(b) of paragraph 3 of the Order is not applicable to the Company.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the clause (xvi)(c) of paragraph 3 of the Order is not applicable to the Company.

d) As per information & explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Therefore, the clause (xvi)(d) of paragraph 3 of the Order is not applicable to the Company.

xvii. According to the information and explanations given to us, the Company has incurred cash losses in the current financial year amounting to Rs. 64.69 Lakhs and in the immediately preceding financial year amounting to Rs. 3.37 Lakhs.

xviii. There has not been any resignation of the statutory auditors during the year. Therefore, the clause (xviii) of paragraph 3 of the Order is not applicable to the Company.

xix On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the our knowledge of the Board of Directors and management plans, material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. However, the financial statements are continued to be prepared on going concern basis.

xx. In our opinion and according to information and explanation given to us the Company is not required to complied with the provision of section 135 of Act. Therefore, the clause (xx)(a) and (xx)(b) of paragraph 3 of the Order is not applicable to the Company.

xxi. The Company is not required to prepare consolidated financial statement. Therefore, the clause (xxi) of paragraph 3 of the Order is not applicable to the Company.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No.116560W / W100149

M. N. Mody

N. A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Milan Mody
Partner
Membership No. 103286
UDIN: 22103286AJFYTO8625

Place: Mumbai
Date: 19th May, 2022

Ilex Developers and Resorts Limited
Annexure B to the Independent Auditor's Report for the year ended 31st March 2022
[Referred to in paragraph 2 (g) under the heading "Report on other legal and regulatory requirements" of our report of even date]

Report on the internal financial controls under section 143(3)(i) of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of **Ilex Developers and Resorts Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Operating effectiveness of certain processes for current year have been tested and complied by the internal auditors based on transaction audit on data extracted from the systems (excel format), using Data Analytics and Remote Auditing Techniques considering COVID-19 based mobility limitations. In this respect, we have performed alternate procedures for the purpose of our assertions and opinion.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI').

Responsibilities of management and those charged with governance for internal financial controls over financial reporting

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note, issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

N.A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Ilex Developers and Resorts Limited
Annexure B to Independent Auditor's Report for the year ended 31st March 2022
[Referred to in paragraph 2 (g) of 'Report on other legal and regulatory requirements' of our report of even date]

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

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

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No.116560W / W100149

M. Mody

N.A. SHAH ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Milan Mody
Partner
Membership No. 103286
UDIN: 22103286AJFYTO8625

Place: Mumbai
Date: 19th May 2022

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Balance Sheet as at 31st March 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Note no.	As at 31st March 2022	As at 31st March 2021
	ASSETS			
A	**Non-current assets**			
	a) Property, plant and equipment	5	2,409.95	2,550.83
	b) Capital work-in-progress / intangible assets under development	6	0.17	0.25
	c) Intangible assets	7	3.56	4.02
	d) Financial assets			
	i) Other non current financial assets	8	32.89	29.43
	e) Income tax asset	9	6.85	4.47
	f) Deferred tax assets (net)	10	236.82	196.64
	g) Other non-current assets	11	33.74	49.14
	(A)		**2,723.98**	**2,834.78**
B	**Current assets**			
	a) Inventories	12	11.85	12.19
	b) Financial assets			
	i) Trade receivables	13	31.70	20.79
	ii) Cash and cash equivalents	14	30.20	58.56
	iii) Other bank balances	14A	6.01	5.72
	iv) Other current financial assets	15	14.53	14.07
	c) Other current assets	16	130.36	125.74
	(B)		**224.65**	**237.07**
	TOTAL (A + B)		**2,948.63**	**3,071.85**
	EQUITY AND LIABILITIES			
A	**Equity**			
	a) Equity share capital	17	80.95	80.95
	b) Other equity	18	493.25	705.05
	(A)		**574.20**	**786.00**
	Liabilities			
B	Non-current liabilities			
	a) Financial liabilities			
	i) Borrowings	19	320.96	372.96
	b) Provisions	20	17.01	22.56
	(B)		**337.97**	**395.52**
C	**Current liabilities**			
	a) Financial liabilities			
	i) Borrowings	21	1,577.00	1,637.34
	ii) Trade payables	22		
	- Amount due to Micro and small enterprises		1.54	1.37
	- Amount due to other than Micro and small enterprises		34.40	56.63
	iii) Other financial liabilities	23	373.63	159.73
	b) Other current liabilities	24	48.18	32.45
	c) Provisions	25	1.71	2.81
	(C)		**2,036.46**	**1,890.33**
	TOTAL (A+B+C)		**2,948.63**	**3,071.85**
	Significant accounting policies and notes to financial statements	**1 to 47**		

The notes referred to above form an integral part of the financial statements

As per our audit report of even date

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

M. Mody

Milan Mody
Partner
Membership No. : 103286

Place: Mumbai
Date: 19th May, 2022

N.A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Ilex Developers & Resorts Limited

Dr. Vithal V. Kamat
Director
DIN : 00195341

Place: Mumbai
Date: 19th May, 2022

Narendra D Pai
Director
DIN: 01985153

ILEX DEVELOPERS & RESORTS LIMITED
MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Statement of Profit and Loss for the year ended 31st March 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Note no.	Year ended 31st Mar 2022	Year ended 31st Mar 2021
A	Income			
	Revenue from operations	26	630.71	333.67
	Other income	27	1.11	0.93
	Total income (A)		**631.82**	**334.60**
B	Expenses			
	Cost of materials consumed	28	68.71	40.57
	Employee benefit expenses	29	139.00	83.56
	Finance cost	30	233.33	69.26
	Depreciation and amortisation	5 & 6	187.28	187.80
	Other expenses	31	258.47	147.14
	Total expenses (B)		**886.79**	**528.33**
C	Profit / (loss) before tax (C) (A-B)		(254.97)	(193.73)
D	Tax expense:			
	- Current tax		-	-
	Short / (excess) provision for current tax / deferred tax (net)		0.08	22.94
	Deferred tax charge/ (credit)	10	(40.53)	(31.67)
	Total tax expense (D)		(40.45)	(8.73)
E	Profit / (loss) after tax (E) (C-D)		(214.52)	(185.00)
F	Other comprehensive income / (loss)			
	a. i) Items that will not be reclassified to statement of profit and loss			
	Remeasurement gain / (loss) of defined benefit plan		3.00	2.20
	ii) Income tax relating to items that will not be classified to profit or loss		(0.28)	(0.56)
	b. i) Items that will be reclassified to statement of profit and loss		-	-
	ii) Income tax relating to items that will be classified to profit or loss		-	-
	Other comprehensive income / (expenses) for the year (F)		2.72	1.64
G	Total comprehensive income / (loss) for the year (E+F)		(211.80)	(183.36)
	Basic and diluted earnings/ (loss) per share	34		
	Equity shares - [Face value of Rs. 10 each]		(26.50)	(22.85)
	Significant accounting policies and notes to financial statement	**1 to 47**		

The notes referred to above form an integral part of the financial statements

As per our audit report of even date

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Milan Mody
Partner
Membership No. : 103286

N. A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 19th May, 2022

For and on behalf of the Board of Directors of
Ilex Developers & Resorts Limited

Dr. Vithal V. Kamat
Director
DIN : 00195341

Narendra D Pai
Director
DIN: 01985153

Place: Mumbai
Date: 19th May, 2022

ILEX DEVELOPERS & RESORTS LIMITED
MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Statement of Changes in Equity for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(a) Equity share capital

Current reporting period i.e 31st March, 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
80.95	-	-		80.95

Current reporting period i.e 31st March, 2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
80.95	-	-	-	80.95

(Also refer note 17)

(b) Other equity

Particulars	Reserves & surplus		OCI*	Total other equity
	Securities Premium Account	Retained earnings	Remeasurement of the defined benefit plans	
Balance as at 31st March 2020	1,519.05	(631.69)	1.05	888.41
(Loss) for the year 2020-21	-	(185.00)	-	(185.00)
Other comprehensive income for the year 2020-21	-	-	1.64	1.64
Balance as at 31st March 2021	**1,519.05**	**(816.69)**	**2.69**	**705.05**
(Loss) for the year 2021-22	-	(214.52)	-	(214.52)
Other comprehensive income for the year 2021-22	-	-	2.72	2.72
Balance as at 31st March 2022	**1,519.05**	**(1,031.21)**	**5.41**	**493.25**

