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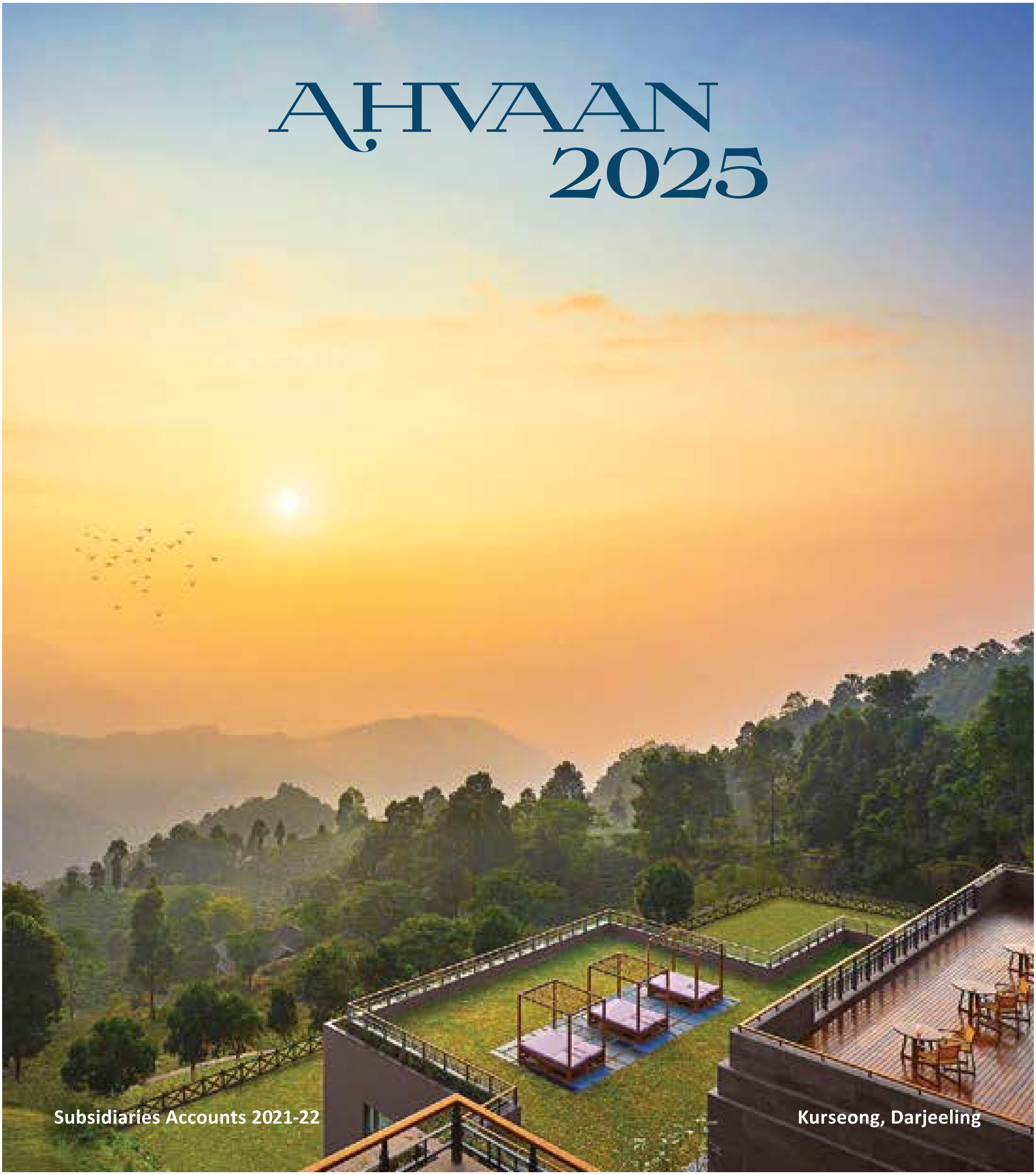
THE INDIAN HOTELS COMPANY LIMITED
A TATA Enterprise



CONTENTS

Independent Auditors' Report

To the Members of BENARES HOTELS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Benares Hotels Limited** ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, of the state of affairs of the Company as at March 31, 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Description	Our Response
Impairment assessment of Property, Plant and Equipment (PPE) of one hotel unit.	In view of the continuing operating losses made by one hotel unit and due to significant management and auditor judgement involved in impairment testing, we identified this matter as a Key Audit Matter. At the end of each year, management reviews the carrying amount of the assets to determine if there is any indication of impairment loss. If any such indication exists, management assesses the recoverable amount of those assets. Management also carries out a valuation of the hotel building once in three years. The estimation of the recoverable amount of the assets at the unit involves management judgements and is dependent on certain assumptions and significant inputs including market capitalisation rates and estimated revenue per available room, which are affected by expected future market or economic conditions of the hospitality industry.	Our audit procedures in relation to impairment testing of the unit were: • Understanding the management's and those charged with governance (TCWG)'s process for estimating the recoverable amount of the assets. • Evaluating the reasonableness of the assumptions, judgements, projected cash flows and key inputs considered by the management by comparing those estimates with market data and company specific information available and also the impact of COVID-19 pandemic. • Evaluating the historical accuracy of the management's assessment by comparing the past estimates to the current year actual performance of the Company. • Reading the valuation report and validating key assumptions used in the valuation and rationale for those assumptions.

Our tests did not reveal any material exceptions.

Independent Auditors’ Report (Contd.)

Information Other than the Financial Statements and Auditors’ Report Thereon

The Company’s management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report and Management Discussion and Analysis of the Financial Performance but does not include the financial statements and our auditors’ report thereon.

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

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

Responsibilities of the Management and Those Charged with Governance for Financial Statements

The Company’s management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, 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. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditors' Report (Contd.)

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

   (d) In our opinion, the aforesaid financial statements comply with the {Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

Independent Auditors’ Report (Contd.)

(f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

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

i. The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its financial statements – Refer Note No. 30 of the financial statements.

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that the we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. (a) The Company has not declared any final dividend during the previous year and any interim dividend during the current year and hence compliance to Section 123 of the Act is not applicable.

(b) Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

3. With respect to the matter to be included in the Auditors’ Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm’s Registration No. 003990S/S200018

R. Suriyanarayanan
Partner
Membership No. 201402
UDIN: 22201402AHJNQC3193
Place of Signature: Mumbai
Date: April 19, 2022

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Benares Hotels Limited ("the Company") on the financial statements as of and for the year ended March 31, 2022.

(i) (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 Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, discrepancies noticed were not material and have been dealt with appropriately in the books of account.

According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at Balance Sheet date.

In respect of immovable properties of land and building that have been taken on lease and disclosed as leasehold lands/ buildings under property, plant & equipment/ right of use assets in the financial statements, the lease agreements are in the name of the Company.

(c) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and hence paragraph 3(i)(d) of the Order is not applicable to the Company.

(d) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder and hence paragraph 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) Based on our audit procedures & according to the information and explanation given to us, the inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In our opinion, the discrepancies noticed on verification between the physical stocks and the book records are not more than not 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of accounts.

(b) Based on our audit procedures & according to the information and explanation given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from a bank on the basis of security of current assets. However, the sanctioned terms do not provide for filing Quarterly returns or statements with the bank. No working capital limits were sanctioned by financial institution. Accordingly, reporting under paragraph 3(ii)(b) of the Order is not applicable to the Company.

