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Independent Auditor's Report

To,
The Members of
Orchid Hotels Pune Private Limited

Report on the Ind AS financial statements

Qualified opinion

We have audited the accompanying Ind AS financial statements of **Orchid Hotels Pune Private Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and a summary of the 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, except for the effects of the matter described in the 'Basis for qualified opinion' section of our report, 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 profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for qualified opinion

Reference is invited to note 23.4 of the Ind AS financial statements which states that vide agreement dated 24th December, 2018, International Asset Reconstruction Company Private Limited (IARC) acquired the loan from M/s Asset Reconstruction Company India Limited (ARCIL) (lender to whom loan was assigned by ICICI Bank in earlier years) for an aggregate amount of Rs. 13,500.00 lakhs. As per the books of the Company, total outstanding towards this loan is Rs. 18,833.99 lakhs (including interest liability accounted in books upto 30th September, 2013). The interest amount from 1st October, 2013 till 31st March, 2022 has not been provided in book nor has the same been quantified. Non-provision of interest is not in compliance with the accounting treatment as prescribed under Ind AS 23 Borrowing Cost. As per the legal opinion obtained by the management, no further liability is required to be accounted now considering the terms for settlement arrangement and pending execution of the definitive agreement (the modalities of which are being worked out). Further, the Company has filed a commercial suit before the District Court, Pune for performance of the obligations by IARC narrated above, which is pending.

Had the provision been made, borrowing cost for the year ended 31st March, 2022 and negative net worth as at 31st March, 2022 would increase and profit for the year ended 31st March, 2022 would decrease by the amount of interest for the period 1st October, 2013 to 31st March, 2022 which has not been provided as per the management's view mentioned above.

In respect of above matter, qualification was also given in independent auditor's report for the earlier financial years.

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 ethical requirements that are relevant to our audit of the Ind AS financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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Material uncertainty related to going concern

Reference is invited to note 45 of the Ind AS financial statements which states that the Company has incurred losses in the previous year and the Company's net worth is fully eroded and also its current liabilities exceeds the current assets as on 31st March, 2022. Further, there are defaults in repayment of loans & interest and non-provision of interest as mentioned in note 23.4 of the Ind AS financial statement. Considering, the improvement in performance of the Company which has resulted into profits in the current year, the limited support available from the Holding Company due to its financial constraints, considering provision for impairment of property, plant and equipment made in the earlier years and management's action to mitigate the impact of COVID-19 as described in note 46, in the opinion of the management, the financial results are prepared on going concern basis.

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

Emphasis of matter

(a) Attention is invited to note 23.5 of the Ind AS financial statements in respect of dispute over lease rent levied by Director of Sports, pertaining to the period from 1st November, 2014 to 31st March, 2022. The Company has accounted for the liability amounting to Rs. 1,665.64 lakhs. Further, during earlier year, the Hon'ble Bombay High Court had appointed sole arbitrator to resolve the disputes. Interest / penalty, if any, will be accounted in the period / year in which dispute will be resolved. Since full provision has been made, the same has not been disclosed as contingent liability.

(b) Attention is to note 46 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.

(c) Attention is invited to note 12.1 of the Ind AS financial statements in respect of payment of unsecured advance by the Company of Rs. 600 lakhs to Joint Developer for cost to be incurred in respect of joint development agreement entered in September 2019 to develop and commercially exploit certain properties over the land on which the Company holds leasehold rights. As per the terms agreed between the joint developer and the Company, the said amount would be utilized for obtaining / seeking the necessary approvals for the development of above-mentioned property. The Company has appointed a licensed architect to design, prepare plans and make the necessary applications for regulatory approvals. As on 31st March, 2022, the Joint Developer has confirmed that no significant expense has been incurred out of the advance received.

Our opinion is not modified in respect of above matters. In respect of the matter covered in paragraph (a) to (c) above, attention was also drawn by us in our independent auditor's report of earlier financial years. Our opinion was not modified in respect of above matter 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 year. 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, we do not provide a separate opinion on these matters. In addition to the matter described in the 'Basis for Qualified Opinion', 'Material Uncertainty Related to going concern' and 'Emphasis of Matter' section above, we have determined the matters described below to be the key audit matters to be communicated in our report:

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Chartered Accountants

<u>**Independent Auditor's Report (Contd.)**</u>

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the Key Audit Matter</th></tr>
<tr><td>
Adequacy of provision for impairment of Property, Plant and Equipment (PPE) in the Company

We refer to note 5.3 & note 5.4 of the Ind AS financial statements. The Company had provided for impairment loss on leasehold building aggregating to Rs. 21,932.20 lakhs.
The management evaluates the indicators of impairment of the said PPE by reference to the requirements under Ind AS 36 Impairment of Assets. The recoverable amounts of the above PPE are estimated based on expected business and earnings forecasts and key assumptions including those related to discount and long-term growth rates.
The management has concluded that the recoverable amount of the said PPE is higher than its carrying amount (net of impairment) and accordingly, no further impairment provision has been recorded as at 31st March, 2022. Considering the materiality of the amount involved and significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of such PPE as a key audit matter.

</td><td>
We assessed the appropriateness of the carrying value of the tangible assets by performing the following audit procedures:

Assessed the valuation methodology used by management and tested the mechanical accuracy of the impairment models
Evaluated the reasonableness of the valuation assumptions, such as discount rates, used by management through reference to external market data.
Appraised the appropriateness of the business assumptions used by the management, such as revenue growth, profit margin, occupancy level.
Considered whether events or transactions that occurred after the Balance Sheet date but before the reporting date affect the conclusions reached on the carrying values of the assets and associated disclosures.
Assessed the adequacy and compliance of the disclosures made by the management in the note 5.3 & note 5.4 of the Ind AS financial statements.

</td></tr>
<tr><td>
Corporate guarantee given on behalf of the Holding Company - accounting treatment
Refer note 2.5(vii) and note 35(e) of Ind AS financial statement. The Company has given corporate guarantee on behalf of the Holding Company aggregating to Rs. 24,755 lakhs towards loan facilities taken from banks / others by the Holding Company. The Holding Company has incurred losses during the year. As informed by management, share of Company in this corporate guarantee is not quantifiable.
Assessment of obligation towards the corporate guarantee and consequential recoverability 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 Holding Company including any possible impact arising out of the COVID-19 pandemic on these estimates.

</td><td>
This matter is discussed with the management.

Management and those charged with governance are of the view that the Holding Company is taking appropriate steps to ensure that there are no defaults in repayments 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 conclusions reached by management and those charged with governance on account of various estimates and judgements including possible impact of COVID-19 pandemic as well as the disclosures made in the Ind AS financial statements as per Ind AS 109 Financial Instruments.

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Key Audit Matter	How our audit addressed the Key Audit Matter
- 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 do not, 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 Ind AS 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 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.

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Independent Auditor's Report (Contd.)

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.

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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) Except for the matters described in the 'Basis for qualified opinion' paragraph above, 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 of the aforesaid Ind AS financial statements.

   b) Except of the effects of the matters described in the 'Basis for qualified opinion' paragraph above, in our opinion, proper books of account as required by law relating to preparation of aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.

   d) Except for the effects of the matters described in the' Basis for qualified opinion' paragraph above which is not in accordance with Ind AS 23 – Borrowing Cost, in our opinion, the Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.

   e) The matters described in 'Basis for qualified opinion', 'Emphasis of matter' and 'Material uncertainty related to going concern' paragraphs 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) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for qualified opinion paragraph above.

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

   j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the details of pending litigations and its impact on its financial position (as applicable) in the Ind AS financial statements- Refer note 23.1, 23.4, 23.5, 34.1, 34.2, 38.2(c), 38.2(d), 38.2(e).

      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 as mentioned in note 49 that,

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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 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 mis-statement.

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: 22103286AJFZJO3888

Place: Mumbai
Date: 19th May, 2022

Orchid Hotels Pune Private 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 in the books of accounts.

c) According the information and explanation given to us and on the basis of our examination of the records of the Company, it holds immovable properties ("buildings") that have been built on land taken on lease which are disclosed as a part of the Property, Plant and Equipment of the Company in the Ind AS financial statements. The lease agreement is in name of the Company.

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 Holding Company is not prejudicial to the Company's interest. As informed 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.

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Orchid Hotels Pune Private 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. According to 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 are 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 generally regular in depositing undisputed statutory dues including Income tax, duty of customs, duty of excise, cess and any other statutory dues, as applicable to the Company, during the period with the appropriate authorities except minor delays in payment provident fund, employees' state insurance, tax deducted at source, value added tax and professional tax and significant delays in payment of goods and services tax (GST). According to the information and explanation given to us and based on our examination, there are no undisputed amounts payable in respect of statutory dues outstanding for more than six months from the date they become payable except interest on ineligible input tax credit availed for which estimated provision is made and the reconciliation of which is in progress.

(a) 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, except as mentioned below:

Name of the Statute	Amount (Rs. in lakhs)	Nature of the dues	Financial Year to which matter pertains	Forum where dispute is pending
Maharashtra Value Added Tax Act 2002	11.02	Tax liability	2011-12	Joint Commissioner of Sales Tax (Appeals)
Maharashtra Value Added Tax Act 2002	191.92	Tax liability	2016-17	Deputy Commissioner of Sales Tax
Maharashtra Value Added Tax Act 2002	103.86	Tax liability	2017-18	Deputy Commissioner of Sales Tax

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.