(Also refer note 18)

*Other comprehensive income

As per our audit report of even date

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

M. N. Mody

Milan Mody
Partner
Membership No. : 103286

N. A. SHAH ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 19th May, 2022

For and on behalf of the Board of Directors of
Ilex Developers & Resorts Limited

Dr. Vithal V. Kamat
Director
DIN : 00195341

Place: Mumbai
Date: 19th May, 2022

Narendra D Pai
Director
DIN: 01985153

ILEX DEVELOPERS & RESORTS LIMITED MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Cash Flow Statement for the year ended 31st March 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Particulars	Note	Year ended 31st March 2022	Year ended 31st March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Net profit/(loss) before taxation and other comprehensive income		(254.97)	(193.73)
Adjustment for:			
Depreciation and amortization		187.28	187.80
(Reversal)/provision for expected credit loss and doubtful debts, advances		(2.69)	2.72
Loss on discard of property, plant and equipment (gross of insurance claim received)		32.27	-
Interest income		(1.11)	(0.93)
Interest expense		233.33	69.26
Operating profit / (loss) before working capital changes		**194.11**	**65.12**
Movements in working capital : (Current and Non-Current)			
(Increase)/ decrease in trade receivables, financial assets and other assets		(13.02)	48.17
Increase/ (decrease) in trade payables and financial liabilities, other liabilities and provisions		(13.40)	(61.42)
(Increase)/ decrease in inventories		0.34	4.78
Cash generated from operations before tax		**168.03**	**56.65**
Adjustment for:			
Direct taxes - Refund received(net)/ (taxes paid) (Tax deducted at source)		(2.30)	(1.69)
Net cash generated/(used) in operating activities ......(A)		**165.73**	**54.96**
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment (including capital work in progress and capital advances)		(82.86)	(28.01)
Proceeds from sale of assets		9.11	-
Interest income received		0.90	0.98
(Increase)/decrease in bank balance [Current and non-current] (other than cash and cash equivalent)		(0.29)	(0.34)
Cash generated/(used) from investing activities before tax		**(73.14)**	**(27.37)**
Adjustment for:			
Direct taxes - Refund received/ (taxes paid) (Tax deducted at source)		(0.08)	(0.07)
Net cash generated/(used) in investing activities ......(B)		**(73.22)**	**(27.44)**
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Repayments of long term borrowings		(112.34)	(1.39)
Interest paid		(8.53)	(0.65)
Net cash generated/(used) in financing activities ......(C)		**(120.87)**	**(2.04)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(28.36)	25.48
Cash and cash equivalents at beginning of the year		58.56	33.08
Cash and cash equivalents at end of the year		30.20	58.56
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:		(28.36)	25.48
Significant accounting policies and notes to financial statement	1 to 47		

Notes:

(i) Statement of cash flows has been prepared as per "Indirect method" as set out in Ind AS 7 - "Statement of Cash Flows".

(ii) Refer note for other notes in relation to statement of cash flows

Notes referred to herein above form an integral part of financial statements.
As per our audit report of even date

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Milan Mody
Partner
Membership No. : 103286

Place: Mumbai
Date: 19th May, 2022

N.A. SHAH ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Ilex Developers & Resorts Limited

Dr. Vithal V. Kamat
Director
DIN : 00195341

Narendra D Pai
Director
DIN. 01985153

Place: Mumbai
Date: 19th May, 2022

ILEX DEVELOPERS & RESORTS LIMITED MUMBAI

Ilex Developers and Resorts Limited
CIN No: U70102MH2008PTC184194
Notes on financial statements for the year ended 31st March, 2022

1. Background

The Company was incorporated on 2nd July, 2008 under Companies Act, 1956 and is domiciled in India. The registered office of the Company is located at 70 – C, Nehru Road, Near Santacruz Airport, Vile Parle (E), Mumbai – 400 099, India. The Company is in the hospitality business. Company has taken hotel property in Orissa [Bhubaneswar] from Kamat Hotels (India) Limited ("KHIL") for operation and management for the period 20 years (with further renewal period of 10 years at the option of KHIL).

The financial statements of the Company for the year ended 31st March, 2022 were approved and adopted by board of directors of the Company in their meeting held on 19th May, 2022.

2. Basis of preparation

2.1 Statement of compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

2.2. Functional and presentation of currency

The financial statements are prepared in Indian Rupees which is also the Company's functional currency. All amounts are rounded to the nearest rupees in lakhs.

2.3. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – Unadjusted quoted price in active markets for identical asset and liability.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

N.A. SHAH ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair value has been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".

2.4. Use of significant accounting estimates, judgements and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant estimates and critical judgement in applying these accounting policies are described below:

i) Property, plant & equipment and Intangible assets:

The Company has estimated the useful life, residual value and method of depreciation / amortization of property, plant & equipment and intangible assets based on its internal technical assessment. Property, plant & equipment and intangible assets represent a significant proportion of the asset base of the Company. Further, the Company has estimated that scrap value of property, plant & equipment would be able to cover the residual value & decommissioning costs of property, plant & equipment.

Therefore, the estimates and assumptions made to determine useful life, residual value, method of depreciation / amortization and decommissioning costs are critical to the Company's financial position and performance.

ii) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, Company's past history and existing market conditions as well as forward looking estimates at the end of each reporting period.

For trade receivables the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognized from initial recognition of trade receivables

iii) Income taxes:

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit and loss.

iv) Measurement of defined benefit plan & other long-term benefits

The cost of the defined benefit gratuity plan / other long term benefits and the present value of the gratuity obligation / other long-term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate.

MUMBAI CHARTERED ACCOUNTANTS

ILEX DEVELOPERS & RESORTS LIMITED MUMBAI

future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation / other long-term benefits is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

v) Impairment of non-financial assets:

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognized impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognized are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortisation had no impairment loss been recognized in earlier years.

vi) Corporate guarantee:

KHIL is not major holding co.

In earlier financial year, the Company has given corporate guarantee (jointly with other fellow subsidiaries and group entities) on behalf of holding company aggregating to Rs. 38,583.00 lakhs (31st March 2021: Rs. 38,583.00 lakhs) towards loan facilities taken from banks/ others by holding company. Share of Company in this corporate guarantee is not quantifiable. Company does not expect any outflow on account of this guarantee. Considering the asset base of the Company, it does not expect any reimbursement in respect of this corporate guarantee and hence in view of the management, the financial guarantee obligation is not required to be recognized in financial statements and it has been disclosed as contingent liability.

vii) Going concern:

The Company has incurred loss in the current year and in previous year and its current liabilities exceeds current assets as at 31st March, 2022 and 31st March, 2021. Further, in respect of loans, there are delays in repayment of principal, payment of Interest and overdue instalments as on 31st March, 2022. The Company's accounts are prepared on going concern basis considering (i) positive earnings before interest tax and depreciation ('EBITDA') in the year ended 31st March, 2022 as well as year ended 31st March, 2021; (ii) positive net worth as at year ended 31st March, 2022 as well as year ended 31st March, 2021; (iii) increase in capacity of the hotel property (iv) future growth prospectus from this hotel property resulting in sufficient future cash flows to meet its future obligations; (v) management's action to mitigate the impact of COVID-19 as described in note 6 and (vi) management's request for seeking extension of the loan dues as stated in note 4 of financial statements.

3. Significant Accounting Policies

3.1. Presentation and disclosure of financial statement

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013 for a company whose financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015.

N.A. SHAH ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS *

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI *

Based on the nature of service i.e. hospitality and the time between rendering of services and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current / non-current classification of assets and liabilities.

3.2. Property, Plant and Equipment and Depreciation

Recognition and measurement

Properties plant and equipment are stated at their cost of acquisition. Gross carrying amount of all property, plant and equipment are measured using cost model. Cost of an item of property, plant and equipment includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset. High end operating supplies acquired prior to commencement of the hotel operations and opening of new restaurants / outlets are considered as a part of property, plant and equipment.

Parts (major components) of an item of property, plant and equipment having different useful lives are accounted as separate items of property, plant and equipment.

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. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet date.