(iii) Based on our audit procedures & according to the information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) Based on our audit procedures & according to the information and explanation given to us, the Company has neither given any loan, guarantees and security nor made any investment during the year covered under Sections 185 and 186 of the Act. Therefore paragraph 3(iv) of the Order is not applicable to the Company.

Annexure A (Contd.)

(v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The Company is not required to maintain cost records specified by the Central Government under sub-section (1) of Section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at March 31, 2022, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the Statute	Nature of the Dues	Amount demanded (₹ lakhs)	Amount paid (₹ lakhs)	Period to which amount relates	Forum where dispute is pending
U.P. Trade Tax Act	Demand	15.88	5.00	FY 2006-07	1st Appellate Authority, UP VAT
U.P. Trade Tax Act	Demand	20.39	5.00	FY 2007-08	1st Appellate Authority, UP VAT
Luxury Tax	Demand	1.21	-	FY 2009-10 to FY 2013-14	Assessing Officer

(viii) Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us and the records of the Company examined by us, there were no term loans taken by the Company and hence the question of the amount of loan so diverted and the purpose for which it is used does not arise. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and the records of the Company examined by us, there were no funds raised on short-term basis by the Company. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.

Annexure A (Contd.)

(e) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company taking loan from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company raising any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the Indian accounting standard Related Party Disclosures (Ind AS 24).

(xiv) (a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the Internal Auditors for the period under audit.

(xv) On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

Annexure A (Contd.)

(b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, there are 6 Core Investment Companies (CICs) in the Group (basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.

(xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

(xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due. Also refer note no. 43 of the financial statements in this regard.

(xx) (a) Based on our audit procedures and according to the information and explanations given to us, in respect of other than ongoing projects, the Company having spent the required amount, there is no amount pending to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of Section 135 of the said Act.

(b) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to transfer unspent amount under sub-section (5) of Section 135 of the Companies Act, pursuant to ongoing project to special account in compliance with provision of sub-section (6) of Section 135. Accordingly, paragraph 3(xx)(b) of the Order is not applicable to the Company.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No. 003990S/S200018

R. Suriyanarayanan
Partner
Membership No. 201402
UDIN: 22201402AHJNQC3193
Place of Signature: Mumbai
Date: April 19, 2022

Annexure B

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

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to financial statements of **Benares Hotels Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Annexure B (Contd.)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No. 003990S/S200018

R. Suriyanarayanan
Partner
Membership No. 201402
UDIN: 22201402AHJNQC3193
Place of Signature: Mumbai
Date: April 19, 2022

Balance Sheet
as at March 31, 2022

₹ lakhs

	Note	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	4	7,638.28	8,222.44
Right of Use Assets	6	121.11	124.14
Capital work-in-progress	4	22.77	10.52
Other Intangible assets	5	39.43	53.83
		7,821.59	**8,410.93**
Financial assets			
Other financial assets	7	516.10	35.55
Advance income tax (net)		98.03	59.29
Other non-current assets	8	44.14	70.55
		8,479.86	**8,576.32**
Current assets			
Inventories	9	80.08	82.31
Financial assets			
Trade receivables	10	138.56	78.22
Cash and cash equivalents	11	73.98	122.88
Bank balances other than cash and cash equivalents	12	584.55	45.07
Other financial assets	7	75.92	68.76
Other current assets	8	75.30	115.89
		1,028.39	**513.13**
Total		**9,508.25**	**9,089.45**
Equity and liabilities			
Equity			
Equity share capital	13	130.00	130.00
Other equity	14	7,653.69	7,093.46
Total equity		**7,783.69**	**7,223.46**
Non-current liabilities			
Financial liabilities			
Lease Liabilities	15	363.70	356.54
Provisions	16	26.66	30.48
Deferred tax liabilities (net)	17	576.14	392.04
		966.50	**779.06**
Current liabilities			
Financial liabilities			
Borrowings	18	-	550.00
Trade payables	19		
- Due to Micro and Small Enterprises		31.36	13.17
- Due to Others		268.08	163.80
Other financial liabilities	20	202.64	171.71
Other current liabilities	21	221.30	176.50
Provisions	16	34.68	11.75
		758.06	**1,086.93**
Total		**9,508.25**	**9,089.45**

Summary of significant accounting policies 3

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

R. Suriyanarayanan
Partner
Membership No. 201402

Date: April 19, 2022
Place: Mumbai

For and on behalf of the Board

Dr. Anant Narain Singh
Chairman
DIN: 00114728

Rohit Khosla
Director
DIN: 07163135

Vivek Sharma
Chief Executive Officer

Vanika Mahajan
Company Secretary
ICSI M. No. ACS34515

Harish Kumar
Chief Financial Officer
ICAI M. No. 534449

Date: April 19, 2022
Place: Varanasi

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

₹ lakhs

	Note	March 31, 2022	March 31, 2021
Income			
Revenue from operations	22	4,983.96	2,423.85
Other income	23	9.88	57.03
Total Income		**4,993.84**	**2,480.88**
Expenses			
Food and beverages consumed	24	445.58	275.25
Employee benefit expense and payment to contractors	25	949.90	799.42
Finance costs	26	64.81	99.70
Depreciation and amortisation expense	4/5/6	636.32	693.45
Other operating and general expenses	27	2,126.40	1,309.91
Total Expenses		**4,223.01**	**3,177.73**
Profit/(Loss) before exceptional items and tax		770.83	(696.85)
Exceptional items		-	-
Profit/(Loss) before tax		**770.83**	**(696.85)**
Tax expenses			
Current tax	28	21.45	-
Deferred tax	28	184.10	(173.99)
Total		**205.55**	**(173.99)**
Profit/(Loss) after tax		**565.28**	**(522.86)**
Other comprehensive income, net of tax			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligation		(5.05)	12.54
Less: Income tax expense	28	-	-
Other comprehensive income for the year, net of tax		**(5.05)**	**12.54**
Total comprehensive Income for the year		**560.23**	**(510.32)**
Earnings per share:	35		
Basic – (₹)		43.48	(40.22)
Diluted – (₹)		43.48	(40.22)
Face value per ordinary share – (₹)		10.00	10.00

Summary of significant accounting policies 3

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached

For **PKF Sridhar & Santhanam LLP**
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ICSI M. No. ACS34515

Harish Kumar
Chief Financial Officer
ICAI M. No. 534449

Date: April 19, 2022
Place: Varanasi

Cash Flow Statement
for the year ended March 31, 2022

₹ lakhs

	March 31, 2022	March 31, 2021
Cash Flow from Operating Activities		
Net Profit Before Tax	770.83	(696.85)
Adjustments For:		
Depreciation and Amortisation	633.30	690.42
Depreciation on Right of Use Assets	3.03	3.02
Finance Cost	28.75	64.37
Interest on lease liability	36.06	35.33
Provision for Doubtful Debts net of bad debts	(11.05)	36.02
(Gain)/Loss on Sale of Property, Plant and Equipment	-	0.01
Interest Income	(9.25)	(45.32)
Lease Liability written back	-	(7.01)
Provision for Employee Benefits	(5.05)	12.54
	675.79	**789.38**
Cash Operating Profit before working capital changes	1,446.62	92.53
Adjustments For:		
Trade Receivables	(49.27)	318.63
Inventories	2.23	23.05
Non-Current – Other Financial Asset	-	(11.60)
Other non-current assets	10.53	35.73
Current – Other Financial Assets	(3.44)	78.15
Other current assets	40.59	56.68
Trade Payables	122.47	(388.36)
Current liabilities – Other Financial Liabilities	89.35	(93.13)
Other Liabilities & Provisions	19.09	(32.70)
	231.55	**(13.55)**
Cash Generated from Operating Activities	1,678.17	78.98
Direct Taxes Paid – net	(60.19)	127.93
Net Cash from Operating Activities (A)	**1,617.98**	**206.91**
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(38.72)	(135.00)
Sale of Property, Plant and Equipment	-	-
Interest Received	5.54	45.35
Bank Balances not considered as Cash and Cash Equivalents	(1,020.04)	6.13
Net Cash Used In Investing Activities (B)	**(1,053.22)**	**(83.52)**