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Orchid Hotels Pune Private 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]

ix. In respect to repayment of loan:

a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender except following details of default:

Nature of borrowing	Name of lender	Amount not paid on due date (Rs. In lakhs)	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Term loans (secured)	International Asset Reconstruction Company*	17,415.31	Principal	3196 days	
		1,418.68**	Interest	3258 days	
Term loan (unsecured)	Holding Company^	19,646.40	Principal		
		4,198.16	Interest		

*Outstanding term loan and interest assigned by ICICI Bank to Asset Reconstruction Company India Limited (ARCIL) in earlier years. During the earlier year, ARCIL has assigned this loan to International Asset Reconstruction Company (IARC).

**Excluding liability not provided in the books of account (Also refer note 23.4 of the Ind AS financial statements).

^ In respect of this loan, refer note 20.1 of the Ind AS financial statements.

b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any other lender. Therefore, clause (ix)(b) of paragraph 3 of the Order is not applicable to the Company.

c) According to the information and explanations given to us, no term loans have been obtained by the Company. Therefore, 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, no funds have been raised on short-term basis that have been used for long-term purposes.

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

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xi. In respect of Fraud:

a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, we report that, we have neither come across any incidence of fraud by the Company or any fraud on the Company, nor have been informed of any such case by the management.

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 are 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 177 and Section 188 of Act and details 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 39 of Ind AS financial statements), read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. In respect of Internal Audit:

a) In our opinion, the Company has internal audit system and the same needs to be strengthened by widening the scope of internal audit.

b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

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 persons connected with director. Therefore, question of our comment on compliance with provisions of Section 192 of the Act does not arise.

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, 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, 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, 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, clause (xvi)(d) of paragraph 3 of the Order is not applicable to the Company.

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

Orchid Hotels Pune Private 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]

xvii. According to the information and explanations given to us, the Company has not incurred any cash losses during the financial year ended 31st March, 2022. However, the Company had incurred cash losses in the immediately preceding financial year amounting to Rs. 41.25 lakhs.

xviii. There has not been any resignation of the statutory auditors during the year. Therefore, 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 Ind AS financial statements, the auditor's knowledge of the Board of Directors and management plans and based on the our comment in 'Material uncertainty related to going concern' paragraph, 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 Ind AS 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, 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, 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. Mody

N. A. SHAH ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Milan Mody
Partner
Membership No. 103286
UDIN: 22103286AJFZJO3888

Place: Mumbai
Date: 19th May, 2022

Orchid Hotels Pune Private 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 **Orchid Hotels Pune Private 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, read with our comments above, 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the 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

Orchid Hotels Pune Private 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]

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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the 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. V. Mody

N. A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Milan Mody
Partner
Membership No. 103286
UDIN: 22103286AJFZJO3888

Place: Mumbai
Date: 19th May, 2022

Orchid Hotels Pune Private Limited
CIN: U55101MH2007PTC170188

Balance Sheet as at 31st March 2022
(Amount in rupees in 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	13,431.53	13,925.58
	b) Capital work-in-progress	6	1.59	-
	c) Right of use assets	7	1,500.61	1,532.80
	d) Intangible assets	8	13.95	12.97
	e) Financial assets			
	i) Other financial assets	9	32.22	25.44
	f) Deferred tax assets (Net)	10	-	-
	g) Income tax assets (Net)	11	83.70	103.74
	h) Other non-current assets	12	648.08	600.09
	(A)		**15,711.68**	**16,200.62**
B	**Current assets**			
	a) Inventories	13	36.09	30.31
	b) Financial assets			
	i) Trade receivables	14	187.35	51.29
	ii) Cash and cash equivalents	15	1,362.71	654.45
	iii) Bank balances other than (ii) above	15	24.59	46.10
	iv) Other financial assets	16	19.43	8.99
	c) Other current assets	17	190.43	158.24
	(B)		**1,820.60**	**949.38**
	TOTAL (A + B)		**17,532.28**	**17,150.00**
	EQUITY AND LIABILITIES			
A	**Equity**			
	a) Equity share capital	18	1,176.47	1,176.47
	b) Other equity	19	(30,307.60)	(30,336.43)
	(A)		**(29,131.13)**	**(29,159.96)**
	Liabilities			
B	**Non-current liabilities**			
	a) Financial liabilities			
	i) Borrowings	20	19,646.40	19,646.40
	ia) Lease liabilities	21	1,454.51	1,431.61
	b) Provisions	22	69.81	58.68
	(B)		**21,170.72**	**21,136.69**
C	**Current liabilities**			
	a) Financial liabilities			
	i) Borrowings	23	17,415.31	17,415.31
	ia) Lease liabilities	24	142.20	165.31
	ii) Trade payables	25		
	- Amount due to Micro and small enterprises		37.37	31.33
	- Amount due to other than Micro and small enterprises		295.93	197.12
	iii) Other financial liabilities	26	7,468.13	7,319.78
	b) Other current liabilities	27	128.71	38.95
	c) Provisions	28	5.04	5.47
	(C)		**25,492.69**	**25,173.27**
	TOTAL (A+B+C)		**17,532.28**	**17,150.00**
	Significant accounting policies and notes to financial statements	1 to 54		

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. U. 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 Orchid Hotels Pune Private Limited

V. R. Koranne

Ramnath P. Sarang
Director
DIN: 02544807

Vilas Ramchandra Koranne
Director
DIN: 09151665

Nitin Rajenimbalkar
Chief Financial Officer

Hemal Sagalia
Company Secretary

Orchid Hotels Pune Private Limited Mumbai

Place: Mumbai
Date : 19th May, 2022

Orchid Hotels Pune Private Limited
CIN: U55101MH2007PTC170188

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

	Particulars	Note no.	Year ended 31st March 2022	Year ended 31st March 2021
A	**Income**			
	Revenue from operations	29	3,805.90	1,504.14
	Other income	30	50.15	48.07
	Total income (A)		**3,856.05**	**1,552.21**
B	**Expenses**			
	Consumption of food and beverages	31	408.26	162.00
	Employee benefits expense	32	722.39	346.04
	Finance cost	33	270.18	265.37
	Depreciation and amortisation	5, 6 & 7	679.18	732.91
	Other expenses	34	1,753.62	820.05
	Total expenses (B)		**3,833.63**	**2,326.37**
C	**Profit / (Loss) before exceptional items and tax (A - B) (C)**		**22.42**	**(774.16)**
	Exceptional item - income / (expense)			-
D	**Profit / (Loss) before tax (D)**		**22.42**	**(774.16)**
E	**Tax expense:**			
	- Current tax		-	-
	- Deferred tax charge / (credit)	10	-	-
	Total tax expense (E)		-	-
F	**Profit / (Loss) after tax (D - E) (F)**		**22.42**	**(774.16)**
G	**Other comprehensive income**			
	a. (i) Items that will not be reclassified to Statement of Profit and Loss			
	- Remeasurement of defined benefit plans - Gain / (Loss)		6.41	19.70
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss		-	-
	b. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be classified to profit or loss		-	-
	Other comprehensive income for the year (G)		**6.41**	**19.70**
H	**Total comprehensive Income / (Loss) for the year (F + G)**		**28.83**	**(754.46)**
	Basic and diluted earnings/ (loss) per share	40	0.19	(6.58)
	Equity shares [Face value of Rs. 10 each]			
	Significant accounting policies and notes to financial statements	1 to 54		

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. 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
Orchid Hotels Pune Private Limited

V. R. Koranne

Ramnath P. Sarang
Director
DIN: 02544807

Vilas Ramchandra Koranne
Director
DIN: 09151665

Nitin Rajenimbalkar
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date : 19th May, 2022

Orchid Hotels Pune Private Limited
Mumbai

Orchid Hotels Pune Private Limited
CIN: U55101MH2007PTC170188

Statement of changes in equity for the year ended 31st March 2022
(Amount in rupees in 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
1,176.47	-	-	-	1,176.47

Previous 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
1,176.47	-	-	-	1,176.47

(Also refer note 18)

(b) Other equity

Particulars	Reserves & surplus		OCI*	Total other equity
	Securities Premium	Retained Earnings	Remeasurement of defined benefit plans	
Balance as at 01st April 2020	**6,379.62**	**(35,973.57)**	**11.98**	**(29,581.97)**
(Loss) for the year 2020-2021	-	(774.16)	-	(774.16)
Other comprehensive income / (loss) for the year 2020-2021	-	-	19.70	19.70
Balance as at 31st March 2021	**6,379.62**	**(36,747.73)**	**31.68**	**(30,336.43)**
Profit for the year 2021-2022	-	22.42	-	22.42
Other comprehensive income / (loss) for the year 2021-2022	-	-	6.41	6.41
Balance as at 31st March 2022	**6,379.62**	**(36,725.31)**	**38.09**	**(30,307.60)**

(Also refer note 19)

*Other Comprehensive Income

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. D. 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
Orchid Hotels Pune Private Limited

Ramnath P. Sarang
Director
DIN: 02544807

V. R. Koranne

Vilas Ramchandra Koranne
Director
DIN: 09151665

Nitin Rajenimbalkar
Chief Financial Officer

Hemal Gagalia
Company Secretary

Place: Mumbai
Date : 19th May, 2022

Orchid Hotels Pune Private Limited Mumbai

Orchid Hotels Pune Private Limited
Registered Office: Ground Floor, KHIL House, 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099
CIN: U55101MH2007PTC170188