Depreciation and useful lives

Depreciation on the property, plant and equipment (other than capital work in progress and leasehold improvement) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life as mentioned in Schedule II to the Companies Act, 2013. Leasehold improvement is amortized over the period of lease or useful life whichever is lower.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

De-recognition

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

3.3. Intangible assets and amortisation

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

N.A. SHAH ASSOCIATES LLP CHARTERED ACCOUNTANTS MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED MUMBAI

Amortization and useful lives

Computer software's are amortized in 10 years on straight line basis. Amortization methods and useful lives are reviewed at each financial year end and adjusted prospectively. In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition.

3.4. Inventories

Inventories comprises of stock of food, beverages, stores and unused operating supplies and are valued at lower of cost (computed on weighted average basis) or net realizable value. Purchase of operating supplies (other than initial acquisition during the pre-commencement of the hotel and commencement of new restaurants / outlets) is charged to statement of profit and loss in the year of consumptions. The cost comprises of cost of purchases, duties and taxes (other than those subsequently recoverable) and other costs incurred in bringing them to their present location and condition. Cost of inventories is arrived at after providing for cost of obsolescence.

3.5. Revenue recognition

- Revenue from operation comprises of sale of rooms, banquets, food & beverages and allied services relating to hotel operations. Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for services. Revenue is recognized upon rendering of service. Sales and services are recorded net of GST / indirect taxes recovered. Revenue yet to be billed is considered as unbilled revenue.

- For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

3.6. Foreign currency transaction

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items is recognized as income or expense in the year in which they arise.

Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions.

3.7. Employee benefits

- Short term employee benefits

  All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.

- Post-employment benefits & other long-term benefits

  a. Defined contribution plan

  The defined contribution plan is a post-employment benefit plan under which the Company contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognized in the

N.A. SHAH ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

ILEX DEVELOPERS & RESORTS LIMITED MUMBAI

Statement of Profit and Loss in the period in which the employee renders the related service.

b. Post-employment benefit and other long-term benefits

The Company has defined benefit plans comprising of gratuity and other long-term benefits in the form of leave benefits and long service rewards. Company's obligation towards gratuity liability is unfunded. The present value of the defined benefit obligations and certain other long-term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur [with respect to gratuity] and for other long term employee benefits same are recognized immediately in statement of profit and loss. Re-measurements with respect to gratuity are not reclassified to statement of profit and loss in subsequent periods.

Gains or losses on the curtailment or settlement of defined benefit plan are recognized when the curtailment or settlement occurs. The cost of providing benefit under long service awards scheme is determined on the basis of estimated average cost of providing service.

3.8. Borrowing costs

Borrowing costs (net of interest income on temporary investments) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till the time such asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

3.9. Leases

Where Company is lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprise of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date net of lease incentive received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The

N. S. ... ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

ILEX DEVELOPERS & RESORTS LIMITED MUMBAI

estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method.

Lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

If the variable lease payments are not dependent on an index or a rate, they are excluded from calculation of lease liability and right-of-use asset at the commencement date. Such lease payments would be recognized as expense in statement of profit and loss as and when they are incurred.

Where Company is lessee

Operating lease - Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.10. Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. 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 taxation authority.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognized only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

N.A. SHAH ASSOCIATES LLP CHARTERED ACCOUNTANTS MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED MUMBAI

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit will allow deferred tax assets to be recovered.

3.11. Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.12. Cash flow statement

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

3.13. Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.14 Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also include fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

3.15. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit or loss.

3.15.1. Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

N. SHAH ASSOCIATES LLP CHARTERED ACCOUNTANTS MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED MUMBAI

- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognized in profit or loss are included in the 'Other income' line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach' for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit and loss.

De-recognition of financial asset

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A

N.A. SHAH ASSOCIATES LLP
CHARTERED ACCOUNTANTS
MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED
MUMBAI

cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

3.15.2. Financial liability and equity instrument

Classification as debt or equity

Debt and equity instruments issued by the Company are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

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

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

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

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognized in profit or loss.

Financial liabilities subsequently measured at amortized cost

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

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

De-recognition of financial liabilities

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

4. New Ind AS & amendments to existing Ind AS Issued but not effective as at 31st March, 2022

Ministry of Corporate Affairs has notified new standards or amendments to the existing standards which would be effective from 1st April, 2022.

Ind AS 16 – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual period beginning on or after 1st April, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10%' test of Ind AS 109 in assessing whether to de-recognize a financial liability. The Company has evaluated the amendment and there is no impact on its financial statements.

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

5

Property plant and equipment	Leasehold improvements (Refer note 5.1)	Plant & Equipment	Furniture & Fixtures	Office Equipments	Vehicle	Total
Gross carrying value						
Balance as at 31st March, 2020	2,857.46	402.47	68.44	3.90	7.02	3,333.29
Additions during the year 2020-21	-	-	-	-	-	-
Deletions during the year 2020-21	-	-	-	-	-	-
Balance as at 31st March, 2021	2,857.46	402.47	68.44	3.90	7.02	3,333.29
Additions during the year 2021-22	-	87.07	-	0.23	-	87.30
Deletions during the year 2021-22	0.46	145.42	-	1.06	-	146.94
Balance as at 31st March, 2022	2,857.00	344.12	68.44	3.07	7.02	3,273.65
Accumulated depreciation						
Balance as at 31st March, 2020	482.22	97.63	18.00	0.64	2.64	601.13
Additions during the year 2020-21	148.82	30.68	6.31	0.69	0.83	187.33
Deletions during the year 2020-21	-	-	-	-	-	-
Balance as at 31st March, 2021	631.04	128.31	24.31	1.33	3.47	788.46
Additions during the year 2021-22	148.82	30.73	5.85	0.57	0.83	186.80
Deletions during the year 2021-22	0.11	104.45	1.00	-	-	105.56
Balance as at 31st March 2022	779.75	54.59	29.16	1.90	4.30	869.70
Net carrying amount						
Balance as at 31st March 2021	2,226.42	274.16	44.13	2.57	3.55	2,550.83
Balance as at 31st March 2022	2,077.25	289.53	39.28	1.17	2.72	2,409.95

Notes:

5.1 Leasehold improvements are constructed on Hotel property taken under operational and management basis. Period of this arrangement is 20 years (further extendable by 10 years at the option of lessor). On the expiry of the term of the arrangement, these assets would be sold to the lessor at the written down value in accordance with the arrangement.

5.2 Details of property, plant and equipment given as security against borrowings are disclosed in Note 19.2.

6

Capital work in progress (CWIP) / Intangible assets under development	As at 31st March 2022	As at 31st March 2021
Opening balance	0.25	-
Add: Additions during the year	87.22	3.77
Less: Capitalised during the year	87.30	3.52
Closing balance	**0.17**	**0.25**

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

6.01 CWIP/Intangible assets under development ageing schedule:

	Amount of CWIP for a period of				
Project Type	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	0.17	-	-	-	0.17
Projects temporarily suspended	-	-	-	-	-

Details of Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan:

	To be completed in				
Project Type	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects - 1	-	-	-	-	-
Projects - 2	-	-	-	-	-

7

Other intangible assets	Software	Total
Gross carrying value		
Balance as at 31st March, 2020	2.01	2.01
Additions during the year 2020-21	3.52	3.52
Deletions during the year 2020-21	-	-
Balance as at 31st March, 2021	5.53	5.53
Additions during the year 2021-22	-	-
Deletions during the year 2021-22	-	-
Balance as at 31st March 2022	5.53	5.53
Accumulated amortization		
Balance as at 31st March, 2021	1.51	1.51
Additions during the year 2021-22	0.46	0.46
Deletions during the year 2021-22	-	-
Balance as at 31st March, 2022	1.97	1.97
Net carrying amount		
Balance as at 31st March, 2021	4.02	4.02
Balance as at 31st March, 2022	3.56	3.56

Notes:

7.1 Software is other than internally generated software.

7.2 Balance useful life of intangible assets as at 31st March 2022 is 1 years to 4 years (31st March 2021 : 1 to 5 years).