Cash Flow Statement
for the year ended March 31, 2022

₹ lakhs

	March 31, 2022	March 31, 2021
Cash Flow from Financing Activities *	(34.74)	(63.69)
Interest Paid	(28.90)	(21.04)
Payment of lease liabilities and interest	-	500.00
Proceeds from short-term borrowings	(550.00)	(500.00)
Repayment of short-term borrowings	-	(97.50)
Dividend Paid (Including tax on dividend)	**(613.64)**	**(182.23)**
Net Cash Used In Financing Activities (C)		
Net Increase/(Decrease) in Cash and cash equivalents (A + B + C)	(48.88)	(58.84)
Cash and cash equivalents – Opening (Refer Note 11)	122.88	181.72
Cash and cash equivalents – Closing (Refer Note 11)	74.00	122.88

* Refer foot note under Borrowings (Note 18) for Net Debt Reconciliation.

As per our Report of even date attached

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

R. Suriyanarayanan
Partner
Membership No. 201402

Date: April 19, 2022
Place: Mumbai

For and on behalf of the Board

Dr. Anant Narain Singh
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Chief Executive Officer

Vanika Mahajan
Company Secretary
ICSI M. No. ACS34515

Harish Kumar
Chief Financial Officer
ICAI M. No. 534449

Date: April 19, 2022
Place: Varanasi

Statement of Changes in Equity
as at March 31, 2022

₹ lakhs

Particulars	Equity Share Capital Subscribed	Reserves and Surplus			Grand Total
		Capital Reserve	General Reserve	Retained Earnings	
Balance as at April 1, 2020	130.00	0.86	2,167.22	5,533.20	7,831.28
Changes in accounting policy/prior period errors	-	-	-	-	-
Balance at the beginning of the reporting period	**130.00**	**0.86**	**2,167.22**	**5,533.20**	**7,831.28**
Profit for the year ended March 31, 2021	-	-	-	(522.86)	(522.86)
Remeasurements of post employment benefit obligation, net of tax (item of other comprehensive income recognised directly in retained earnings (Not reclassified to P&L)				12.54	12.54
Total Comprehensive Income for the year ended March 31, 2021	**-**	**-**	**-**	**(510.32)**	**(510.32)**
Dividends				(97.50)	(97.50)
Tax on Dividend				-	-
Balance as at March 31, 2021	**130.00**	**0.86**	**2,167.22**	**4,925.38**	**7,223.46**
Balance as at April 1, 2021	130.00	0.86	2,167.22	4,925.38	7,223.46
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	**130.00**	**0.86**	**2,167.22**	**4,925.38**	**7,223.46**
Profit for the year ended March 31, 2022	-	-	-	565.28	565.28
Remeasurements of post employment benefit obligation, net of tax (item of other comprehensive income recognised directly in retained earnings (Not reclassified to P&L)				(5.05)	(5.05)
Total Comprehensive Income for the year ended March 31, 2022	**-**	**-**	**-**	**560.23**	**560.23**
Dividends			-	-	-
Tax on Dividend			-	-	-
Balance as at March 31, 2022	**130.00**	**0.86**	**2,167.22**	**5,485.61**	**7,783.69**

As per our Report of even date attached

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

R. Suriyanarayanan
Partner
Membership No. 201402

Date: April 19, 2022
Place: Mumbai

For and on behalf of the Board

Dr. Anant Narain Singh
Chairman
DIN: 00114728

Rohit Khosla
Director
DIN: 07163135

Vivek Sharma
Chief Executive Officer

Vanika Mahajan
Company Secretary
ICSI M. No. ACS34515

Harish Kumar
Chief Financial Officer
ICAI M. No. 534449

Date: April 19, 2022
Place: Varanasi

Notes to Financial Statements
for the year ended March 31, 2022

1. Corporate Information

Benares Hotels Limited ("BHL" or the "Company"), is a listed public limited company incorporated in 1971. The Company operates its hotels, viz. Taj Ganges and Taj Nadesar Palace in Varanasi and The Gateway Hotel Balaghat Road, Gondia in Maharashtra. In May, 2011, the Company became a subsidiary of The Indian Hotels Company Limited, a company promoted by Tata Sons Private Limited.

The financial statements were approved by the Board of Directors and authorised for issue on April 19, 2022.

2. Application of New Indian Accounting Standards

All the Indian Accounting Standards issued under Section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparation of these Financial Statements.

3. Significant Accounting Policies

(a) Statement of Compliance:

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") issued under Section 133 of the Companies Act, 2013 and notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") issued under Section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

(b) Recent Accounting Pronouncements:

New Amended Standards and Interpretation

The following Accounting Standards have been modified on miscellaneous issues with effect from June 18, 2021. Such changes include clarification/guidance on:

i) Ind AS 107 Financial Instruments: Disclosures – Additional disclosures relating to interest rate benchmark reform (IBOR reform) including nature and extent of risks to which the entity is exposed due to financial instruments subject to interest rate benchmark reform and how the Company manages those risks; the Company's progress in completing the transition to alternative benchmark rates and how the Company is managing the transition.

ii) Ind AS 109 Financial Instruments – Guidance provided on accounting for modifications of contracts resulting from changes in the basis for determining the contractual cash flows as a result of the IBOR reform; various exceptions and relaxations have been provided in relation to the hedge accounting.

iii) Ind AS 116 Leases – Extension of optional practical expedient in case of rent concessions as a direct consequence of COVID-19 pandemic till June 30, 2022 and guidance on accounting for modification of lease contracts resulting from the IBOR reform.

iv) Ind AS 102 Share based payments – Alignment of liabilities definition with the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.

v) Ind AS 103 Business Combination – Alignment of assets and liabilities definition with the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards

vi) Amendment of definition of term 'recoverable amount' in Ind AS 105, Ind AS 16 and Ind AS 36 from 'fair value less cost to sell' to 'fair value less cost of disposal'.

None of the amendments except for Ind AS 116 has any material impact on the financial statements for the current year. For impact of Ind AS 116, refer note 23 Other Income wherein ₹ Nil (Previous year – ₹ 7.01 lakhs) recognised towards lease rent waiver.

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.

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.

(c) Standards Issued but not yet Effective:

The following Accounting Standards have been modified on miscellaneous issues with effect from April 1, 2022. Such changes include clarification/guidance on:

i) Ind AS 103 Business Combination – Identified assets acquired and liabilities assumed (including contingent assets and contingent liabilities) must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the Institute of Chartered Accountants of India (ICAI).

ii) Ind AS 109 Financial Instruments – Guidance provided on identifying substantial modification of the terms of an existing financial liability basis difference in discounted present value of the cash flows between old and new terms (the '10 percent' test).

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

iii) Ind AS 16 Property, Plant and Equipment (PPE) – Clarification provided on accounting for excess of net sale proceeds of items produced over the cost of testing as deduction from the directly attributable costs considered as part of cost of an item of PPE.

iv) Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Illustrative guidance provided on the cost of fulfilling a contract – incremental costs of fulfilling the contract and allocation of other costs that relate directly to fulfilling contracts, and clarification provided on recognising impairment loss that has occurred on assets used in fulfilling the contract before a separate provision for onerous contract established.