Statement of Cash Flow 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 (Audited)	Year ended 31st March 2021 (Audited)
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net profit / (loss) before taxation and other comprehensive income		22.42	(774.16)
	Adjustments for:			
	Finance cost		270.18	265.37
	Interest income		(39.37)	(43.22)
	Depreciation and amortisation		679.18	732.91
	Provision for doubtful debts		1.36	(5.05)
	Provision for doubtful import benefits - SEIS		1.26	-
	Liabilities and provision written back		(8.45)	(16.82)
	(Gain) on sale of property, plant and equipment		-	(0.18)
	Operating profit before working capital changes		**926.57**	**158.85**
	Movements in working capital : [Including current and non-current]			
	(Increase) / decrease in loans, trade receivable and other assets		(179.13)	82.00
	(Increase) / decrease in inventories		(5.78)	25.39
	Increase / (decrease) in trade payable, other liabilities and provisions		226.51	(230.80)
	Cash generated/used from operations before tax		**968.17**	**35.44**
	Adjustment for:			
	Direct taxes - Refund received / (taxes paid) (net)		15.85	68.96
	Net cash generated from operating activities...(A)		**984.02**	**104.40**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of property, plant & equipment and intangible asset (Including capital work in progress and capital advances)		(201.76)	(607.67)
	Sale of property, plant and equipment		-	0.23
	Interest received		30.50	47.22
	(Increase)/decrease in bank balance [current and non-current] (other than cash and cash equivalent)		28.80	(5.00)
	Cash generated/(used) from investing activities before tax		**(142.46)**	**(565.22)**
	Adjustment for:			
	Direct taxes - Refund received/ (taxes paid) (Tax deducted at source)	44(i)	(3.10)	(3.06)
	Net cash generated / (used) in investing activities ......(B)		**(145.56)**	**(568.28)**

N.A. SHAH ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Orchid Hotels Pune Private Limited
Mumbai

Orchid Hotels Pune Private Limited
Registered Office: Ground Floor, KHIL House, 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099
CIN: U55101MH2007PTC170188

Statement of Cash Flow 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 (Audited)	Year ended 31st March 2021 (Audited)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Temporary repayment of long term borrowing		(270.00)	(660.00)
Temporary repayment received back		270.00	660.00
Payments of lease liabilities		(129.87)	(129.83)
Interest paid (Including other borrowing cost)		(0.33)	(2.19)
Net cash generated / (used) in financing activities ......(C)		**(130.20)**	**(132.02)**
Net increase / (decrease) in cash and cash equivalents (A+ B+C)		**708.26**	**(595.90)**
Cash and cash equivalents at beginning of the year	15	654.45	1,250.35
Cash and cash equivalents at end of the year		1,362.71	654.45
Net increase / (decrease) in cash and cash equivalents		**708.26**	**(595.90)**
Significant accounting policies and notes to financial statement	1 to 54		

Notes referred to herein above form an integral part of financial statements.

As per our report of even date

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

M. O. Mody

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
Orchid Hotels Pune Private Limited

Ramnath P. Sarang
Director
DIN: 02544807

V. R. Koranne

Vilas Ramchandra Koranne
Director
DIN: 09151665

Nitin Rajenimbalkar
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date : 19th May, 2022

Orchid Hotels Pune Private Limited Mumbai

Orchid Hotels Pune Private Limited
CIN No: U55101MH2007PTC170188
Notes on financial statements for the year ended 31st March, 2022

1. Background

The Company was incorporated on 21st April, 2007 under Companies Act, 1956 and is domiciled in India. The registered office of the Company is located at Ground Floor, KHIL House, 70-C, Nehru Road, Vile Parle (East), Mumbai 400099. The Company is in the hospitality business. Currently, it has hotel in the Pune. Company has taken land on lease period of 60 years from Director of Sports of Youth Services at Balewadi, Pune and has constructed hotel under Build, Operate and Transfer (BOT) model.

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. Basis of preparation and presentation

These financial statements have been prepared on the historical cost convention and on accrual basis except for the following assets and liabilities which have been measured at fair value:

i) Certain financial assets and liabilities (including derivative instruments);

ii) Defined benefit plans – plan assets

The financial statements are in accordance with Division II of Schedule III to the Act, as applicable to the Company.

2.4. 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:

N.A. SHAH ASSOCIATES LLP CHARTERED ACCOUNTANTS MUMBAI

Orchid Hotels Pune Private Limited Mumbai

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.

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

2.5. 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, Company has applied simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognized from initial recognition of trade receivables.

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

Orchid Hotels Pune Private Limited * Mumbai

iii) Contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

iv) Income taxes:

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. Currently, the Company has recognized the deferred tax on unused tax losses / unused tax credits only to the extent of the corresponding deferred tax liability. Any increase in probability of future taxable profit will result into recognition of unrecognized deferred tax assets.

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.

v) 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; 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.

vi) Going concern:

The Company has incurred losses in the current year and in the previous year and its current liabilities exceeds the current assets as on 31st March, 2022 and also its net worth is fully eroded as of that date. Further, there are defaults in repayment of loans & interest and non-provision of interest as mentioned in note 23.4. Considering, the limited support available from the holding company due to its financial constraints and considering provision for impairment of property, plant and equipment's made in the earlier year, in the opinion of the management, the financial results are prepared on going concern basis.

vii) Corporate Guarantee:

In earlier financial year, the Company had given corporate guarantee on behalf of holding company aggregating to Rs. 24,755.00 lakhs (Previous year: Rs. 24,755.00 lakhs) towards loan facilities taken from banks / others. Holding Company had also given guarantee towards loan taken by the Company and it does not expect any outflow on account of this guarantee. In view of the management, KHIL is taking appropriate steps to ensure that there are no defaults in repayments of loan from Banks / other lenders. Hence, management is not expecting any obligation required to be accounted out of the financial guarantee given by the Company.

viii) Impairment of property, plant and equipment:

In the earlier year, based on assessment of management's review of the recoverable value in respect of the net block of property, plant and equipment provision of Impairment loss amounting to Rs. 532.20 lakhs was recognized in the year ended 31st March, 2020. Total amount of impairment loss recognized till 31st March, 2022 including earlier year is Rs. 21,932.29 lakhs. In the current year, no further provision is required based on the management's estimates.

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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.

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

Property, Plant and Equipment are stated at their cost of acquisition. 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.

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 freehold land and capital work in progress) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013.

Building on leasehold lands and improvements to building on leasehold land / premises are amortized over the period of lease or useful life whichever is lower. Capital expenditure on rebranding and upgradation of the hotel property are amortized over the period of 3 years.

Leasehold land considered as finance lease is amortized over the period of lease.

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.

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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.

Amortization and useful lives

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

3.4. 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 / amortization had no impairment loss been recognized in earlier years.

3.5. Inventories

Inventories comprises of stock of food, beverages, stores and 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.

3.6. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured. Revenue from operation comprises of sale of rooms, banquets, food & beverages and allied services relating to hotel operations, membership fees etc.

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(i) Revenue from sale of rooms, banquets, food & beverages and allied services are recognized upon rendering of service. Revenue is recognized net of indirect taxes.

(ii) Initial non-refundable membership fee is recognized as income over the period of validity of membership which reflects the expected utilization of membership benefits. Annual membership fees are recognized as income on time proportion basis.

(iii) 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.

(iv) Income from rentals are recognized as an income 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.

3.7. 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 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 [privilege leave and sick leave] 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.

  For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, and (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. Such re-measurements 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.

  Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for other employee benefit plan [other than gratuity] are recognized immediately in the Statement of Profit and Loss as income or expense.

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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 cost

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 such time the 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 the 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. The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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 unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The 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.

Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease,

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Where the Company is the lessor

At the inception of the lease, the Company classifies each of its leases as either a finance lease or an operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The Company has given certain properties on lease where it has substantially retained the risks and rewards of ownership and hence these are classified as operating leases. These assets given on operating lease are included in PPE. Lease income is recognized in the Statement of profit and loss as per contractual rental unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished. Costs including depreciation are recognized as an expense in the Statement of profit and loss. Initial direct costs are recognized immediately in Statement of profit and loss.

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.

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 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.

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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, 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 includes 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 shareholder' 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.

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 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
- 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.

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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 month 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 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

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Debt and equity instruments issued by the Company are classified as either 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

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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

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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 and changes in Schedule III

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.

Changes in Schedule III Division II of Companies Act, 2013 Notified and Adopted by the Company:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013 to be effective from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are.

In Balance Sheet:

i) Lease liabilities should be separately disclosed under the head duly distinguished as current or non-current.

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ii) Certain additional disclosures in the statement of changes in equity.

iii) Specified format for disclosure of shareholding of promoters.

iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

v) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

vi) Specific disclosure under regulatory such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and Advances to Promoters, Directors, Key Managerial Personnel (KMP) and related parties, details of benami property held, relationship with struck-off companies, financial ratios, etc.

In Statement of Profit and Loss:

i) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head "additional information" in the notes forming part of financial statements.

The amendments are extensive, and the Company has given effect to them as required by law in the current year financial statements to the extent applicable.

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5

Property, plant and equipment	Building on lease hold land and lease hold improvement (Refer note 5.1, 5.3 & 5.4)	Plant & Equipment	Furniture & Fixtures	Office Equipments	Total
Gross carrying value					
Balance as at 1st April, 2020	37,572.57	2,404.33	166.55	19.64	40,163.09
Additions during the year 2020-2021	-	-	0.65	-	0.65
Deletions during the year 2020-2021	-	-	-	0.24	0.24
Balance as at 31st March, 2021	37,572.57	2,404.33	167.20	19.40	40,163.50
Additions during the year 2021-2022	96.69	53.15	-	1.32	151.16
Deletions during the year 2021-2022	-	-	-	-	-
Balance as at 31st March, 2022	37,669.26	2,457.48	167.20	20.72	40,314.66
Accumulated depreciation					
Balance as at 1st April, 2020	24,262.11	1,150.89	118.90	7.15	25,539.05
Additions during the year 2020-2021	506.76	185.45	5.04	1.81	699.06
Deletions during the year 2020-2021	-	-	-	0.19	0.19
Balance as at 31st March, 2021	24,768.87	1,336.34	123.94	8.77	26,237.92
Additions during the year 2021-2022	454.57	186.31	2.99	1.34	645.21
Deletions during the year 2021-2022	-	-	-	-	-
Balance as at 31st March, 2022	25,223.44	1,522.65	126.93	10.11	26,883.13
Net carrying amount					
Balance as at 31st March, 2021	12,803.70	1,067.99	43.25	10.64	13,925.58
Balance as at 31st March, 2022	12,445.82	934.83	40.27	10.61	13,431.53

Notes:

5.1 Cost includes improvement to building constructed on leasehold land.

5.2 The entire block assets of the Company is mortgaged / hypothecated towards term loan facility from lenders

5.3 Accumulated depreciation of 'building on lease hold land and lease hold improvement' as at 1st April, 2020 is net of impairment loss of Rs. 21,932.29 lakhs.