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

8

Other non-current financial assets	As at 31st March 2022	As at 31st March 2021
Security deposit (Refer note 8.1)	32.89	29.43
Total	32.89	29.43

8.1 Security deposit given having carrying value of Rs. 80.00 lakhs as at 31st March 2022 (As at 31st March 2021: Rs.80.00 lakhs) is interest free and given for hotel property taken by the company under operation and management agreement. This deposit is given to an entity in which Company's director is director and member.This deposit amount has been fair valued in accordance with Ind AS 109 - Financial Instrument. Deferred lease asset arising out of the said fair valuation is being amortised on straight line basis (refer note 11)

9

Income tax assets (net)	As at 31st March 2022	As at 31st March 2021
Income tax (Tax deducted at source)	6.85	4.47
Total	6.85	4.47

10

Deferred tax assets (net)	As at 31st March 2022	As at 31st March 2021
Major components of deferred tax assets and deferred tax liabilities:	-	-
Deferred tax assets on		
Carried forward losses as per income tax	418.97	363.69
Expenses allowed on payment basis under tax law	5.88	7.99
Provison for doubtful debts	0.28	0.95
Ind AS adjustment for security deposit stated at present value	4.67	4.65
Sub-total (A)	429.80	377.28
Deferred tax liabilities on		
Difference in net carrying value of fixed asset as per income tax and books	177.63	180.64
Sub-total (B)	177.63	180.64
Less: Deferred tax asset not recognised [Refer note 10.1(c)]	15.35	-
Deferred tax assets/(liability) (A-B)	236.82	196.64

10.1 Reconciliation of tax expenses and the accounting profit multiplied by applicable tax rate for 31st March 2022 and 31st March 2021

Particulars	As at 31st March 2022	As at 31st March 2021
Accounting profit/(loss) before tax from operations	(254.97)	(193.73)
Income tax liability/(asset) as per applicable tax rate i.e. 25.168% (31st March 2021: 25.168%)	(64.18)	(48.76)
(a) Permanent disallowance	0.14	0.03
(b) Reversal of short / (excess) deferred tax asset / (liability) recognised in earlier years	8.24	39.99
(c) Deferred tax asset not recognized during the year	15.35	-
Tax expense/(credit) reported in the statement of profit and loss	(40.45)	(8.74)

Particulars	As at 31st March 2022	As at 31st March 2021
Other comprehensive income	3.00	2.20
Income tax liability/(asset) as per applicable tax rate i.e. 25.168% (March 31st March 2021: 25.168%)	0.28	0.56
Tax expense/(credit) reported in Other comprehensive income	0.28	0.56

Note:

(a) The Company offsets tax assets and liabilities only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same authority.

(b) No provision for income tax has been made during the current year as there is no taxable income as per the Income Tax Act, 1961.

(c) As per Ind AS 12 - Income Taxes, deferred tax asset should be recognised on the carry forward unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Considering same, the Company has discontinued recognition of deferred tax asset from the quarter ended 31st December 2021, as in near future there is low probability that taxable profit will be available against which it can be utilised

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

10.2 Income tax recognised in the statement of profit and loss:

Particulars	As at 31st March 2022	As at 31st March 2021
Current tax		
In respect of the current year	-	-
In respect of the earlier years	0.08	22.94
	0.08	22.94
Deferred tax		
MAT Credit reversed / (availed)	-	-
Deferred tax charge / (credit)	(40.53)	(31.67)
	(40.53)	(31.67)
Total tax expense recognised in current year	(40.45)	(8.73)

11

Other non-current assets (Unsecured considered good)	As at 31st March 2022	As at 31st March 2021
Capital advances	4.57	16.44
Advance lease rent (Refer note 8.1)	28.53	32.10
Prepaid expenses	0.64	0.60
Total	33.74	49.14

12

Inventories (At lower of cost or net realisable value)	As at 31st March 2022	As at 31st March 2021
Food and beverages	7.39	6.54
Stores and operating supplies	4.46	5.65
Total	11.85	12.19

13

Trade receivable (Unsecured considered good, unless otherwise stated)	As at 31st March 2022	As at 31st March 2021
-Considered good - secured	-	-
-Considered good (unsecured)	31.70	20.79
-Trade receivables which have significant increase in credit risk	0.28	3.21
-Trade receivables - Credit impaired		
Sub-total	31.98	24.00
Less: Allowance for expected credit loss*	0.28	3.21
Total	31.70	20.79

*The Company recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach'. Considering same there are trade receivable having significant credit risk [Also refer note 45(a)(ii)].

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

13(a) Trade receivables ageing schedule as at 31st March, 2022:

Particulars	Unbilled (if grouped under trade	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables - Considered good	2.45	16.77	11.91	0.31	0.26	-	-	**31.70**
ii) Undisputed Trade Receivables - which has significant increase in credit	-	-	-	-	0.08	0.20	-	**0.28**
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-				-
iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which has significant increase in credit	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total	2.45	16.77	11.91	0.31	0.34	0.20	-	31.98

13(b) Trade receivables ageing schedule as at 31st March, 2021:

Particulars	Unbilled (if grouped under trade	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables - Considered good	0.90	14.63	5.26	-	-	-	-	**20.79**
ii) Undisputed Trade Receivables - which has significant increase in credit risk	-	-	-	1.05	2.16	-	-	**3.21**
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which has significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total	0.90	14.63	5.26	1.05	2.16	-	-	24.00

14

Cash and cash equivalent	As at 31st March 2022	As at 31st March 2021
Cash in hand	2.54	2.21
Balances with bank		
- In current accounts	27.66	6.35
Fixed deposit with a bank (maturity less than 12 months)	-	50.00
Total	30.20	58.56

MUMBAI

N.A. SHAH ASSOCIATES LLP CHARTERED ACCOUNTANTS

MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

14A	Other bank balance	As at 31st March 2022	As at 31st March 2021
	Margin money in fixed deposits with banks (Refer note 14A.1)	6.01	5.72
	Total	6.01	5.72

14A.1 Fixed deposit is given as margin money to the Bank for securing offline credit card transactions for hotel guests.

15	Other current financial assets	As at 31st March 2022	As at 31st March 2021
	Advance to staff	0.16	0.15
	Security deposit - others	13.24	13.00
	Interest on deposits receivable	1.13	0.92
	Total	14.53	14.07

16	Other current assets	As at 31st March 2022	As at 31st March 2021
	Prepaid expenses	10.89	11.04
	Advance to supplier	8.06	3.34
	GST receivable on vendor payements	3.27	3.27
	Balance with government authorities (Refer note 16.1)	108.14	108.09
	Total	130.36	125.74

16.1 Balance with Government authorities includes Rs. 107.30 lakhs (Previous year: Rs. 107.30 lakhs) input tax credit (ITC) of Goods and service tax (GST) taken based on legal interprepation.

17	Equity share capital	As at 31st March 2022	As at 31st March 2021
	Authorised capital		
	10,00,000 equity shares (31st March 2021: 10,00,000) of Rs.10 each	100.00	100.00
	Total	100.00	100.00
	Issued, subscribed and paid-up		
	8,09,500 equity shares (31st March 2021: 8,09,500) of Rs.10 each	80.95	80.95
	Total	80.95	80.95

17.1 Terms / rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs. 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. However, there are no preferential amounts inter se equity shareholders. The distribution will be in proportion to the number of equity shares held by the shareholders (after due adjustment in case shares are not fully paid up).