None of these amendments is expected to have any material impact on the financial statements of the Company.

(d) Basis of Preparation and Presentation:

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value i.e. Defined Benefit Plans at the end of each reporting period, as explained in the accounting policies below.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

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 under current market conditions.

The Company categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

(a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

(c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

(e) Critical Accounting Estimates and Judgements:

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- **Useful Lives of Property, Plant and Equipment and Intangible Assets:** The Company has with the help of group technical assessment estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.

- **Impairment Testing:** Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- **Income Taxes:** Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and the tax charge in the statement of profit or loss.

  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 or loss.

- **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

- **Defined Benefit Plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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 is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

- **Leases:**

  The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

  Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Impact of Global Health Pandemic COVID-19**

  The Company has considered all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

  The business has been impacted during the period on account of COVID-19. During the first three months of the year, the Company witnessed softer revenues due to the second wave of COVID-19 and consequent lockdowns in several states in India. Also, there was a third wave in the month of January 2022, resulting in restrictions in some states, which also adversely impacted the revenues. However, with increased vaccinations and consequent reduction in number of cases and easing of all restrictions, the Company has witnessed recovery in both leisure and business segments in all the other months.

  The Company has adequate funds at its disposal and the management has secured financing in the previous year to prevent disruption of the operating cash flows and to enable the Company to meet its debts and obligations as they fall due. Accordingly, the Company considers the use of going concern assumption, for the preparation of financial statements of the Company be appropriate.

(f) Revenue Recognition:

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Revenue from Operations

Rooms, Food and Beverage & Banquets:

Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Space and Shop Rentals:

Rentals basically consists of rental revenue earned from letting of spaces for retails and office at the properties. These contracts for rentals are generally of short-term in nature. Revenue is recognised in the period in which services are being rendered.

Other Allied Services:

In relation to the, laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognised by reference to the time of service rendered.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognised when the Company's right to receive the amount is established. Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises sale of rooms, food and beverages and allied services relating to hotel operations.

(g) Employee Benefits (other than for persons engaged through contractors):

i. Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up by the respective Regional Provident Fund Commissioner. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the minimum rates of return prescribed by the Central Government and recognises such contributions and shortfall, if any, as an expense in the year in which the corresponding services are rendered by the Company.

ii. Gratuity Fund

The Company makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds. The Gratuity plan provides for lump sum payment to vested employees on retirement, death or termination of employment of an amount based on the respective employee's last drawn salary and tenure of employment. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the other comprehensive income and reflected in retained earnings and will not be reclassified to the statement of profit and loss.

iii. Compensated Absences

The Company has a scheme for compensated absences for employees, the liability for which is determined on the basis of an independent actuarial valuation using the projected unit credit method, carried out at the Balance Sheet date.

iv. Short-Term Obligations

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related services. The accruals for employee entitlements of benefits such as salaries, bonuses and annual leave represent the amount which the Company has a present obligation to pay as a result of the employees' services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

(h) Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and taxes (other than those refundable), expenses directly related to the location of assets and making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate shall also include costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Depreciation is charged to profit or loss so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation made at the group level, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

In respect of Leasehold Buildings, depreciation on buildings on leased properties is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives.

The estimated useful lives of the depreciable assets are as follows:

Class of Assets	Estimated Useful Life
Improvement to the buildings	15 years
Plant and Equipment	10 to 20 years
Electrical Installation and Equipment	20 years
Hotel Wooden Furniture	15 years
End User devices – Computers, Laptops etc	6 years
Operating supplies (issued on opening of a new hotel property)	2 to 3 years
Assets costing less than ₹5,000	4 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Capital work-in-progress represents projects under which the property, plant and equipments are not yet ready for their intended use and are carried at cost determined as aforesaid.

(i) Intangible Assets:

Intangible assets include cost of acquired software and designs, and cost incurred for development of the Company's website and certain contract acquisition costs. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use. Internally developed intangibles are capitalised if, and only if, all the following criteria can be demonstrated:

i) the technical feasibility and Company's intention and ability of completing the project;

ii) the probability that the project will generate future economic benefits;

iii) the availability of adequate technical, financial and other resources to complete the project; and

iv) the ability to measure the development expenditure reliably.

Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development.

Intangible assets with finite lives are amortised over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation periods are reviewed and impairment evaluations are carried out at least once a year. The estimated useful life used for amortising intangible assets is as under:

Class of Assets	Estimated Useful Life
Website Development Cost	5 years
Software and Licences	6 years
Service and Operating Rights	10 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

(j) Impairment of Assets:

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

(k) Foreign Currency Translation:

The functional currency of the Company is Indian rupee.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were fair value measured.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of other monetary items are recognised in the Statement of Profit and Loss.

(l) Non-Current Assets held for Sale:

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable and expected to be completed within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

(m) Assets taken on Lease:

The Company as a Lessee:

On inception of a contract, Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs incurred, lease payments made at or before the commencement date, any asset restoration obligation, and less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are also adjusted for any re-measurement of lease liabilities. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option and any lease modification.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments are presented as follows in the Company's statement of cash flows:

- short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;

- payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from operating activities; and

- payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities

Refer Note No. 29 of the Financial Statement for details.

(n) Inventories:

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Inventory cost includes the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

(o) Government Grants:

Government grants are recognised in the period to which they relate when there is reasonable assurance that the grant will be received and that the Company will comply with the attached conditions.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

(p) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

i. Current tax:

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

ii. Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognised for all taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(q) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the non-current provisions are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

(r) Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit or Loss using the effective interest method.

(s) Cash and Cash Equivalents (for the Purpose of Cash Flow Statements):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(t) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows for the year are classified by operating, investing and financing activities.

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(u) Earnings Per Share:

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(v) Segment Reporting:

The Company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Since the Company's business consists of its hotel operations only, no separate information for segment-wise disclosures is given.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(w) Financial Instruments:

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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 recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company’s own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company’s own equity instruments.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 4: Property, Plant and Equipment (Owned, unless otherwise stated)

₹ lakhs

	Freehold Land	Buildings Refer Footnote (i)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Capital Work-in-Progress Refer Footnote (ii)
Cost								
At April 1, 2020	13.05	4,948.97	3,902.46	1,717.03	97.97	0.12	10,679.60	4.02
Additions	-	-	7.93	1.99	15.35	-	25.27	31.77
Less: Disposals	-	-	33.26	10.56	0.44	-	44.26	25.27
At March 31, 2021	**13.05**	**4,948.97**	**3,877.13**	**1,708.46**	**112.88**	**0.12**	**10,660.61**	**10.52**
Additions	-	-	20.48	0.43	11.02	-	31.93	44.18
Less: Disposals	-	-	-	-	1.90	-	1.90	31.93
At March 31, 2022	**13.05**	**4,948.97**	**3,897.61**	**1,708.88**	**122.00**	**0.12**	**10,690.64**	**22.77**
Depreciation								
At April 1, 2020	-	458.78	931.89	345.65	76.74	-	1,813.06	
Add: Charge for the year	-	184.33	306.92	163.37	14.74	-	669.36	
Less: Disposals	-	-	33.26	10.55	0.44	-	44.25	
At March 31, 2021	**-**	**643.11**	**1,205.55**	**498.47**	**91.04**	**-**	**2,438.17**	
Add: Charge for the year	-	184.33	264.42	155.58	11.76	-	616.09	
Less: Disposals	-	-	-	-	1.90	-	1.90	
At March 31, 2022	**-**	**827.44**	**1,469.96**	**654.06**	**100.90**	**-**	**3,052.36**	**-**
Net Block								
At March 31, 2021	**13.05**	**4,305.86**	**2,671.58**	**1,209.98**	**21.84**	**0.12**	**8,222.44**	**10.52**
At March 31, 2022	**13.05**	**4,121.53**	**2,427.65**	**1,054.83**	**21.10**	**0.12**	**7,638.28**	**22.77**