5.4 In accordance with Ind AS 36 - "Impairment of Assets", based on management's review of the recoverable value in respect to net block of fixed assets as on 31st March, 2020, provision for impairment loss amounting to Rs. 532.20 lakhs is recognised and management is of the opinion that no further provision is required for the current year. Total amount of impairment loss recognised till 31st March 2022 including earlier year is Rs. 21,932.29 lakhs.

6

Capital work in progress (CWIP)	As at 31st March 2022	As at 31st March 2021
Opening balance	-	-
Add: Additions during the year	155.51	4.11
Less: Capitalised during the year	153.92	4.11
Closing balance	1.59	-

CWIP ageing schedule:

Project Type	Amount of CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	1.59	-	-	-	1.59
Projects temporarily suspended	-	-	-	-	-

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

Ageing of Capital Work in Progress	To be completed in				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project - 1	1.59	-	-	-	1.59

7

Right of use asset (Refer note 43)	Land	Total
Gross carrying value		
Balance as at 1st April, 2020	1,597.24	1,597.24
Additions during the year 2020-2021	-	-
Deletions during the year 2020-2021	-	-
Balance as at 31st March, 2021	1,597.24	1,597.24
Additions during the year 2021-2022	-	-
Deletions during the year 2021-2022	-	-
Balance as at 31st March, 2022	1,597.24	1,597.24
Accumulated depreciation		
Balance as at 1st April, 2020	32.26	32.26
Additions during the year 2020-2021	32.18	32.18
Deletions during the year 2020-2021	-	-
Balance as at 31st March, 2021	64.44	64.44
Additions during the year 2021-2022	32.19	32.19
Deletions during the year 2021-2022	-	-
Balance as at 31st March, 2022	96.63	96.63
Net carrying amount		
Balance as at 31st March, 2021	1,532.80	1,532.80
Balance as at 31st March, 2022	1,500.61	1,500.61

8

Other intangible assets	Software	Total
Gross carrying value		
Balance as at 1st April, 2020	13.62	13.62
Additions during the year 2020-2021	3.46	3.46
Deletions during the year 2020-2021	-	-
Balance as at 31st March, 2021	17.08	17.08
Additions during the year 2021-2022	2.76	2.76
Deletions during the year 2021-2022	-	-
Balance as at 31st March, 2022	19.84	19.84
Accumulated amortisation		
Balance as at 1st April, 2020	2.48	2.48
Additions during the year 2020-2021	1.63	1.63
Deletions during the year 2020-2021	-	-
Balance as at 31st March, 2021	4.11	4.11
Additions during the year 2021-2022	1.78	1.78
Deletions during the year 2021-2022	-	-
Balance as at 31st March, 2022	5.89	5.89
Net carrying amount		
Balance as at 31st March, 2021	12.97	12.97
Balance as at 31st March, 2022	13.95	13.95

Notes:

8.1 Software is other than internally generated software.

8.2 Balance useful life of intangible asset is 1 year to 9 years (Previous year: 1 year to 9 years)

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Other financial assets - non-current	As at 31st March 2022	As at 31st March 2021
Security deposit	25.32	24.52
Fixed deposit with bank (Margin money) - Maturity of more than 12 Months (Refer note 9A.1)	6.90	0.92
Total	**32.22**	**25.44**

9A.1 Fixed deposit is given as margin money to the Banks for guarantee given by banks to Government and other authorities on behalf of the Company

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			
Carried forward losses as per Income Tax Act, 1961		6,858.71	6,752.02
Expense allowed on payment basis as per Income tax act, 1961		729.19	603.49
Difference in net carrying value of property, plant and equipment as per income tax and books		260.58	501.65
	Sub-total (A)	7,848.48	7,857.16
Less: Deferred tax asset not recognised (Refer Note 10.1(b))	(B)	7,848.48	7,857.16
Deferred tax assets / (liability)	(A-B)	-	-

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 before tax from operations	22.42	(774.16)
Income tax liability / (asset) as per applicable tax rate i.e. 25.17% (Previous year: 25.17%) (Refer note 10.1(b))	5.64	(194.83)
(a) Permanent disallowance	1.42	0.32
(b) Reversal of deferred tax asset on expiry of brought forward period of business losses	-	549.15
(c) Deferred tax asset / (liability) not recognised (Refer note (b) below)	(7.06)	(354.64)
Tax expense reported in the statement of profit and loss	-	-

Particulars	As at 31st March 2022	As at 31st March 2021
Other comprehensive income	6.41	19.70
Income tax liability / (asset) as per applicable tax rate i.e. 25.17% (Previous year: 25.17%). Refer note 10.1(b)	1.61	4.96
(a) Deferred tax asset / (liability) not recognised (Refer note (b) below)	(1.61)	(4.96)
Tax expense/(credit) reported in Other comprehensive income	-	-

Note:

(a) The Company offsets tax assets and liabilities if and 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 in the current as well as in the previous year as there is no taxable income as per the Income Tax Act, 1961. Further, the Company has decided to opt for new income tax regime by applying lower rate as per section 115BAA of the Income Tax Act, 1961. Accordingly, deferred tax is calculated at lower tax rate for the year ended 31st March 2020 and onwards. 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 not recognised deferred tax asset as in near future there is low probability that taxable profit will be available against which it can be utilised. The unused business losses are having expiry period of 3 years as at 31st March 2022 (4 years as at 31st March 2021)

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Income tax assets (net)	As at 31st March 2022	As at 31st March 2021
Income tax (Tax deducted at source)	83.70	103.74
Total	**83.70**	**103.74**

12

Other non-current assets	As at 31st March 2022	As at 31st March 2021
Advance for property, plant and equipment (Refer Note 12.1)	648.07	600.00
Prepaid expenses	0.01	0.09
Total	**648.08**	**600.09**

12.1 In the quarter ended 31st March 2021, the Company had paid unsecured advance of Rs. 600.00 lakhs to Joint Developer for cost to be incurred in respect of joint development agreement entered in September 2019 to develop and commercially exploit certain properties over the land on which the Company holds leasehold rights. As per the terms agreed between the joint developer and the Company, the said amount would be utilised for obtaining / seeking the necessary approvals for the development of above-mentioned property. Further, as per the mutual understanding, if the joint developer is not able to obtain the requisite development approvals within reasonable time, the said amount subject to deduction for expense incurred by the joint developer would be refunded to the Company. The Company along with the Joint Developer has appointed a licensed architect to design, prepare plans and make the necessary applications for regulatory approvals. As on 31st March, 2022, the joint developer has confirmed that no significant expense has been incurred out of the advance received.

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Inventories (At lower of cost or net realisable value)	As at 31st March 2022	As at 31st March 2021
Food and beverages	13.61	14.40
Stores and operating supplies	22.48	15.91
Total	**36.09**	**30.31**

14

Trade receivable (Unsecured considered good, unless otherwise stated)	As at 31st March 2022	As at 31st March 2021
-Considered good	187.35	51.29
-Trade receivables which have significant increase in credit risk	12.34	15.95
-Trade receivables - Credit impaired	-	-
	199.69	67.24
Less: Allowance for expected credit loss*	12.34	15.95
Total	**187.35**	**51.29**

*The Company recognizes expected 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 3.15.1 and 36(a)(ii)].

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14.01 Trade Receivables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months - 1 year	01-02 years	02-03 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	16.47	154.26	16.61	-	-	-	-	187.35
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	1.21	0.19	2.00	3.39
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	0.19	4.52	4.25	8.95
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**16.47**	**154.26**	**16.61**	-	**1.39**	**4.70**	**6.25**	**199.69**

14.02 Trade Receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months - 1 year	01-02 years	02-03 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3.11	34.31	13.87	-	-	-	-	51.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	0.19	6.96	-	7.14
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-			1.11	1.07		8.81
(vi) Disputed Trade Receivables – credit impaired			-	-				-
Total	**3.11**	**34.31**	**13.87**	-	**4.63**	**11.32**	-	**67.24**

15

Cash and bank balances	As at 31st March 2022	As at 31st March 2021
Cash and cash equivalents		
Cash in hand	3.24	1.50
Balances with bank		
- In current accounts	291.01	77.67
Cheques in hand	-	150.00
- Fixed deposit	1,068.46	425.28
	1,362.71	654.45
Bank balances (other than cash and cash equivalents)		
Fixed deposit (maturity less than 12 months) (Refer note 15.1)	24.59	46.10
Total	**1,387.30**	**700.55**

15.1 Bank balances other than cash and cash equivalents includes fixed deposit of Rs. 24.59 lakhs (Previous year Rs. 46.10 lakhs) given as margin money to the Banks for guarantees given by banks to Government and other authorities on behalf of the Company.