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

17.2 Movements in equity share capital

Particulars	FY 2021-22		FY 2020-21	
	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning	8,09,500	80.95	8,09,500	80.95
Add: Shares issued during the year	-	-	-	-
Number of shares at the end	8,09,500	80.95	8,09,500	80.95

17.3 Details of shareholders holding more than 5 % shares in the Company:

Name of Promoters	31st March 2022		31st March 2021	
	% of holding	Number of Shares	% of holding	Number of Shares
Plaza Hotels Private Limited	32.92%	2,66,500	32.92%	2,66,500
Sangli Rubber Agro Private Limited (Formerly known as Venkatesh Hotels Private Limited)	32.92%	2,66,500	32.92%	2,66,500
Kamat Hotels (India) Limited	32.92%	2,66,500	32.92%	2,66,500

17.4 Shares held by promoters at the end of the year

	31st March, 2022		31st March, 2021		
Promoter Name	Number shares held	% of total shares	Number shares held	% of total shares	% Change during the year***
Mr. Vithal V. Kamat	4,999	0.62%	4,999	0.62%	-
Mrs. Vidya V. Kamat	4,999	0.62%	4,999	0.62%	-
Mr. Prabhakar V. Shetty	1	0.00%	1	0.00%	-
Mr. Babu A. Devadiga	1	0.00%	1	0.00%	-
Kamat Hotels (India) Limited	2,66,500	32.92%	2,66,500	32.92%	-
Sangli Rubber Agro Private Limited (Formerly Known As Venketesh Hotels Pvt. Ltd.)	2,66,500	32.92%	2,66,500	32.92%	-
Plaza Hotels Pvt. Ltd.	2,66,500	32.92%	2,66,500	32.92%	-
Total	8,09,500	100%	8,09,500	100%	

18

Other equity	As at 31st March 2022	As at 31st March 2021
Reserves and surplus		
Security premium (Refer note 18.1)		
As per last balance sheet	1,519.05	1,519.05
Add: Security premium received	-	-
Closing balance	**1,519.05**	**1,519.05**
Retained earnings (Refer note 18.2)		
As per last balance sheet	(816.69)	(631.69)
Add: Profit/(loss) for the year	(214.52)	(185.00)
Closing balance	**(1,031.21)**	**(816.69)**
Other comprehensive income		
As per last balance sheet	2.69	1.05
Add: Movement in OCI (net) during the year	2.72	1.64
Closing balance	**5.41**	**2.69**
Total	**493.25**	**705.05**

18.1 Securities premium account is used to record the premium on issue of equity shares. The same can be utilised in accordance with the provisions of the Companies Act, 2013.

18.2 Retained earnings are the profits that the Company has earned till date, less transfer to general reserve, dividends or other distribution paid to shareholders.

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

19 Borrowings

Borrowings	As at 31st March 2022	As at 31st March 2021
Secured loan		
Term loan from		
- from a bank (vehicle loan) (Refer note 19.5)	-	0.34
Unsecured loan		
-Term loan from others (Refer note 19.1 to 19.4)	1,885.76	1,721.02
-Inter-corporate loan (Refer note 19.6)	341.35	393.35
	2,227.11	2,114.71
Less: Current maturities of long term loans	(1,577.00)	(1,637.34)
Less: Interest accrued and due (Refer note 23)	(329.15)	(104.41)
Total	320.96	372.96

19.1 In the earlier year, loan from Punjab National Bank was classified as Non-Performing Asset (NPA). This term loan was assigned to Asset Care & Reconstruction Enterprise (ACRE) Limited by Punjab National Bank. Subsequently on 8th August 2016, Company entered into settlement agreement with ACRE and the underlying loan was settled at lump sum amount of Rs.2,400 lakhs.

19.2 The loan is secured by (i) Equitable mortgage of land & building and proposed additions to the hotel property at Bhubaneswar, Orissa owned by Kamat Hotels (India) Limited; (ii) First charge on entire assets of the Company and hypothecation of hotel equipments and furniture of property located at Bhubaneswar, Orissa; (iii) Corporate guarantee of Kamat Hotels (India) Limited and Plaza Hotels Private Limited; and (iv) Personal guarantees of Dr. Vithal V Kamat and Mrs. Vidhya V Kamat, Directors of the Company.

19.3 The loan is repayable in 20 quarterly step-up installments starting from 30th September, 2016 and last installment is payable on 30th June, 2021.

19.4 There are delays in repayment of principal, payment of interest and there are unpaid instalments amounting to Rs. 1,577.00 lakhs which were due/overdue as on 31st March, 2022 (Rs. 1,151 lakhs as on 31st March 2021). Considering Covid-19 pandemic, the Company had requested its lender in the month of March 2020 and June 2020 and July 2021 for the extension of the dues upto December 2021.Further, the Company has submitted restructuring proposal to the lender. Again, in December 2021 the Company has sent letter for further extension till June 2022. Though written reply from the lender for extension or restructuring is awaited, the lender has verbally agreed for the extension. In view of the same, in the opinion of the management, event of default is not triggered and therefore, there is no other accounting implications and reclassification of non-current borrowings to current liabilities is not required as at 31st March 2022. Impact if any, will be considered in the period in which the Company and the lender agree on the revised terms.

19.5 Vehicle loan from a bank was secured by hypothecation of vehicle. The loan was repayable in equated monthly installments and the last installment was due on 30th June, 2021. This loan has been fully repaid during the year.

19.6 Above intercorporate loan is repayable by 31st March, 2028 [as extended] or earlier on availability of funds with the Company. As per the terms of the agreement it is not payable in next 12 months as at balance sheet date, hence same is classified under long term borrowing.
Further, in view of various adverse factors on account of COVID-19 and the request made to lender by the Company for waiver of interest, the lender has waived off interest on the unsecured loans granted until there is improvement in the financial position of the Company. This waiver is effective from 1st April 2021. Accordingly, no interest is being charged by the lender on the outstanding loan.

20 Provisions

Provisions	As at 31st March 2022	As at 31st March 2021
Provision for gratuity (Refer note 36)	9.94	9.91
Provision for leave benefit (Refer note 36)	7.07	12.65
Total	17.01	22.56

21 Borrowings

Borrowings	As at 31st March 2022	As at 31st March 2021
Secured,		
Current maturities of long term loans		
- to banks	-	0.34
- to others	1,577.00	1,637.00
Total	1,577.00	1,637.34

22 Trade payables

Trade payables	As at 31st March 2022	As at 31st March 2021
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises (Refer note 22.1)	1.54	1.37
-Total outstanding dues of creditors other than micro enterprises and small enterprises	34.40	56.63
Total	35.94	58.00

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

22.1 The amount due to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Developmment Act (MSMED Act), 2006 has been determined to the extent such parties have been identified on the basis of information collected by the management. The disclosure relating to Micro, Small and Medium Enterprises is as under:

Trade payables	As at 31st March 2022	As at 31st March 2021
Dues remaining unpaid at the year end:		
(a) The principal amount remaining unpaid to supplier as at the end of the accounting year	1.54	1.37
(b) The interest thereon remaining unpaid to supplier as at the end of the accounting year	0.06	0.13
(c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the year	0.06	0.13
(e) Amount of interest accrued and remaining unpaid at the end of the accounting year	1.17	1.11
(f) The amount of further interest due and payable even in the suceeding years, until such date when the interest due as above are actually paid	0.03	0.03

22.2 Trade payables ageing schedule as at 31st March, 2022:

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	1.37	0.12	-	0.06	-	1.54
ii) Others	18.12	10.00	1.15	1.93	3.19	34.40
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	19.49	10.12	1.15	1.99	3.19	35.94

22.3 Trade payables ageing schedule as at 31st March, 2021:

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	-	1.31	0.06	-	-	1.37
ii) Others	-	43.98	9.17	3.48	-	56.63
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	45.29	9.23	3.48	-	58.00

23

Other financial liabilities	As at 31st March 2022	As at 31st March 2021
Interest accrued and due (Refer note 19.4)	329.15	104.41
Interest payable to MSME creditors (Refer note 22.1)	1.17	1.11
Creditors for capital expenditure.		
-Total outstanding dues of micro enterprises and small enterprises (Refer note 22.1)	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	28.71	36.22
Employees liabilities	14.60	17.99
Total	373.63	159.73

24

Other current liabilities	As at 31st March 2022	As at 31st March 2021
Statutory dues	5.83	5.26
Advance from customers	6.01	7.90
Others	36.34	19.29
Total	48.18	32.45

25

Provisions	As at 31st March 2022	As at 31st March 2021
Provision for gratuity (Refer note 36)	0.36	0.91
Provision for leave benefit (Refer note 36)	1.35	1.90
Total	1.71	2.81

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Notes to financial statements for the year ended 31st March, 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

26

Revenue from operations	Year ended 31st March 2022	Year ended 31st March 2021
Room rent income	376.77	179.69
Food and beverages income	219.43	132.02
Other operating income		
- Incidental services	27.27	12.94
- Excess provision for leave written back	3.99	-
- Liabilities not payable written back	0.56	9.02
- Provision for doubtful debts no longer required written back	2.69	-
Total	630.71	333.67