Footnotes:

(i) Gross block includes: Buildings constructed on leasehold land - ₹1,889.52 lakhs (Previous year – ₹1,889.52 lakhs)

(ii) Capital Work-in-Progress Ageing Schedule:

As on March 31, 2022

₹ lakhs

Particulars	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Other Capex	10.95	-	-	-	10.94
(iii) Projects temporarily suspended	1.55	6.71	-	3.56	11.82
Total	**12.50**	**6.71**	**-**	**3.56**	**22.77**

As on March 31, 2021

₹ lakhs

Particulars	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Other Capex	-	0.25	-	-	0.25
(iii) Projects temporarily suspended	6.71	-	-	3.56	10.27
Total	**6.71**	**0.25**	**-**	**3.56**	**10.52**

Other Capex represents routine capex, brought outs, etc.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 5: Intangible Assets (Acquired) – Softwares & Rights

₹ lakhs

Cost	
At April 1, 2020	175.14
Additions	3.46
Less: Disposals	3.20
At March 31, 2021	**175.40**
Additions	2.81
Adjustments	-
Less: Disposals	-
At March 31, 2022	**178.21**
Amortisation	
At April 1, 2020	103.70
Add: Charge for the year	21.06
Less: Disposals	3.20
At March 31, 2021	**121.56**
Charge for the year	17.21
Disposals	-
At March 31, 2022	**138.77**
Net Block	
At March 31, 2021	**53.83**
At March 31, 2022	**39.43**

Note 6: Right of Use Assets

₹ lakhs

	Building	Total
Gross Block at Cost		
At April 1, 2020	130.19	130.19
Additions	-	-
Deductions for the year	-	-
At March 31, 2021	**130.19**	**130.19**
Additions	-	-
Deductions for the year	-	-
At March 31, 2022	**130.19**	**130.19**
Depreciation		
At April 1, 2020	3.02	3.02
Charge for the year	3.03	3.03
Deductions for the year	-	-
At March 31, 2021	**6.05**	**6.05**
Charge for the year	3.04	3.04
Deductions for the year	-	-
At March 31, 2022	**9.09**	**9.08**
Net Block		
At March 31, 2021	**124.14**	**124.14**
At March 31, 2022	**121.11**	**121.11**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 7: Other Financial Assets

(Unsecured, considered good unless stated otherwise)

₹ lakhs

	March 31, 2022	March 31, 2021
A) Non-Current		
Deposits with Public Bodies and Others at amortised costs		
Public Bodies and Others	23.96	23.96
Deposits with Banks *	492.14	11.59
	516.10	**35.55**

*includes FDRs having maturity less than 12 months of ₹12.13 lakhs (Previous year – ₹11.59 lakhs) which are under lien for issuance of Bank Guarantees.

₹ lakhs

	March 31, 2022	March 31, 2021
B) Current		
Deposit with public bodies and others		
Others	0.95	0.95
	0.95	**0.95**
Other advances		
Considered good*	26.48	13.90
Interest receivable		
Bank Deposits	3.77	0.05
	3.77	**0.05**
On Current Account dues		
Related Parties (Refer Note 32)	28.37	20.12
Others	16.35	33.74
	44.72	**53.86**
Total	**75.92**	**68.76**

*For related party balances refer Note 32

Note 8: Other Assets

(Unsecured, considered good unless stated otherwise)

₹ lakhs

	March 31, 2022	March 31, 2021
A) Non-Current		
Capital Advances	1.02	16.91
Prepaid Expenses	7.82	1.02
Export incentive receivable (Refer Foot Note below)	25.30	42.62
Deposits with Government Authorities	10.00	10.00
Total	**44.14**	**70.55**
Foot Note: Export incentive receivable		
Opening balance	42.62	77.95
Add: SEIS accrued during the year	-	0.27
Less: Sale proceeds/ reversed during the year	17.32	35.60
Closing balance	**25.30**	**42.62**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

₹ lakhs

	March 31, 2022	March 31, 2021
B) Current		
Prepaid Expenses	53.55	45.74
Indirect tax recoverable	11.22	50.12
Advance to Suppliers	10.24	19.66
Advance to Employees	0.29	0.37
Total	**75.30**	**115.89**

Note 9: Inventories (At lower of cost and net realisable value)

₹ lakhs

	March 31, 2022	March 31, 2021
Food and Beverages	34.68	44.47
Stores and Operating Supplies	45.40	37.84
	80.08	**82.31**

Note 10: Trade and Other Receivables

₹ lakhs

	March 31, 2022	March 31, 2021
(Unsecured)		
Considered good*	138.56	78.22
Balance having significant increase in credit risk	-	-
Credit impaired	67.92	78.97
Total	**206.48**	**157.19**
Less: Provision for impairment (Refer foot note - 1)	67.92	78.97
	138.56	**78.22**

*For related party balances refer Note 32

Footnote:

(1) Provision for Impairment

₹ lakhs

	March 31, 2022	March 31, 2021
Opening Balance	78.97	42.95
Add: Provision created during the year	-	36.02
	78.97	**78.97**
Less: Bad debts written off against past provisions	-	-
Less: Reversal of provision no longer required	11.05	-
Closing Balance	**67.92**	**78.97**

(2) Please refer Note No. 41 for Trade Receivable ageing schedule.

Note 11: Cash and Cash Equivalents

₹ lakhs

	March 31, 2022	March 31, 2021
Cash on hand	3.55	4.03
Balances with bank in current account	70.43	68.85
Balances with bank in call and short-term deposit accounts (original maturity less than 3 months)	-	50.00
	73.98	**122.88**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 12: Bank Balances Other than Cash and Cash Equivalents

₹ lakhs

	March 31, 2022	March 31, 2021
Other Balances with banks		
Call and Short-term deposit accounts*	1,042.40	-
Earmarked balances	34.29	45.07
	1,076.69	**45.07**
Less: Term Deposit with Bank maturing after 12 months from the balance sheet date and other Earmarked/Margin Money/Pledged deposits classified as Non-Current	492.14	-
	584.55	**45.07**

*includes FDRs having maturity less than 12 months of ₹ Nil lakhs (Previous year – ₹ Nil lakhs) which are under lien for issuance of Bank Guarantees.

Note 13: Share Capital

₹ lakhs

	March 31, 2022	March 31, 2021
Authorised Share Capital		
Ordinary Shares		
15,00,000 (Previous year – 15,00,000) Ordinary Shares of ₹10/- each	150.00	150.00
	150.00	**150.00**
Issued Share Capital		
13,00,000 (Previous year – 13,00,000) Ordinary Shares of ₹10/- each	130.00	130.00
	130.00	**130.00**
Subscribed and Paid Up		
13,00,000 (Previous year – 13,00,000) Ordinary Shares of ₹10/- each	130.00	130.00
	130.00	**130.00**

Footnotes:

(1) The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of the liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the shareholding.