16

Other financial asset	As at 31st March 2022	As at 31st March 2021
Interest on deposits receivable	17.00	8.13
Advance to staff / recoverable	2.43	0.86
Total	**19.43**	**8.99**

17

Other current assets	As at 31st March 2022	As at 31st March 2021
Prepaid expenses	45.88	41.07
Advance to suppliers	16.43	9.83
GST receivable on vendor payment	0.85	0.85
Balance with authorities (Refer note 17.2 and 17.3)	116.82	91.99
Export incentives receivable (Refer note 17.1)	11.71	14.50
Less:- Provision for doubtful SIES receivable	(1.26)	-
	10.45	14.50
Total	**190.43**	**158.24**

17.1 Export incentives receivable amounting to Rs. 11.71 lakhs (Previous year: Rs. 14.50 lakhs), represent SIES licenses held by the Company, which are kept for sale to third parties. Due to recession in import business, the Company has treated a portion of value of the said licenses as doubtful, since the expected realisable value through sale may be lower than the value of licenses.

17.2 Balance of authorities includes input tax credit (ITC) of Rs. 88.80 lakhs (Previous year: Rs. 76.19 lakhs) of Goods and service tax (GST) taken based on legal interpretation

17.3 During the previous year, the Company's refund claim of amount deposited of Rs. 45 lakhs (In respect of non-fulfillment of export obligations) had been rejected by Customs and accordingly, the Company has written off the same.

18

Equity share capital	As at 31st March 2022	As at 31st March 2021
Authorised capital		
2,50,00,000 equity shares (Previous year: 2,50,00,000) of Rs.10 each	2,500.00	2,500.00
Total	2,500.00	2,500.00
Issued, subscribed and paid-up		
1,17,64,706 equity shares (Previous year: 1,17,64,706) of Rs.10 each	1,176.47	1,176.47
Total	**1,176.47**	**1,176.47**

18.1 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).

18.2 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 of the year	1,17,64,706	1,176.47	1,17,64,706	1,176.47
Add: Shares issued during the year	-	-	-	-
Number of shares at the end of the year	1,17,64,706	1,176.47	1,17,64,706	1,176.47

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

Particulars	As at 31st March 2022		As at 31st March 2021	
	% of holding	Number of Shares *	% of holding	Number of Shares *
Kamat Hotels (India) Limited	100%	1,17,64,706	100%	1,17,64,706

*Out of above two shares are held by Dr. Vithal V. Kamat and one share is held by Mr. Narendra Pai (Previous year: two shares are held by Dr. Vithal V. Kamat and one share is held by Mr. Narendra Pai) as nominee of Kamat Hotels (India) Limited.

18.4 Equity shares held by the holding company (also ultimate holding company)

Particulars	As at 31st March 2022		As at 31st March 2021	
	% of holding	Number of Shares*	% of holding	Number of Shares*
Kamat Hotels (India) Limited	100%	1,17,64,706	100%	1,17,64,706

*Out of above two shares are held by Dr. Vithal V. Kamat and one share is held by Mr. Narendra Pai (Previous year: two shares are held by Dr. Vithal V. Kamat and one share is held by Mr. Narendra Pai) as nominee of Kamat Hotels (India) Limited.

18.5 Shares held by promoters at the end of the year

Promoter Name	31st March, 2022			31st March, 2021		
	Number shares held	% of total shares	% Change during the year	Number shares held	% of total shares	% Change during the year
Kamat Hotels (India) Ltd	11764703	100%	No Change	11764703	100%	No Change
Dr. Vithal V. Kamat (Beneficial owner: Kamat Hotels (India) Ltd)	2	0%	No Change	2	0%	No Change
Mr. Narendra D. Pai (Beneficial owner: Kamat Hotels (India) Ltd)	1	0%	No Change	1	0%	No Change
Total	**11764706**	**100%**		**11764706**	**100%**	

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Other equity	As at 31st March 2022	As at 31st March 2021
Securities premium (Refer note 19.1):		
As per last balance sheet	6,379.63	6,379.63
	6,379.63	**6,379.63**
Retained earnings - Deficit in the Statement of Profit and Loss:		
As per last balance sheet	(36,747.72)	(35,973.56)
Add: Income / (Loss) for the year	22.42	(774.16)
Closing balance	**(36,725.30)**	**(36,747.72)**
Other comprehensive income		
As per last balance sheet	31.66	11.96
Income / (loss) for the year	6.41	19.70
Closing balance	**38.07**	**31.66**
Total	**(30,307.60)**	**(30,336.43)**

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

20

Borrowings - Non-current	As at 31st March 2022	As at 31st March 2021
Secured		
Term loans (Refer Note 23.1,23.2, 23.3 and 23.4)		
- From others	18,833.99	18,833.99
Unsecured loan		
From holding company (Refer note 20.1)	23,844.56	23,844.56
	42,678.55	42,678.55
Less: Current maturities of long term loans (Refer note 26)	(17,415.31)	(17,415.31)
Less: Interest accrued and due (shown under other financial liabilities) (Refer note 26)	(5,616.84)	(5,616.84)
Total	**19,646.40**	**19,646.40**

20.1 The unsecured loan taken from Holding Company (Kamat Hotels (India) Limited) is repayable as per the terms of loan agreement dated 17th March, 2010 and subsequent modifications thereafter subject to availability of funds with the Company. This loan was carrying interest of 14.00% p.a. which was subject to revision based on average cost of borrowings of the Holding Company. In view of various adverse factors and the request made to holding company by the Company for waiver of interest, holding company had waived off interest on the unsecured loan granted until there is improvement in the financial position of the Company. Accordingly no interest is levied w.e.f. 1st January, 2014 till 31st March, 2022.

21

Lease liabilities - Non current	As at 31st March 2022	As at 31st March 2021
Lease rent (Refer note 43)	1,454.51	1,431.61
Total	**1,454.51**	**1,431.61**

22

Provisions - Non-current	As at 31st March 2022	As at 31st March 2021
Provision for gratuity (Refer Note 42)	31.84	27.30
Provision for leave benefits (Refer Note 42)	37.97	31.38
Total	**69.81**	**58.68**

23

Borrowings - Current	As at 31st March 2022	As at 31st March 2021
Secured:		
Current maturities of long term borrowings (Assigned to IARC) (Refer Note 23.1 to 23.4)	17,415.31	17,415.31
Total	**17,415.31**	**17,415.31**

23.1 Term loan taken from a bank in earlier years became non-performing asset (NPA) in the year 2013. These loans were assigned by the Bank to Asset Reconstruction Company India Limited (ARCIL) vide assignment agreement dated 27th September 2013. ARCIL (jointly with ICICI Bank) had filed a suit before Debt Recovery Tribunal (DRT) for recovery of their dues and seeking some reliefs, which is pending.

23.2 Details of security provided

This loan is secured by (i) first charge on all movable and immovable fixed assets of the Company both present and future, (ii) exclusive charge by way of hypothecation of the stocks, current assets including book debts, bills receivables both present and future, (iii) pledge of 30% equity of the Company held by the holding company; (iv) guaranteed by corporate guarantee of Kamat Hotels (India) Ltd (Holding Co.), Kamats Development Private Limited (a Company in which the director of the Company is a director); and (v) personal guarantees of Director and ex-Director

23.3 In respect of borrowing from IARC [assigned by ARCIL], outstanding balance as on 31st March 2022 (including interest liability accounted upto 30th September 2013) is subject to confirmation. No balance confirmation was available in previous year also.

23.4 Vide agreement dated 24th December 2018, International Asset Reconstruction Company Private Limited (IARC) purchased the loan from M/s Asset Reconstruction Company India Limited (ARCIL) [lender to whom loan was sold/assigned by ICICI Bank in earlier years] for an aggregate amount of Rs. 13,500.00 lakhs on cash basis which as per the legal advice received by the Company is not in compliance of the circulars / notifications issued by Reserve Bank of India. Even otherwise, the said sale could not be termed either as sale or assignment as there existed non-compliance of mandatory provisions of law in order to effectuate such a transactions in compliance with the provisions of law. As per the books of the company, total outstanding towards this loan is Rs. 18,833.99 lakhs (including interest liability accounted in books upto 30th September, 2013). The interest amount from 1st October, 2013 till 31st March, 2022 has not been provided in books nor has the same been quantified. Non provision of interest is not in compliance with the accounting treatment as prescribed under Ind AS 23 Borrowing Cost. As per the legal opinion obtained by the management and in accordance with the settlement arrangement between holding company, the Company and IARC, the liability shown in financial statement of the company as well as loan to subsidiary and guarantees in the financial statement of the holding company (i.e. Guarantors) would get extinguished. Further, the holding company has agreed to transfer 100% equity shares of the company to IARC for a consideration of Rs. 1/- and in turn thereof IARC shall release all the corporate and personal guarantees unconditionally. The other terms/conditions and obligation as agreed between the parties along with the extinguishment as mentioned above will be accounted when the definitive agreement is executed. IARC has replied to the Company, in principle agreeing to the terms of the settlement and also suggested that modalities for achieving this are being worked out. Accordingly as per the Company no further liability is required to be accounted now. Further, the Company has filed a commercial suit before the District Court, Pune for performance of the obligations by IARC narrated above, which is pending.

23.5 In respect of dispute over lease rent levied by Director of Sports, the Company has accounted for the liability amounting to Rs. 1,665.64 lakhs for the period from 1st November, 2014 to 31st March, 2022; which is after making the part payment of Rs. 129.83 lakhs in the quarter ended 30th September 2020 and of Rs. 129.85 lakhs in the quarter ended 31st December, 2021. Further, during the earlier year, the Hon'ble Bombay High Court had appointed sole arbitrator to resolve the disputes. Interest / penalty, if any, will be accounted in the period / year in which dispute will be resolved. (Also refer note 34.1)
Further, during the quarter ended 30th June 2020, the Company, by invoking COVID-19 as the force majeure event, had applied to the authorities for waiver of lease rent during the lockdown imposed by the Government. The said application is pending and waiver, if any, will be accounted in the period / year in which it will be approved.