27

Other income	Year ended 31st March 2022	Year ended 31st March 2021
Interest earned		
-on fixed deposit	0.35	0.43
-on others	0.76	0.50
Total	1.11	0.93

28

Cost of materials consumed	Year ended 31st March 2022	Year ended 31st March 2021
Food and beverages		
Opening stock	6.54	10.01
Add: Purchases	69.56	37.10
	76.10	47.11
Less: Closing stock	7.39	6.54
Total	68.71	40.57

29

Employee benefit expenses	Year ended 31st March 2022	Year ended 31st March 2021
Salaries and wages	123.28	71.21
Contribution to provident and other funds	8.00	4.32
Staff welfare expenses	4.47	3.92
Gratuity	3.25	4.05
Leave benefit	-	0.06
Total	139.00	83.56

30

Finance costs	Year ended 31st March 2022	Year ended 31st March 2021
Interest expense	224.75	68.73
Other borrowing cost (Interest on delayed payment of statutory dues)	8.58	0.53
Total	233.33	69.26

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Notes to financial statements for the year ended 31st March, 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

31	Other expenses	Year ended 31st March 2022	Year ended 31st March 2021
	Operating expenses		
	Power and fuel	49.90	32.50
	Repairs to		
	- Building	13.24	2.09
	- Plant and equipment	22.17	18.00
	- Others	3.23	0.95
	Licenses, rates and taxes	13.53	17.51
	Expenses on apartments and boards	23.56	11.14
	Replacement of crockery, cutlery, linen	4.77	1.38
	Washing and laundry expenses	6.01	2.82
	Water charges	0.09	0.16
	Management fees	6.52	3.69
	Sub total(A)	143.02	90.24
	Sales and marketing expenses		
	Advertisement, publicity and sales promotion	8.16	5.61
	Commission and charges	23.45	13.04
	Sub total(B)	31.61	18.65
	Administration and other expense		
	Communication expenses	19.54	14.19
	Printing and stationary	2.59	1.71
	Legal and professional fees	3.30	3.73
	Travelling and conveyance	7.52	2.96
	Insurance charges	4.68	5.40
	Provision for expected credit loss	-	2.72
	Loss on discard of property, plant and equipment	32.27	-
	Auditor's remuneration (Refer note 31.1)	0.45	0.45
	Miscellaneous expense	13.49	7.09
	Sub total(C)	83.84	38.25
	Total (A+B+C)	258.47	147.14

31.1	Auditors' remuneration	Year ended 31st March 2022	Year ended 31st March 2021
	Audit fees	0.25	0.25
	Tax audit fees	0.20	0.20
	Total	0.45	0.45

Note: Above fees are excluding of GST of Rs. 0.08 lakhs (Previous year Rs. 0.08 lakhs)

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Ilex Developers & Resorts Limited
Registered Office: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099
CIN: U70102MH2008PLC184194

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

32 Capital commitments, other commitments and contingent liabilities

32.1 Capital Commitments

(a) Estimated amount of contracts remaining to be executed on capital account (net of advance) is Rs. Nil (31st March 2021: Rs. Nil)

(b) **Other significant commitments** : Nil (31st March 2021: Nil).

32.2 Contingent liability

In the earlier financial year, Company has given corporate guarantee (jointly with related parties) on behalf of Kamat Hotels (India) Limited aggregating to Rs. 38,583.00 lakhs (31st March 2021: 38,583.00 lakhs) towards loan facilities taken from banks/others. Share of Company in this corporate guarantee is not quantifiable. Company does not expect any outflow on account of this guarantee (Also refer note 2.4 (vi))

33 Disclosures as required by Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures

33.1 Name and relationships of related parties:

a. Entity having significant influence over the company — Kamat Hotels (India) Limited; Plaza Hotels Private Limited

b. Directors / Key management personnel(KMP) — Dr.Vithal V. Kamat (Director); Mrs. Vidhya V. Kamat (Director); Mr Narendra Pai (Director) (w.e.f. 21st January, 2020)

33.2 Transactions with related parties (Disclosed only where there are transactions) Lakhs

Nature of transaction	Name of the Party	Year ended 31st March 2022	Year ended 31st March 2021
Management fees expenses	Kamat Hotels (India) Limited	6.41	3.22
Laundry service income		2.51	1.79
Tax component on corporate guarantee commission receivable (net)		0.35	0.19
Tax component on corporate guarantee commission payable (net)		0.24	-
Tax component payable on Corporate guarantee commission	Plaza Hotels Private Limited	0.09	0.09

33.3 Related party outstanding balances:

Nature of transaction	Name of the Party	Year ended 31st March 2022	Year ended 31st March 2021
Security deposit given (Refer note 1 below)	Kamat Hotels (India) Limited	80.00	80.00
Trade payable		3.69	16.10
Trade receivable		1.73	0.00
Corporate Guarantee given on behalf of Company		1,000.00	1,000.00
Security given for loan taken by Company		799.68	799.68
Joint Corporate Guarantee given with group to banks / others for Credit Facility availed by Kamat Hotels (India) Limited [Company's share is not quantifiable]		38,583.00	38,583.00
Corporate guarantee commission payable	Plaza Hotel Private Limited	0.37	0.37
Corporate Guarantee given on behalf of Company		2,000.00	2,000.00
Personal guarantee provided	Dr. Vithal V. Kamat	2,273.00	2,273.00
Personal guarantee provided	Mrs. Vidhya V. Kamat	2,273.00	2,273.00

Note 1: Transactions with related parties and outstanding balances at the year end are disclosed at transaction value.

33.4 Terms & Conditions of related party transactions:
Outstanding balances at the year end are unsecured and settlement occurs through bank transactions. All transactions were made on terms equivalent to those that prevail in arm's length transaction if such terms can be substantiated.

34 Earnings/ (loss) per share (Rs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Basic and diluted earning / (loss) per share		
Profit / (Loss) attributable to the equity holders of the Company	(214.52)	(185.00)
Weighted average number of equity shares outstanding	8,09,500	8,09,500
Face value per equity share (Rs.)	10	10
Basic and diluted earnings / (loss) per share (Rs.)	(26.50)	(22.85)

N.A. SHAH ASSOCIATES LLP CHARTERED ACCOUNTANTS MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED MUMBAI

Ilex Developers & Resorts Limited
Registered Office: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099
CIN: U70102MH2008PLC184194

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

35 Ratio Analysis

Ratio	Numerator	Denominator	31.03.2022	31.03.2021	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.11	0.13	-12%	
Debt-Equity Ratio	Total Debts	Shareholder's Equity	3.31	2.56	29%	Loss for the year on account of increase in borrowing cost.
Debt Service Coverage	Earning available for Debts Service	Debt Service	1.97	35.32	-94%	Increase in repayment during the current year
Return on Equity	Net profit after Tax-Pref. Div, if any	Average Shareholder Equity	-0.32	-0.05	499%	Loss for the year,
Inventory Turnover Ratio	Sales	Average inventory	51.87	333.05	-84%	Increase in volume of business and reduction in average inventory.
Trade receivables turnover	Net Credit Sales	Avg. Account Receivable	23.75	[illegible]	[illegible]	Increase in revenue
Trade payables turnover ratio	Cost of equipment and software licences + Other	Average trade payables	1.48	0.46	223%	Increase in purchases and reduction in average trade payables.
Net capital turnover ratio	Revenue from operations	Average working capital (i.e. Total	0.05	-0.20	77%	Increase in revenue
Net profit ratio (in %)	Profit for the year	Revenue from operations	-0.34	-0.57	-40%	Increase in revenue
Return on capital employed	Earning before Int. & Taxes	Capital Employed	-0.01	-0.04	-80%	Loss for the year.
Return on investment	Interest on Fixed deposit	Avg Fixed deposit	0.01	0.02	-41%	Fixed deposit decrased during the year

36 Employee benefit obligations

(i) Defined contribution plans

The Company has certain defined contribution plans. The obligation of the Company is limited to the amount contributed and it has no further contractual obligation.

Particulars of defined contribution plan	2021-22	2020-21
Provident fund	2.49	1.22
Pension fund	3.52	2.04
Employees' state insurance (ESIC)	1.99	1.06
Total	8.00	4.32

(ii) Defined benefit plans and other long term benefits

a) Gratuity

The Company provides for gratuity of employees as per the Payment of Gratuity Act, 1972. As per the policy of the Company, obligations on account of payment of gratuity of an employee is settled only on termination / retirement of the employee. Gratuity is provided in the books on the basis of actuarial valuation. It is an unfunded plan.