(2) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Closing Balance
Ordinary shares			
Year ended 31-03-2022			
- Number of shares	13.00	-	13.00
- Amount (Rupees)	130.00	-	130.00
Year ended 31-03-2021			
- Number of shares	13.00	-	13.00
- Amount (Rupees)	130.00	-	130.00

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(3) Ordinary Shares with voting rights held by Holding Company along with its Subsidiaries & Associate Companies:

Name of the Company	No. of Shares March 31, 2022	No. of Shares March 31, 2021
Holding Company		
The Indian Hotels Company Limited	6,43,825	6,43,825
Subsidiaries of Holding Company		
Piem Hotels Limited	54,063	54,063
Northern India Hotels Limited	150	150
Associate of Holding Company		
Oriental Hotels Limited	50	50

(4) Shareholders holding more than 5% shares in the Company:

	No. of Shares March 31, 2022	No. of Shares March 31, 2021
The Indian Hotels Company Limited	6,43,825	6,43,825
% of Holding	49.53%	49.53%

(5) Aggregate number and class of shares allotted as fully paid-up in previous year pursuant to contracts without payment being received in cash, bonus shares and shares bought back for a period of 5 years immediately preceding the balance sheet date NIL (Previous year – NIL).

(6) Details of Promoter Shareholding:

Sr. No.	Name of Promoter	Number of Equity Shares Held at March 31, 2021	% of Total Number of Equity Shares	Number of Equity Shares Held at March 31, 2022	% of Total Number of Equity Shares	% Change During the Year
1	Anant Narain Singh	24,000	1.85%	24,000	1.85%	Nil
2	Maharaj Kumari Vishnupriya	18,000	1.38%	18,000	1.38%	Nil
3	M. K. Krishna Priya	17,550	1.35%	17,550	1.35%	Nil
4	Maharaj Kumari Hari Priya	17,550	1.35%	17,550	1.35%	Nil
5	Anamika Kunwar	7,197	0.55%	7,197	0.55%	Nil
6	All India Kashiraj Trust	30,000	2.31%	30,000	2.31%	Nil
7	Imlak Varanasi Developments Private Limited	1,050	0.08%	1,050	0.08%	Nil
8	The Indian Hotels Company Limited	6,43,825	49.53%	6,43,825	49.53%	Nil
9	Piem Hotels Limited	54,063	4.16%	54,063	4.16%	Nil
10	Northern India Hotels Limited	150	0.01%	150	0.01%	Nil
11	Oriental Hotels Limited	50	0.00%	50	0.00%	Nil
Total		**8,13,435**	**62.57%**	**8,13,435**	**62.57%**	

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 14: Other Equity

₹ lakhs

		March 31, 2022	March 31, 2021
a)	**Reserves & Surplus**		
	Capital Reserve	0.86	0.86
	General Reserve		
	Opening Balance	2,167.22	2,167.22
	Closing Balance	**2,167.22**	**2,167.22**
	Retained Earnings		
	Opening Balance	4,925.38	5,533.20
	Add: Current year profit/ (loss)	565.28	(522.86)
	Add: Remeasurements of post employment benefit obligation, net of tax (item of other comprehensive income recognised directly in retained earnings)	(5.05)	12.54
	Less: Final Dividend	-	(97.50)
	Less: Tax on Dividend	-	-
	Closing Retained Earnings	**5,485.61**	**4,925.38**
	Total	**7,653.69**	**7,093.46**

Note 15: Lease Liabilities

₹ lakhs

	March 31, 2022	March 31, 2021
Non-Current		
Lease Liabilities	363.70	356.54
Total	**363.70**	**356.54**

Note 16: Provisions

₹ lakhs

		March 31, 2022	March 31, 2021
A)	**Non-Current provisions**		
	Employee Benefit Obligation (Non-current)		
	Compensated absences	26.66	30.48
		26.66	**30.48**
B)	**Current provisions**		
	Employee Benefit Obligation (Current)		
	Compensated absences	3.48	5.36
	Gratuity (Refer Note 33)	31.20	6.39
		34.68	**11.75**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 17: Deferred Tax Liabilities (Net)

₹ lakhs

	March 31, 2022	March 31, 2021
Deferred Tax Liabilities:		
Property, Plant and equipment & Intangible Assets	668.20	664.06
Total (A)	**668.20**	**664.06**
Deferred Tax Assets:		
Provision for Employee Benefits	6.22	9.73
OCI – Defined Benefit Obligations	-	-
Provision for doubtful debts	17.09	19.87
Unused tax losses	-	179.70
Ind AS 116 Impact	61.05	58.49
Others	7.70	4.23
Total (B)	**92.06**	**272.02**
Net Deferred Tax Liabilities (A-B)	**576.14**	**392.04**

Note 18: Borrowings

₹ lakhs

	March 31, 2022	March 31, 2021
Short-term borrowings		
Short-Term Borrowings from Related Parties		
Secured	-	-
Unsecured @ 9%	-	555.99
Total Short-term borrowings	**-**	**555.99**
Less: Interest accrued (included in Note 20)	-	5.99
Total Borrowings	**-**	**550.00**
(Refer foot notes below)		

Footnote – 1

The Company has been sanctioned with a Overdraft/ Working Capital Demand facility in current year of ₹1,000 lakhs by Axis Bank. The facility carries interest @ 8.80% p.a. at the year end (MCLR 1 Year plus 125 basis points) and secured against exclusive charge on the entire current and movable assets of the Company, both present and future. Further, negative lien on the fixed and immovable assets of the Company. The balance outstanding at the end of period is ₹ Nil (Previous year – Nil).

Footnote – 2
Financial liabilities
Net debt reconciliation

₹ lakhs

		March 31, 2022	March 31, 2021
a)	**Net debt**		
	Cash and cash equivalents	74.00	122.88
	Current Investment	-	-
	Short-Term Borrowings	-	(550.00)
	Long-Term Borrowings (Including Current portion)	-	-
	Net (debt)/Cash & Cash Equivalents	**74.00**	**(427.12)**
b)	**Unclaimed Deposits/Interest**	-	-
	Derivative	-	-
	Interest Accrued	-	(5.99)
	Total Other financial Liability	**-**	**(5.99)**
	Grand Total	**74.00**	**(433.11)**

Interest expenses	Accrued during the Year		Paid during the Year	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
On Long-term borrowings	-	-	-	-
On Short-term borrowings	28.75	64.37	34.74	63.69
FV Changes for Derivatives (i.e. IRS)	-	-	-	-
Other Interest costs	-	-	-	-
Total	**28.75**	**64.37**	**34.74**	**63.69**

	Other Assets		Borrowings	Total Net borrowings	Other financial Liability	Grand Total
	Cash and cash equivalents	Current Investment	Short-Term Borrowings		Interest Accrued	
Net (debt)/Cash & Cash Equivalents as at April 1, 2020	181.72	-	(550.00)	(368.28)	(5.31)	(373.59)
Cash Flows				-	-	-
Increase/(Decrease) in cash and cash equivalents	(58.84)	-	-	(58.84)	-	(58.84)
Borrowings	-	-	(500.00)	(500.00)	-	(500.00)
Repayment	-	-	500.00	500.00	-	500.00
Foreign exchange adjustments	-	-	-	-	-	-
Interest expense	-	-	-	-	(64.37)	(64.37)
Interest paid	-	-	-	-	63.69	63.69
(Net debt)/Cash & Cash Equivalents as at March 31, 2021	**122.88**	**-**	**(550.00)**	**(427.12)**	**(5.99)**	**(433.11)**
Net (debt)/Cash & Cash Equivalents as at April 1, 2021	122.88	-	(550.00)	(427.12)	(5.99)	(433.11)
Cash Flows						
Increase/(Decrease) in cash and cash equivalents	(48.88)	-		(48.88)	-	(48.88)
Borrowings	-	-	-	-	-	-
Repayment	-	-	550.00	550.00	-	550.00
Foreign exchange adjustments	-	-	-	-	-	-
Interest expense	-	-	-	-	(28.75)	(28.75)
Interest paid	-	-	-	-	34.74	34.74
(Net debt)/Cash & Cash Equivalents as at March 31, 2022	**74.00**	**-**	**-**	**74.00**	**-**	**74.00**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 19: Trade Payables

₹ lakhs

	March 31, 2022	March 31, 2021
Micro and Small Enterprises (Refer Footnote – 1)	31.36	13.17
Vendor Payables (Refer Footnote – 2)	125.74	78.06
Accrued expenses and others	142.34	85.74
	299.44	**176.97**

Footnotes:

1. The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors. Refer Note 34 for disclosures relating to Micro and Small Enterprises.
2. For related party balances refer Note 32.
3. Please refer Note 42 for ageing schedule of trade payables.