23.6

Particulars of guarantee jointly given by directors/ relatives and other related parties for loan facilities availed by the Company	As at 31st March 2022	As at 31st March 2021
(i) by a director of the Company and his relative	18,906.38	18,906.38
(ii) by Holding Company	18,906.38	18,906.38
(iii) by a company in which a director of the Company is a director	18,906.38	18,906.38

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Lease liabilities - current	As at 31st March 2022	As at 31st March 2021
Lease rent (Refer note 42)	142.20	165.31
Total	**142.20**	**165.31**

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Trade payables	As at 31st March 2022	As at 31st March 2021
Outstanding dues of micro and small enterprises (Refer note 25.1)	37.37	31.33
Outstanding dues to other than micro and small enterprises	295.93	197.12
Total	**333.30**	**228.45**

25.1 The amount due to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development 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	37.37	31.33
(b) The interest thereon remaining unpaid to supplier as at the end of the accounting year	4.88	3.67
(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	1.21	2.35
(e) Amount of interest accrued and remaining unpaid at the end of the accounting year	4.88	3.67
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid	0.75	0.63

25.2 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	[illegible]	12.78	-	-	-	37.37
ii) Others	236.61	50.66	0.32	8.27	0.07	295.93
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	**261.20**	**63.44**	**0.32**	**8.27**	**0.07**	**333.30**

25.3 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	17.91	13.16	0.26			31.33
ii) Others	82.10	104.78	9.19	1.05	-	197.12
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	**100.01**	**117.94**	**9.45**	**1.05**	**-**	**228.45**

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Other financial liabilities	As at 31st March 2022	As at 31st March 2021
Interest accrued and due - Others (Refer Note 23.1, 23.2, 23.3 and 23.4)	1,418.68	1,418.68
Interest accrued and due to holding company (Refer note 20.1)	4,198.16	4,198.16
Interest payable to MSME creditors	4.88	3.67
Lease premium payable (Refer Note 23.5 and 34.1)	1,665.64	1,535.79
Creditors for capital expenditure		
- Dues to Micro and small enterprises		
- Dues to others	2.59	0.77
Security deposit	23.19	23.19
Other payable	154.99	139.52
Total	**7,468.13**	**7,319.78**

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Other current liabilities	As at 31st March 2022	As at 31st March 2021
Advance from customers	71.05	15.74
Statutory dues	57.66	23.21
Total	**128.71**	**38.95**

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Provisions - Current	As at 31st March 2022	As at 31st March 2021
Provision for gratuity (Refer note 42)	0.81	1.72
Provision for leave benefits (Refer note 42)	4.23	3.75
Total	**5.04**	**5.47**

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Revenue from operations	Year ended 31st March 2022	Year ended 31st March 2021
Room rent income	1,873.02	717.57
Food and beverages	1,737.16	669.72
Hall hire charges - income	83.17	44.99
Other incidental hotel services	86.96	28.50
Sub total(A)	**3,780.31**	**1,460.78**
Other operating income		
- Liabilities and provisions no longer payable, written back	8.45	16.82
- Excess provision of leave encashment written back		4.30
- Excess provision of expected credit loss written back		5.05
- License fee	17.14	17.11
- Export incentives	-	-
Sub total(B)	**25.59**	**43.36**
Total (A+B)	3,805.90	1,504.14

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Other income	Year ended 31st March 2022	Year ended 31st March 2021
Interest earned from financial assets at amortised cost		
- On fixed deposit	31.04	40.75
- Others	1.04	2.47
- On income tax refund	7.29	-
Gain on foreign exchange (net)	0.01	0.05
Profit on sale of fixed assets	-	0.18
Miscellaneous income	10.77	4.62
Total	**50.15**	**48.07**

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Consumption of food and beverages	Year ended 31st March 2022	Year ended 31st March 2021
Opening stock	14.40	31.46
Add: Purchases	407.47	144.94
	421.87	**176.40**
Less: Closing stock	13.61	14.40
Total	**408.26**	**162.00**

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Employee benefits expense	Year ended 31st March 2022	Year ended 31st March 2021
Salaries and wages	631.92	299.27
Contribution to provident and other funds (net)	34.09	14.78
Provision for gratuity (Refer note 42)	12.50	15.58
Provision for leave benefit (Refer note 42)	13.81	-
Staff welfare expenses	30.07	16.41
Total	**722.39**	**346.04**

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Finance costs	Year ended 31st March 2022	Year ended 31st March 2021
Interest on delayed statutory dues	10.67	5.86
Interest expense on lease liabilities (Refer note 43)	259.51	259.51
Total	**270.18**	**265.37**

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34	Other expenses	Year ended 31st March 2022	Year ended 31st March 2021
	Operating expenses		
	Power and fuel	346.71	215.43
	Licence, rates and taxes (note 34.1 and 34.2)	170.99	161.64
	Guest ammenities and supplies	160.79	54.95
	Sanitation and laundry (net)	44.09	17.53
	Repairs to		
	- Building	85.77	18.25
	- Plant and machinery	102.96	55.77
	- Others	66.49	20.04
	Replacements of operating supplies	35.24	6.55
	Hire charges	22.45	12.96
	Management consultancy fees and royalty	175.72	59.19
	Water charges	-	-
	Sub total(A)	**1,211.21**	**622.31**
	Sales and marketing expenses		
	Commission	195.20	52.13
	Advertisement, publicity and sales promotion	130.45	43.97
	Sub total(B)	**325.65**	**96.10**
	Administrative and general expenses		
	Insurance	33.17	32.87
	Travelling and conveyance	17.24	10.63
	Printing and stationery	29.25	9.59
	Telecommunication expenses	4.95	4.02
	Vehicle expenses	11.47	5.98
	Court Settlement expenses	19.00	-
	Legal, professional and consultancy charges	76.74	23.38
	Auditors remuneration (Refer note 34.3)	1.45	1.45
	Provision for doubtful import benefits - SEIS	1.26	-
	Provision for expected credit loss	1.35	-
	Bad debts written off (Refer note 34.4)	4.96	47.52
	Less: Provision for expected credit loss	(4.96)	(47.52)
		-	-
	Miscellaneous expenses	20.88	13.72
	Sub total(C)	**216.76**	**101.64**
	Total (A+B+C)	**1,753.62**	**820.05**

34.1 In earlier years, the Company had filed Arbitration Petition in Pune Court for deciding the disputes with the Director of Sports, Pune requiring reduction in annual lease premium payable to Director of Sports and granting of payment of the said premium in monthly installments instead of advance payment. The Company had also requested for relief from furnishing additional bank guarantee (BG) and restraining the authorities from invoking the existing BGs. Further, the Company had filed Arbitration Petition before the Hon'ble Bombay High Court invoking section 11 of Arbitration and Conciliation Act, 1996 for the dispute on lease premium, bank guarantee, property tax and other matters. As per the order of the court, the Arbitration proceedings has commenced during the previous year. Adjustment, if any in the books will be made on disposal of the cases.

34.2 The Pune Municipal Corporation (PMC) has been raising demand for property tax for plot of land since 2007 in respect of the Company's property at Balewadi, Pune and Company has paid said taxes. PMC had also revised the Annual Ratable Value (ARV) retrospectively from 1st October, 2008 and assessed the Company's Hotel building for property tax purposes. The Company has disputed the said action and demand by filing a Municipal Appeal in appropriate court, which is pending for hearing.

In the meantime, during the pendency of the matter, the Company had paid entire dues up to March 2017 under Amnesty Scheme. Also, the Company has paid municipal taxes for the subsequent period upto 31st March, 2022. Any adjustments of payment already deposited will be made subject to disposal of the cases.

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34.3 Auditors' remuneration

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Statutory audit fees	1.30	1.30
Tax audit fees	0.15	0.15
Total	**1.45**	**1.45**

Note: Above fees are excluding of goods and service tax (GST) of Rs.0.25 lakhs (Previous year Rs. 0.25 lakhs).

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35 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)	Other financial asset - Non-current	32.22	-	-	25.44	-	-
(ii)	Trade receivables (net)	187.35	-	-	51.29	-	-
(iii)	Cash and bank balances	1,362.71	-	-	700.55	-	-
(iv)	Other financial assets - Current	19.43	-	-	8.99	-	-
	Total financial assets	**1,601.71**	-	-	**786.27**	-	-
B	**Financial liabilities**						
(i)	Borrowings- Non-current	19,646.40	-	-	19,646.40	-	-
(ii)	Borrowings- Current	17,415.31	-	-	17,415.31	-	-
(ii)	Trade payables	333.30	-	-	228.45	-	-
(ii)	Other financial liabilities - Current	7,468.13	-	-	7,319.78	-	-
(iv)	Lease liabilities - Non-current	1,454.51	-	-	1,431.61	-	-
(v)	Lease liabilities - Current	142.20	-	-	165.31	-	-
	Total financial liabilities	**46,459.85**	-	-	**46,206.86**	-	-

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 value 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 transaction between market participants at the measurement date.

The management assessed that fair value of trade receivables (net), cash and bank balances, other current financial assets, trade payables, other current financial liabilities and lease liabilities-current approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of other non-current financial asset, borrowing - non-current and lease liabilities - non-current which will be approximate to their carrying amounts.

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(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					
Other financial asset - Non-current	Level 3	32.22	32.22	25.44	25.44
Total financial assets		**32.22**	**32.22**	**25.44**	**25.44**

Notes:
(i) The above disclosures are given only for non-current financial assets and non-current financial liabilities. Short term financial assets and current financial liabilities (cash and cash equivalents, other receivables, trade payables and other current financial liabilities) represents the best estimate 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.