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Interest rate risk	The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

For determination of the liability in respect of compensated gratuity, the Company has used following actuarial assumptions:

Particulars	2021-22	2020-21
Discount rate	7.00%	6.85%
Salary escalation	8.00%	8.00%
Attrition rate	5.00%	5.00%
Mortality rate	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)

Changes in the present value of obligations:

Particulars	2021-22	2020-21
Liability at the beginning of the year	10.82	10.59
Interest cost	0.71	0.71
Current service cost	2.54	3.34
Past service cost	-	-
Benefits paid	(0.78)	(1.62)
Actuarial (gain) / loss on obligations	(3.00)	(2.20)
Liability at the end of the year	**10.29**	**10.82**

Table of recognition of actuarial (gain) / loss :

Particulars	2021-22	2020-21
Actuarial (gain) / loss on obligation for the year	(3.00)	(2.20)
Actuarial (gain) / loss on assets for the year	-	-
Actuarial (gain) / loss recognized in Statement of Profit and Loss	**(3.00)**	**(2.20)**

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Breakup of actuarial (gain) /loss:

Particulars	2021-22	2020-21
Actuarial loss/(gain) arising from change in demographic assumption	-	-
Actuarial loss arising from change in financial assumption	(0.16)	-
Actuarial loss/(gain) arising from experience	(2.84)	(2.20)
Total	**(3.00)**	**(2.20)**

Amount recognized in the Balance Sheet:

Particulars	2021-22	2020 21
Liability at the end of the year	10.29	10.82
Fair value of plan assets at the end of the year	-	-
Amount recognized in the Balance Sheet	**10.29**	**10.82**

Expenses recognized in the Statement of Profit and Loss / Other comprehensive income:

Particulars	2021-22	2020-21
Current service cost	2.54	3.34
Interest cost	0.71	0.71
Past service cost	-	-
Actuarial (gain)/loss	(3.00)	(2.20)
Expense recognized in		
- Statement of Profit and Loss	3.25	4.05
- Other comprehensive income - (Gain)	(3.00)	(2.20)

Balance Sheet Reconciliation

Particulars	2021-22	2020-21
Opening net liability	10.82	10.59
Benefits paid	(0.70)	(1.02)
Expense recognised in Statement of Profit and Loss	3.25	4.05
Gain recognised in Other Comprehensive Income	(3.00)	(2.20)
Amount Recognized in Balance Sheet	**10.20**	**10.02**
Non current portion of defined benefit obligation	9.92	9.91
Current portion of defined benefit obligation	0.37	0.91

Sensitivity analysis of benefit obligation (Gratuity)

Particulars	2021-22	2020-21
a)Impact of change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	9.77	10.27
b) Impact due to decrease of 0.5%	10.84	11.44
b)Impact of change in salary growth		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	10.83	11.43
b) Impact due to decrease of 0.5%	9.78	10.27
c)Impact of change in attrition rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 10%	10.22	10.73
b) Impact due to decrease of 10%	10.36	10.93
d)Impact of change in mortality rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 10%	10.29	10.83

Maturity profile of defined benefit obligation

Particulars	2021-22	2020-21
Weighted average duration of the defined benefit obligation	10.30	11.07
Projected benefit obligation	10.29	10.82

Payout analysis

Particulars	As at 31st March 2022	As at 31st March 2021
1st year	0.36	0.91
2nd year	0.39	0.50
3rd year	0.91	0.41
4th year	0.51	0.89
5th year	0.85	0.53
Next 5 year payout (6-10 year)	4.46	4.17

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

b) Leave benefit

As per the policy of the Company, obligations on account of encashment of accumulated leave of an employee is settled only on termination / retirement of the employee. Such liability is recognised on the basis of actuarial valuation following Project Unit Credit Method. It is an unfunded plan.

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Interest rate risk	The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

For determination of the liability in respect of compensated absences, the Company has used following actuarial assumptions:

Particulars	As at 31st March 2022	As at 31st March 2021
Discount rate	7.00%	6.85%
Salary escalation	8.00%	8.00%
Attrition rate	5.00%	5.00%
Mortality rate	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)

Changes in the present value of obligations:

Particulars	As at 31st March 2022	As at 31st March 2021
Liability at the beginning of the year	13.99	17.78
Interest cost	0.82	1.06
Current service cost	2.50	4.13
Past service cost	-	-
Benefits paid	(1.83)	(3.84)
Actuarial (gain)/loss on obligations	(7.31)	(5.14)
Liability at the end of the year	**8.17**	**13.99**

Table of Recognition of Actuarial (gain) / loss :

Particulars	As at 31st March 2022	As at 31st March 2021
Actuarial (gain)/loss on obligation for the year	(7.31)	(5.14)
Actuarial (gain)/loss on assets for the year	-	-
Actuarial (gain)/loss recognized in Statement of Profit and Loss	**(7.31)**	**(5.14)**

Breakup of actuarial (gain) /loss:

Particulars	As at 31st March 2022	As at 31st March 2021
Actuarial loss/(gain) arising from change in demographic assumption	-	-
Actuarial loss arising from change in financial assumption	(0.08)	-
Actuarial loss/(gain) arising from experience	(7.23)	(5.14)
Total	**(7.31)**	**(5.14)**

Amount recognized in the Balance Sheet:

Particulars	As at 31st March 2022	As at 31st March 2021
Liability at the end of the year	8.17	13.99
Fair value of plan assets at the end of the year	-	-
Amount recognized in the Balance Sheet	**8.17**	**13.99**

Expenses recognized in the Statement of Profit and Loss:

Particulars	As at 31st March 2022	As at 31st March 2021
Current service cost	2.50	4.13
Interest cost	0.82	1.06
Past service cost	-	-
Expected return on plan assets	-	-
Actuarial (Gain)/Loss	(7.31)	(5.14)
Expense recognized in Statement of Profit and Loss	**(3.99)**	**0.05**

Balance Sheet Reconciliation

Particulars	As at 31st March 2022	As at 31st March 2021
Opening net liability	13.99	17.78
Expense recognised in Statement of Profit and Loss	(3.99)	0.05
Benefits paid	(1.83)	(3.84)
Amount Recognized in Balance Sheet	**8.17**	**13.99**
Non-current portion of defined benefit obligation	7.07	12.65
Current portion of defined benefit obligation	1.10	1.34

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Sensitivity analysis of benefit obligation (Leave benefits)

Particulars	As at 31st March 2022	As at 31st March 2021
a)Impact of change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	6.90	12.15
b) Impact due to decrease of 0.5%	7.42	13.11
b)Impact of change in salary growth		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	7.12	10.10
b) Impact due to decrease of 0.5%	6.90	12.15
c)Impact of change in attrition rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 10%	7.13	12.57
b) Impact due to decrease of 10%	7.17	12.65
d)Impact of change in mortality rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 10%	7.15	12.61

Payout analysis

Particulars	As at 31st March 2022	As at 31st March 2021
1st year	0.96	1.18
2nd year	0.62	1.43
3rd year	0.66	1.09
4th year	0.59	1.27
5th year	0.83	1.01
Next 5 year payout (6-10 year)	2.02	5.57

37 **Leases**

Where Company is lessee:

The Company had taken Hotel Building to renovate, manage and operate under Business Contract Agreement for a period of 20 years, which shall be extendable for a further period of 10 years at the sole discretion of the lessor. In lieu of the same, Company pays management fees calculated based on percentage of revenue earned from this property. The Company has recognised management fees expense of Rs. 6.41 lakhs during the year (Previous year Rs. 3.22 lakhs). Since future revenue is based on percentage of revenue which is contingent in nature, no accounting / disclosures are required under Ind AS 116 - 'Leases'. Also refer note 3.9 of the financial statements.