Note 20: Other Financial Liabilities

₹ lakhs

	March 31, 2022	March 31, 2021
Current financial liabilities		
Payables on Current Account dues:		
Related Parties*	2.24	3.37
Others	2.59	3.94
Total	**4.83**	**7.31**
*For related party balances refer Note 32.		
Deposits from others		
Unsecured	30.40	28.15
Total	**30.40**	**28.15**
Interest accrued but not due on borrowings	-	5.99
Creditors for capital expenditure	28.22	35.85
Unclaimed dividend (Refer Foot Note - 1)	34.29	45.07
Employee related liabilities	98.54	37.24
Others	6.36	12.10
Grand Total	**202.64**	**171.71**

Footnote: 1) A sum of ₹9.70 lakhs (Previous year – ₹6.44 lakhs) due for transfer to the Investor Education and Protection Fund during the year has been transferred and there are no dues in this respect which have remained unpaid as at the Balance Sheet date.

Note 21: Other Current Liabilities

₹ lakhs

	March 31, 2022	March 31, 2021
Current		
Advances collected from customers	182.96	155.95
Statutory dues	38.34	20.55
	221.30	**176.50**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 22: Revenue from Operations

₹ lakhs

	March 31, 2022	March 31, 2021
Room Income, Food, Restaurants and Banquet Income	4,758.29	2,282.07
Shop rentals	49.73	54.67
Others	175.94	87.11
Total	**4,983.96**	**2,423.85**

Note 23: Other Income

₹ lakhs

	March 31, 2022	March 31, 2021
Interest Income from financial assets at amortised cost		
Inter-corporate deposits		
Deposits with banks	7.29	3.03
Others	1.96	-
Interest on Income Tax Refunds	-	42.29
Total	**9.25**	**45.32**
Exchange Gain (Net)	0.17	-
Others	0.46	11.71
Grand Total	**9.88**	**57.03**

Note 24: Food and Beverages Consumed

₹ lakhs

	March 31, 2022	March 31, 2021
Opening Stock	44.47	60.08
Add: Purchases	435.79	259.64
	480.26	**319.72**
Less: Closing Stock	34.68	44.47
Food and Beverages Consumed	**445.58**	**275.25**

Note 25: Employee Benefit Expense and Payment to Contractors

₹ lakhs

	March 31, 2022	March 31, 2021
Salaries, Wages, Bonus etc.	522.72	441.41
Company's Contribution to Provident and Other Funds	45.22	47.47
Reimbursement of Expenses on Personnel Deputed to the Company	227.43	234.17
Payment to Contractors	63.10	33.86
Staff Welfare Expenses	91.43	42.51
Total	**949.90**	**799.42**

Note 26: Finance Costs

₹ lakhs

	March 31, 2022	March 31, 2021
Interest Expense at effective interest rate on borrowings	28.75	64.37
	28.75	**64.37**
Interest on Lease liability	36.06	35.33
Total	**64.81**	**99.70**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 27: Other operating and General Expenses

₹ lakhs

		March 31, 2022	March 31, 2021
(i)	**Operating expenses consist of the following:**		
	Linen and Room Supplies	87.51	42.46
	Catering Supplies	49.03	20.72
	Other Supplies	6.13	1.88
	Fuel, Power and Light (Refer footnote (i))	410.70	297.84
	Repairs to Buildings	44.85	21.33
	Repairs to Machinery	108.16	67.93
	Repairs to Others	9.84	3.10
	Garden Expenses	24.15	17.59
	Linen and Uniform Washing and Laundry Expenses	59.70	32.67
	Payment to Orchestra Artistes and Security Charges	22.45	11.13
	Guest Transportation	55.10	26.80
	Travel Agents' Commission	100.34	53.44
	Discount to Collecting Agents	50.28	25.52
	Other Operating Expenses	82.34	39.97
	Total	**1,110.58**	**662.38**
(ii)	**General expenses consist of the following:**		
	Rent	16.08	15.93
	Licence Fees	6.88	4.30
	Rates and Taxes	106.20	104.11
	Insurance	29.89	32.62
	Advertising and Publicity	171.27	99.50
	Management Fee Expenses	336.69	88.10
	Reimbursable Fees Expenses- Corporate Services and CRS / CIS	98.68	46.86
	Printing and Stationery	11.23	7.75
	Passage and Travelling	9.53	9.61
	Provision for Doubtful Debts/Bad debts written off (Refer Note 10)	(11.05)	36.02
	Expenditure on Corporate Social Responsibility (Refer Footnote (iii))	12.91	22.82
	Professional Fees	24.40	24.77
	Outsourced Support Services	35.78	43.16
	Loss on Sale of Fixed Assets (Net)	-	0.01
	Payment made to Statutory Auditors (Refer Footnote (iv))	7.23	6.87
	Directors' Fees and Commission	33.55	9.89
	Other Expenses	126.55	95.21
	Total	**1,015.82**	**647.53**
	Grand Total	**2,126.40**	**1,309.91**

Footnotes:

(i) Expenditure recovered from other parties:

₹ lakhs

	March 31, 2022	March 31, 2021
Fuel, Power and Light	6.61	4.28
Total	**6.61**	**4.28**

(ii) Corporate Social Responsibility Expenditure

₹ lakhs

	March 31, 2022	March 31, 2021
Amount required to be spent as per Section 135 of the Act	12.91	22.75
Amount spent during the year on:		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	12.91	22.82

(iii) Payment made to Statutory Auditors:

₹ lakhs

	March 31, 2022	March 31, 2021
As auditors	5.00	5.00
As tax auditors	1.50	1.50
For other services - net*	0.25	0.03
For Reimbursement of Expenses	0.48	0.35
	7.23	**6.87**

* excess provision of ₹0.48 lakhs reversed in previous year.