(e) Financial guarantee contracts

Particulars	As at 31st March 2022	As at 31st March 2021
Corporate guarantee on behalf of holding company towards loan facilities taken from banks /	24,755.00	24,755.00

Note: In respect of above, fair value of financial guarantee contract is Rs. Nil (Previous Year Rs. Nil) for the reasons stated in note 2.5(vii) of the financial statements

36 Risk management framework

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 minimize 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.

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(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 limited due to the Company's diverse customer base. The effective monitoring and controlling of credit risk through credit evaluations is a core competency of the Company's risk management system.

For expected credit loss of trade receivable, Company follows simplified approach as per which provision is made for receivable exceeding six months. This is based on historically observed default rates over the expected life of trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Reconciliation of Expected Credit Allowance (ECL) is as given below:

Particulars	31st March 2022	31st March 2021
Balance at the beginning	15.95	23.52
Less: Reversed	-	5.05
Less: Utilized	4.96	2.52
	10.99	15.95
Add: Provision for ECL made during the year	1.35	-
Balance at the year end	**12.34**	**15.95**

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(b) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

(i) Maturities of financial liabilities:

Particulars	Less than 1 year	1 to 5 year	Above 5 years	Total
As at 31st March 2022				
Borrowings	17,415.31	19,646.40	-	37,061.71
Trade payables	333.30	-	-	333.30
Other financial liabilities	7,468.13	-	-	7,468.13
Lease liabilities	142.20	462.90	991.61	1,596.71
As at 31st March 2021				
Borrowings	17,415.31	19,646.40	-	37,061.71
Trade payables	228.45	-	-	228.45
Other financial liabilities	7,319.78	-	-	7,319.78
Lease liabilities	165.31	538.12	893.49	1,596.92

(c) Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The pre dominant currency of the Company's revenue and operating cash flows is Indian Rupees (INR). Company has earnings in foreign currency. There is no foreign currency risk as there is no outstanding foreign currency exposure at the year end.

(i) Interest rate risk

The Company has outstanding loan payable to holding company and IARC [term loan assigned by ICICI Bank]. With respect to loan from IARC, Company has not provided / paid any interest on these loans [Refer note 23.4]. With respect to loan from holding company, interest is waived. [Also refer note 20.1]. Considering same, interest rate risk as defined in Ind AS 107 is not quantifiable, since the future cash flows are dependent on settlement procedures and financial position of the Company.

(ii) Foreign Currency Risk

The pre dominant currency of the Company's revenue and operating cash flows is Indian Rupees (INR). Company has earnings in foreign currency, however it has no exposure in foreign currency at the year end. Considering the same, there is no foreign currency risk to the Company.

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37 Capital risk management

The Company's objective when managing capital are to (i) Safeguarding their ability to continue as going concern, so that they can continue to provide returns for shareholders benefit and (ii) maintain capital structure to reduce the cost of capital. Capital is fully contributed by the Holding Company 'Kamat Hotels (India) Limited'. The Company manages its capital structure and make adjustments to, in light of changes in economic conditions, and the risk characteristics of underlying assets. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. The Company monitors capital using 'Total Debt' to 'Equity'. The Company's total debt to equity are as follows:

Particulars	As at 31st March 2022	As at 31st March 2021
Total debt	37,061.71	37,061.71
Total capital (total equity shareholder's fund)	(29,131.13)	(29,159.96)
Net debt to equity ratio	N.A.	N.A.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31, 2021.

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38 Capital commitments, other commitments and contingent liabilities

38.1 Capital Commitments

(a) Estimated amount of Contracts remaining to be executed on Capital Account (Net of Advance) Rs. 20.86 lakhs (Previous year: Rs. Nil) (Net of advances)

(b) **Other significant commitments :** Nil (Previous year: Nil)

38.2 Contingent liability

(a) Open import licenses Rs. 2.00 lakhs (Previous year: Rs. 2.00 lakhs).
(b) Counter Guarantees issued by the Company to secure Bank Guarantees Rs. 8.34 lakhs (Previous year: Rs. 18.34 lakhs).
(c) Claims against the Company in respect of and disputed claim of additional lease premium of Rs. 225.00 lakhs (Previous year: Rs 225.00 lakhs) by the Director of Sports, Government of Maharashtra.
(d) ARCIL and ICICI Bank have jointly filed an application before Debt Recovery Tribunal in the earlier year claiming recovery of Rs. 25,237.90 lakhs plus further interest which has not been accepted by the Company and the matter is pending before Debt Recovery Tribunal (Also refer note 26.2 and 26.1). Company has made interest provision only upto 30th September 2013 pending settlement with lenders. No provision is made for interest for the period from 1st October 2013 to 31st March 2022 pending settlement with the lender (Also refer note 26.4).
(e) Disputed sales tax demand of Rs. 202.95 lakhs (Previous year: Rs. 202.95 lakhs).

In respect of (a) to (c) above, the Company does not expect any cash outflow. In respect of (d) and (e) above, future cash outflows (including interest / penalty) are determinable on settlement of loan and receipt of judgments by tax authority respectively.

39 Related party transactions

39.1 Name and relationships of related parties:

a. Holding & Ultimate Holding Company :		Kamat Hotels (India) Limited
b. Entity in which directors of the Company has significant influence:		Kamats Development Private Limited
c. Directors / Key management personnel (KMP):	Managing Director	Mr. B. C. Kamdar
	Director	Dr. Vithal V. Kamat
		Mr. Dinkar Jadhav (Upto 19th February 2021)
		Mr. Ramnath Sarang
		Ms. Rubina Khan
		Mr. Vilas Ramachandra Koranne
	Chief Financial Officer	Mr. Nitin Rajenimbalkar (From 14th September 2020)
	Company Secretary	Mr. Hemal Sagalia (From 29th June 2021)
		Mr. Vaibhav Kadam (Upto 7th July 2020)
d. Relatives of director		Mr. Vikram V. Kamat

39.2 Transactions with related parties

Nature of transaction	Name of the Party	Year ended 31st March 2022	Year ended 31st March 2021
Management fees and incentive fees - expenses	Kamat Hotels (India) Limited	175.00	57.62
Purchase of Guest Items		0.20	-
Staff deputation expenses		74.24	48.16
Temporary repayment of long term borrowing		270.00	660.00
Temporary repayment received back		270.00	660.00
Taxes paid on corporate guarantee commission		7.84	7.84
Amount received towards tax on comission related corporate guarantee		9.67	8.26
Reimbursement of expenses (Paid on behalf of Company)		8.18	3.41

Transactions with related parties (Contd.)

Nature of transaction	Name of the Party	Year ended 31st March 2022	Year ended 31st March 2021
Sitting fees	Mr. Dinkar Jadhav	-	0.40
	Mr. Ramnath Sarang	0.40	0.40
	Ms. Rubina Khan	0.40	0.40
	Mr. Vilas Ramchandra Koranne	0.30	-
Remuneration paid	Mr. Nitin Rajenimbalkar	10.10	6.44
	Ms. Vaibhav Kadam	-	0.87

39.3 Closing balances of related parties:

Nature of transaction	Name of the Party	As at 31st March 2022	As at 31st March 2021
Trade payable	Kamat Hotels (India) Limited	53.10	91.30
Loan payable		19,646.40	19,646.40
Interest payable		4,198.16	4,198.16
Corporate Guarantee provided by holding company on behalf of the Company.		21,500.00	21,500.00
Corporate guarantee provided by the Company to bankers for credit facility availed by Holding Company.		24,755.00	24,755.00
Corporate guarantee provided on behalf of the Company.	Kamats Development Private Limited	21,500.00	21,500.00
Personal guarantee	Dr. Vithal V. Kamat	21,500.00	21,500.00
Personal guarantee	Mr. Vikram V. Kamat	21,500.00	21,500.00

39.4 Terms and conditions of related party transactions:

Outstanding balances at the year end are unsecured and settlement occurs in cash. All transactions were made on terms equivalent to those that prevail in arm's length transaction.

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Orchid Hotels Pune Private Limited Mumbai

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

40 Earnings / (loss) per share

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Basic and diluted earning per share		
Net profit / (loss) after tax as per Statement of Profit and Loss (Rs. in lakhs)	22.42	(774.16)
Weighted average number of equity shares	1,17,64,706	1,17,64,706
Face value per equity share (Rs.)	10	10
Basic and diluted earnings per share (Rs.)	0.19	(6.58)

41 Ratio Analysis

Ratio	Numerator	Denominator	31.03.2022	31.03.2021	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.07	0.04	89.36%	Increase in cash equivalents
Debt Service Coverage	Earning available for Debts Service	Debt Service	1.82	0.23	708.68%	Increase in earnings
Return on Equity	Net profit after Tax-Pref. Div. if anay	Average Shareholder	-0.08%	0.67%	-111.44%	Increase in earnings
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	12.30	3.77	226.44%	Increase in volume of business and reduction in average inventory
Trade receivables turnover	Net Credit Sales	Avg. Account Receivable	31.83	18.23	74.55%	Increase in turnover
Trade payables turnover ratio	Cost of equipment and software licences + Other	Average trade payables	1.45	0.52	176.63%	Increase in purchases and reduction in average trade payables
Net capital turnover ratio	Revenue from operations	Average working capital (i.e. Total current assets	(0.10)	(0.08)	168.03%	Increase in revenue and current liability
Net profit ratio (in %)	Profit for the year	Revenue from operations	0.59%	-51.47%	-101.14%	Increase in earnings
Return on capital employed	Earning before Int. & Taxes	Capital Employed	3.69%	-6.44%	-157.30%	Increase in earnings
Return on investment	Income Generated from Invested fund	Average Invested funds	4.16%	1.49%	179.60%	Increase in earnings