38 **Note on Cash Flow Statement**

i) Aggregate amount of outflow on account of direct taxes paid is Rs. 2.38 lakhs (Previous year inflow: Rs. 1.76 lakhs).

ii) Changes in financing liabilities arising from cash and non-cash changes:

Particulars	Opening	Cash flow (net)	Non-cash changes (Interest accrual)	Closing
For the year ended 31st March 2022				
Borrowings from bank/ others (Including interest)	2,114.71	(120.87)	233.33	2,227.11
For the year ended 31st March 2021				
Borrowings from bank/ others (Including interest)	2,047.49	(2.04)	69.26	2,114.71

39 **Disclosures as required by Indian Accounting Standard (Ind AS) 108 - Operating Segments**
There are no reportable segments under Ind AS-108 'Operating Segments' as the Company is operating only in the hospitality service segment, therefore, disclosures of segment wise information is not applicable. Further, no single customer represents 10% or more of the Company's total revenue during the year ended 31st March, 2022 and 31st March, 2021.

40 Foreign currency exposure outstanding as on 31st March 2022: Nil (31st March 2021: Nil). There are no outstanding derivative contracts as on 31st March 2022 (31st March 2021: Nil).

41 The Company has incurred loss in the current year and its current liabilities are more than current assets as at 31st March, 2022. Further, in respect of loans, there are delays in repayment of principal, payment of interest and overdue instalments as on 31st March, 2022. The Company's accounts are prepared on going concern basis considering (i) positive earnings before interest tax and depreciation ('EBITDA') in the year ended 31st March 2022 as well as year ended 31st March 2021; (ii) positive net worth as at year ended 31st March 2022 as well as year ended 31st March 2021; (iii) increase in capacity of the hotel property (iv) future growth prospectus from this hotel property resulting in sufficient future cash flows to meet its future obligations; (v) management's action to mitigate the impact of COVID-19 as described in note 42 and (vi) management's request for seeking extension of the loan dues as stated in note 19.4.

42 The business has been impacted during the year ended 31st March, 2022 on account of COVID-19. During the first quarter of the year, the Company's revenues were adversely impacted due to lock downs imposed in several states across the country to control second wave of COVID-19. The performance of the Company was also affected due to the travel restrictions caused by the third wave in January 2022. After withdrawal of restrictions followed by massive vaccinations, as the normalcy restored in rest of the period during the year, the Company witnessed positive recovery of demand and growth in business driven by increase in domestic and international leisure and business travel. In order to assess the impact of COVID-19, the Company has carried out impairment assessment for the carrying value of property, plant & equipment, right of use asset, intangible assets, trade receivables, inventories and other assets based on the internal and external information upto the date of approval of these financial results including potential impact of COVID-19. Based on such assessment, in the opinion of management no further provision is required to be made as the Company expects to recover the carrying amounts of all the assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to monitor the future economic conditions and assess its impact on financial performance.

43 During the year under review there is no satisfaction charge or modification of charge is pending with ROC.

44 The Company has made disclosures in the financial statements in respect of changes/new requirements under Schedule III to the Companies Act, 2013 to the extent applicable

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

45 Financial instruments - accounting classifications & fair value measurement

(a) Financial instruments by category

Sr. No	Particulars	31st March 2022			31st March 2021		
		Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
A	**Financial assets**						
(i)	Cash and cash equivalents	30.20	-	-	58.56	-	-
(ii)	Trade receivables (net)	31.70	-	-	20.79	-	-
(iii)	Other current financial assets	14.53	-	-	14.07	-	-
(iv)	Other non-current financial assets	32.89	-	-	29.43	-	
	Total financial assets	**109.32**	**-**	**-**	**122.85**	**-**	**-**
B	**Financial liabilities**						
(i)	Non-current financial liabilities - Borrowings	320.96	-	-	372.96	-	-
(ii)	Trade payables	35.94	-	-	58.00	-	-
(iii)	Other current financial liabilities	1,950.63	-	-	1,797.07	-	-
	Total financial liabilities	**2,307.53**	**-**	**-**	**2,228.03**	**-**	**-**

FVTOCI - Fair Value Through Other Comprehensive Income
FVTPL - Fair Value Through Profit or Loss

(b) Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly

The following method and assumptions are used to estimate the fair values:

(i) The management assessed that fair value of cash and cash equivalents, trade receivables (net), other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of non-current financial liabilities - borrowings will be approximate to their carrying amounts. With respect to deposit given under long term operating and management agreement, same is stated at fair value of the deposit given.

(c) Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(d) Fair value of instruments measured at amortised cost:

Particulars	Level	31st March 2022		31st March 2021	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Loans	Level 3	-	-	-	-
Other non-current financial asset	Level 3	80.00	32.89	80.00	29.43
Total financial assets		80.00	32.89	80.00	29.43

Notes:

(i) The Company has not disclosed the fair value of financial instruments such as trade receivables, trade payables, short term loans, deposits, borrowings etc. because their carrying amounts are a reasonable approximation of fair value.

(ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iii) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2022 and March 31, 2021.

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

Ilex Developers & Resorts Limited
CIN: U70102MH2008PLC184194

Notes to financial statements for the year ended 31st March 2022
(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(e) Financial guarantee contracts

Particulars	As at 31st March 2022	As at 31st March 2021
Corporate guarantee (Jointly with other group entities) on behalf of Kamat Hotel (India) Limited towards loan facilities taken from banks / others. Share of Company in this corporate guarantee is not quantifiable	38,583.00	38,583.00

46 Financial risk management

The Company has exposure to the three risks mainly funding/ liquidity risk, credit risk, market risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company does not have any derivative financial instruments. The Board of directors has overall responsibility for the establishment of the Company's risk management framework. Risk management systems are reviewed periodically to reflect changes in market conditions and Company's activities.

(a) Credit Risk :
Credit risk is the risk of financial loss to the Company if a counterparty to a financial instruments fail to meet its contractual obligations. The Company is exposed mainly to credit risk which arises from cash and cash equivalents and deposit with banks.

(i) Cash and cash equivalent

The Company considers factors such as track record, size of institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The bank balance and fixed deposits are generally maintained with the banks with whom the Company has regular transactions. Further, the Company does not maintain significant cash in hand other than those required for its day to day operations. Considering the same, the Company is not exposed to expected credit loss of cash and cash equivalent and bank deposits.

(ii) Trade receivables
The major exposure to the credit risk at the reporting date is primarily from receivable comprising of trade receivables. Credit risk on receivable is The Reconciliation of Expected Credit Allowance (ECL) is as given below:

Particulars	31st March 2022	31st March 2021
Balance at the beginning	3.21	0.49
Add: Loss allowance based on ECL		2.72
Less: Reversal	2.93	-
Balance at the year end	**0.28**	**3.21**

(b) Liquidity Risk :
Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time. The Company relies on mix of borrowings,

Particulars	Less than 1 year	1 to 5 year	Above 5 years	Total
As at 31st March 2022				
Borrowings	1,577.00	320.96	-	1,897.96
Trade payables	35.94	-	-	35.94
Other financial liabilities	373.63	-	-	373.63
As at 31st March 2021				
Borrowings	1,637.68	372.96	-	2,010.64
Trade payables	58.00		-	58.00
Other financial liabilities	159.39	-	-	159.39

(c) Interest rate risk

Company has taken term loan from bank and others. With respect to term loan payable to ACRE, it has fixed repayment schedule in accordance with settlement agreement and no separate Interest is payable [Refer note 15.1]. In case of loan from bank [vehicle and loan taken from other party], it carries fixed rate of interest rate. Hence, borrowing of the Company are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates

N.A. SHAH ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

ILEX DEVELOPERS & RESORTS LIMITED * MUMBAI

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

47 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company's capital management is to maximise the shareholder's value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using 'net Debt' to 'Equity'. The Company's net debt to equity are as follows:

Particulars	As at 31st March 2022	As at 31st March 2021
Total debt	1,897.96	2,010.64
Total capital (total equity shareholder's fund)	574.20	786.00
Total capital and debt	**2,472.16**	**2,796.64**
Net Debt to Equity ratio	3.31	2.50

The notes referred to above form an integral part of the financial statements
As per our report of even date

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

N. A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Milan Mody
Partner
Membership No.: 103286

Place: Mumbai
Date: 19th May, 2022

For and on behalf of the Board of Directors of
Ilex Developers & Resorts Limited

Dr. Vithal V. Kamat
Director
DIN : 00195341

Narendra D Pai
Director
DIN: 01985153

Place: Mumbai
Date: 19th May, 2022