41.1 Debt equity ratio is not applicable as equity is negative.

42 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. Following is the details regarding Company's contributions made during the year:

Particulars of defined contribution plan	Year ended 31st March 2022	Year ended 31st March 2021
Provident fund	9.91	4.29
Pension fund	17.59	7.90
Employees' state insurance (ESIC)	6.52	2.55
Maharashtra labour welfare fund	0.07	0.04
Total	**34.09**	**14.78**

(ii) Defined benefit plans and other long term benefits

(a) Gratuity

The Company provides for gratuity for employees in India 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	Year ended 31st March 2022	Year ended 31st March 2021
Discount rate	7.15%	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	Year ended 31st March 2022	Year ended 31st March 2021
Liability at the beginning of the year	29.02	37.00
Interest cost	1.93	2.50
Current service cost	10.57	13.08
Benefits paid	(2.45)	(3.86)
Actuarial (gain)/ loss on obligations	(6.41)	(19.70)
Liability at the end of the year	**32.66**	**29.02**

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Orchid Hotels Pune Private Limited * Mumbai

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

Table of recognition of actuarial (gain)/ loss

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Actuarial (gain)/ loss on obligation for the year	(6.41)	(19.70)
Actuarial (gain)/ loss on planned assets for the year	-	-
Actuarial (gain)/ loss recognized in Other comprehensive income	**(6.41)**	**(19.70)**

Breakup of actuarial gain/loss:

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Actuarial loss/(gain) arising from change in demographic assumption	-	-
Actuarial loss arising from change in financial assumption	(1.18)	-
Actuarial loss/(gain) arising from experience	(5.23)	(19.70)
Total	**(6.41)**	**(19.70)**

Amount recognized in the Balance Sheet:	Year ended 31st March 2022	Year ended 31st March 2021
Liability at the end of the year	32.66	29.02
Fair value of plan assets at the end of the year	-	-
Amount recognized in the Balance Sheet	**32.66**	**29.02**

Expenses recognized in the Statement of Profit and Loss	Year ended 31st March 2022	Year ended 31st March 2021
Current service cost	10.57	13.08
Interest cost	1.93	2.50
Expense / (Income) recognized in statement of profit and loss	**12.50**	**15.58**

Balance Sheet reconciliation	Year ended 31st March 2022	Year ended 31st March 2021
Opening net liability	29.02	37.00
Expense recognised in Statement of Profit and Loss	12.50	15.58
Expense/(income) recognised in Other comprehensive income	(6.41)	(19.70)
Benefits paid	(2.45)	(3.86)
Amount recognized in the Balance Sheet	**32.66**	**29.02**
Non-current portion of defined benefit obligation	31.84	27.30
Current portion of defined benefit obligation	0.81	1.72

Sensitivity analysis

Particulars	Year ended 31st March 2022	Year ended 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 1%	30.82	27.22
b) Impact due to decrease of 1%	34.66	31.00
b) Impact of change in salary growth		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	34.55	30.82
b) Impact due to decrease of 1%	30.87	27.29
c) Impact of change in attrition rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	32.37	28.67
b) Impact due to decrease of 1%	32.95	29.36
d) Impact of change in mortality rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 10%	32.65	29.01

Maturity profile of defined benefit obligation

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Weighted average duration of the defined benefit obligation	11.57	12.86

Gratuity liability payout analysis

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
1st year	0.81	1.72
2nd year	1.23	0.77
3rd year	1.64	1.14
4th year	1.57	1.49
5th year	1.73	1.49
Next 5 year payout (6-10 year)	14.39	9.69

(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.

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

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

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Discount Rate	7.15%	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	Year ended 31st March 2022	Year ended 31st March 2021
Liability at the beginning of the year	35.13	52.27
Interest cost	2.10	2.87
Current service cost	13.66	6.10
Benefits paid	(6.74)	(12.76)
Actuarial (gain)/loss on obligations	(1.95)	(13.35)
Liability at the end of the year	**42.20**	**35.13**

Table of recognition of actuarial gain / loss :

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Actuarial (Gain)/Loss on obligation for the year	(1.95)	(13.35)
Actuarial (Gain)/Loss on assets for the year	-	-
Actuarial (Gain)/Loss recognized in Statement of Profit and Loss	**(1.95)**	**(13.35)**

Amount recognized in the Balance Sheet:

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Liability at the end of the year	42.20	35.13
Fair value of plan assets at the end of the year	-	-
Amount recognized in the Balance Sheet	**42.20**	**35.13**

Expenses recognized in the Statement of Profit and Loss:

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Current service cost	13.65	6.10
Interest cost	2.11	2.87
Expected return on plan assets		
Benefits paid*	-	-
Actuarial (gain)/ loss	(1.95)	(13.35)
Expense recognized in Statement of Profit and Loss	**13.81**	**(4.38)**

* benefits paid during the current year have been reduced from liability

Balance Sheet reconciliation

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Opening net liability	35.13	52.27
Expense recognised in Statement of Profit and Loss	13.81	(4.38)
Benefits paid	(6.74)	(12.76)
Amount Recognized in Balance Sheet	**42.20**	**35.13**
Non-current portion of defined benefit obligation	37.97	31.38
Current portion of defined benefit obligation	4.23	3.75

Sensitivity analysis

Particulars	Year ended 31st March 2022	Year ended 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 1%	33.46	31.11
b) Impact due to decrease of 1%	36.03	33.65
b)Impact of change in salary growth		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	36.01	33.63
b) Impact due to decrease of 1%	33.46	31.12
c)Impact of change in attrition rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	34.63	32.23
b) Impact due to decrease of 1%	34.78	32.44
d)Impact of change in mortality rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 10%	34.70	32.33

Maturity profile of defined benefit obligation

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Weighted average duration of the defined benefit obligation	7.81	8.15
Projected benefit obligation	42.20	35.13

Leave liability payout analysis

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
1st year	3.31	3.41
2nd year	3.23	2.90
3rd year	3.88	2.82
4th year	2.98	3.04
5th year	2.92	2.65
Next 5 year payout (6-10 year)	16.34	14.67

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43 Leases

Company as a lessee:

a) The Company has taken land from Balewadi Sports Club under Build, Operate and Transfer arrangement for a period of 60 years for construction of hotel property. This is non-cancellable operating lease. Lease premium are payable on yearly basis as per the lease premium schedule mentioned in Concession Agreement

b) For depreciation and carrying value of right of use asset, refer table below:

ROU asset	2021-22		2020-21	
	Carrying value as at year end	Depreciation for the year	Carrying value as at year end	Depreciation for the year
Land	1,500.61	32.19	1,532.80	32.18

c) Disclosure with respect to lease under Ind AS-116 Leases:

Particulars	FY 21-22	FY 20-21
Interest expense on lease liabilities	259.61	260.61
Lease expenses in case of short term leases		
Lease expenses in case of low value leases (other than short term as disclosed above)	-	-
Lease expenses debited to lease liabilities	259.70	259.70
Total cash outflow for leases (incl. short term & low value leases)	(129.87)	(129.83)
Variable lease payments not considered in measurement of lease liabilities	-	-
Income from subleasing ROU assets		

44 Note on Cash Flow Statement

(i) Aggregate amount of outflow on account of direct taxes paid is Rs. Nil (Previous year: Rs. Nil lakhs) and inflow is Rs. 12.75 lakhs (Previous year Rs. 65.90 lakhs)

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

Particulars	1st April 2021	Cash flow	Non-cash changes	31st March 2022
Borrowings from Bank/ others	42,678.55	-	-	42,678.55
Lease liabilities	1,596.92	(129.87)	129.66	1,596.71
Particulars	**1st April 2020**	**Cash flow**	**Non-cash changes**	**31st March 2021**
Borrowings from Bank/ others	42,678.55	-	-	42,678.55
Lease liabilities	1,597.09	(129.83)	129.66	1,596.92

45 The Company has incurred losses in the previous year, its net worth is fully eroded and also its current liabilities exceeds the current assets as on 31st March 2022. Further there are defaults in repayment of loans & interest and non-provision of interest as mentioned in note 23.4. Considering, the improvement in performance of the Company which has resulted into profits in the current year, the limited support available from the Holding Company due to its financial constraints, considering provision for impairment of property, plant and equipment made in the earlier years and management's action to mitigate the impact of COVID-19 as described in note 46, in the opinion of the management, the financial results are prepared on going concern basis.

46 The business has been severely impacted during the year on account of COVID-19. With the lifting of the lockdown restrictions by Central and State Governments, the Company has re-opened its hotels and operations has gradually increased. On account of above, 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, provision for impairment loss was recognised during the year ended 31st March 2020 and 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 statements and the Company will continue to monitor the future economic conditions and assess its impact on financial statements.

47 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 Companies total revenue during the year ended 31st March 2022 and 31st March 2021.

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

49 The Company has not advanced to or loaned to or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that such Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) 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 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50 The Company does not have any Benami property. No proceeding has been initiated or pending against the Company for holding any Benami property.

51 The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961)

52 The Company has not been declared as a wilful defaulter as prescribed by Reserve Bank of India.

53 During the year, the Company did not have transactions with any company which was struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act 1956.

54 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

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
Orchid Hotels Pune Private Limited

V. R. Koranne

Ramnath P. Sarang
Managing Director
DIN: 02544807

Vilas Ramchandra Koranne
Director
DIN: 00151005

Nitin Rajenimbalkar
Chief Financial Officer

Hemal Sagalia
Company Secretary

Orchid Hotels Pune Private Limited
Mumbai

Place: Mumbai
Date: 19th May, 2022