Note 28: Tax Disclosures

i) Income Tax recognised in Profit or loss:

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Current Tax		
In respect of the current year	21.45	-
In respect of earlier years		
Resulting from reversal of provision for tax for earlier years	-	-
Other demands and tax paid for earlier years	-	
Total income tax expense	**21.45**	**-**
Deferred Tax		
In respect of the current year	175.80	(173.99)
In respect of earlier year	8.30	-
Total deferred tax expense/(benefit)	**184.10**	**(173.99)**
Total tax expense recognised in the current year	**205.55**	**(173.99)**

ii) Reconciliation of tax expense with the effective tax:

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Profit before tax from continuing operations (a)	770.83	(696.85)
Income tax rate as applicable (b)	25.1680%	25.1680%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	194.00	(175.38)
Permanent tax differences due to:		
Effect of expenses that are not deductible in determining taxable profit	3.25	5.74
Others	-	-
Deferred Tax reversal		
Net Impact of the change in the tax rates*	-	-
Adjustment to Opening Deferred Tax	8.30	(4.35)
Total tax expense recognised in the current year	**205.55**	**(173.99)**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

iii) Income tax recognised in other comprehensive income:

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Deferred tax/Income Tax		
(a) Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	-	-
	-	-

iv) Reconciliation of Deferred Tax Asset and Deferred Tax Liability:

₹ lakhs

March 31, 2022	Opening Balance	Recognised in Retained Earning	Recognised in profit or loss – CY Impact	Recognised in other comprehensive income	Closing Balance
Deferred tax liabilities/assets in relation to:					
Property, Plant and equipment & Intangible Assets	664.06	-	4.14	-	668.20
Provision for Employee Benefits	(9.73)	-	3.51	-	(6.22)
Provisions for Defined benefit obligations	-	-	-	-	-
Provision for doubtful debts	(19.87)	-	2.78	-	(17.09)
Ind AS 116 impact	(58.49)	-	(2.56)	-	(61.05)
Unused business losses	(179.70)	-	179.70	-	-
Others (Expenses disallowed to be allowed in future)	(4.23)	-	(3.47)	-	(7.70)
Total Deferred Tax Liability	**392.04**	**-**	**184.10**	**-**	**576.14**

₹ lakhs

March 31, 2021	Opening Balance	Recognised in Retained Earning	Recognised in profit or loss – CY Impact	Recognised in other comprehensive income	Closing Balance
Deferred tax liabilities/assets in relation to:					
Property, Plant and equipment & Intangible Assets	653.19	-	10.87	-	664.06
Provision for Employee Benefits	(10.95)	-	1.22	-	(9.73)
Provisions for Defined benefit obligations	-	-	-	-	-
Provision for doubtful debts	(10.81)	-	(9.06)	-	(19.87)
Ind AS 116 impact	(55.86)	-	(2.64)	-	(58.49)
Unused business losses	-		(179.70)		(179.70)
Others (Expenses disallowed to be allowed in future)	(9.55)	-	5.32	-	(4.23)
Total Deferred Tax Liability	**566.03**	**-**	**(173.99)**	**-**	**392.04**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 29: Lease

The Company has taken land and immovable properties on lease which are generally long-term in nature with varying terms, escalation clauses and renewal rights expiring within forty one to sixty years. On renewal, the terms of the leases are renegotiated.

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Increase in depreciation expense relating to the depreciation of new right-of-use assets recognised	3.04	3.03
Decrease in Rent expense relating to previous operating leases	28.90	28.05
Increase in Financial expenses relating to the interest expense on additional lease liabilities recognised	36.06	35.33
Increase in net cash from operating activities and decrease in financing activities by the same amount, representing repayments of principal and interest on the recognised lease liabilities	28.90	21.04

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Right-of-use assets recognised and presented separately in Company statement of financial position (Refer Note 6)	121.11	124.14
Lease liabilities recognised and presented separately in Company statement of financial position (Refer Note 15)	363.70	356.54
Net deferred tax assets increased on account of deferred tax impact of the changes in assets and liabilities (Refer Note 28)	61.05	58.49
Net effect of these adjustments increased Company's net liabilities by	181.54	173.90

B. Ind AS 116 related Other Disclosures:

1. Total lease liabilities are analysed as follows:

Denominated in the following currencies:

₹ lakhs

	March 31, 2022	March 31, 2021
Indian Rupees	363.70	356.54
Other Currencies	-	-
Current	-	-
Non-current	363.70	356.54
Total	**363.70**	**356.54**

2. Amounts recognised in profit or loss

The following amounts were recognised as in profit and loss in the year:

₹ lakhs

	March 31, 2022	March 31, 2021
Depreciation of right-of-use assets	3.04	3.03
Expense relating to variable lease payments	6.88	4.30
Expense relating to short-term leases and low-value assets	-	-
Interest on lease liabilities	36.06	35.33
Gain on lease modification	-	-
Variable lease payments/ payments for short-term leases	16.08	15.93
Total recognised in Statement of Profit & Loss	**62.06**	**58.59**

Variable lease payments are payable under certain of Company's hotel leases and arise where Company is committed to making additional lease payments that are contingent on the performance of the hotels.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

3. Exposure to future cash flows:

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

Maturity analysis:

₹ lakhs

	March 31, 2022	March 31, 2021
Less than 1 year	29.75	28.90
Between 1 and 2 years	30.60	29.75
Between 2 and 5 years	94.35	91.80
More than 5 years	1,697.08	1,730.23
Total	**1,851.78**	**1,880.68**

Note 30: Contingencies and Commitments

Contingent Liabilities (to the extent not provided for)

a) On account of other disputes in respect of:

(i) Sales tax – ₹36.27 lakhs (Previous year – ₹36.27 lakhs)

(ii) Others – ₹1.21 lakhs (Previous year – ₹1.21 lakhs)

b) Others:

Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimate above, including where:

(i) plaintiffs/parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;

(ii) the proceedings are in early stages;

(iii) there is uncertainty as to the outcome of pending appeals or motions or negotiations;

(iv) there are significant factual issues to be resolved; and/or there are novel legal issues presented.

The Company's management does not believe, based on currently available information, that the outcomes of the above matters will have a material adverse effect on the Company's financial statements, though the outcomes could be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period. It is not practicable for the Company to estimate the timings of cash flows, if any, in respect of the above.

Capital Commitments

Estimated amount of contracts remaining to be executed on capital account net of capital advances and not provided for is ₹9.70 lakhs (Previous year – ₹23.34 lakhs).

Note 31: Segment Reporting

The Company's only business being hoteliering, disclosure of segment-wise information is not applicable under Ind AS108 – 'Operating Segments' (Ind AS-108). There is no geographical segment to be reported since all the operations are undertaken in India.

Note 32: (a) Related Party Transactions

Details of related parties:

(i) Holding Company

The Indian Hotels Company Limited (IHCL)

(Tata Sons Private Limited has substantial interest in The Indian Hotels Company Limited)

(ii) Fellow subsidiaries

KTC Hotels Limited
United Hotels Limited
Roots Corporation Limited
Piem Hotels Limited
Taj Trade and Transport Company Limited
Inditravel Limited
Northern India Hotels Limited
Taj Enterprises Limited
Luthria & Lalchandani Hotel & Properties Pvt. Ltd.
Skydeck Properties and Developers Private Limited
Sheena Investments Private Limited
ELEL Hotels & Investments Limited
Ideal Ice and Cold Storage Company Limited
Taj SATS Air Catering Limited
Taj Madras Flight Kitchen Private Limited
Genness Hospitality Private Limited
Qurio Hospitality Private Limited
Taj International Hotels (H.K) Limited
IHOCO BV
St. James Court Hotels Limited
Taj International Hotels Limited
IHMS LLC
IHMS LLC–San Francisco
IHMS LLC–USA
PIEM International Hotels (H.K) Limited
BAHC 5
United Overseas Holdings Inc.
IHMS Hotels (SA) (Proprietary) Limited
Goodhope Palace Hotels (Proprietary) Limited

(iii) Directors who held the office during the year and previous year:

Dr. Anant Narain Singh, Chairman
Mr. Rohit Khosla, Non-Executive Director
Mr. Moiz Miyajiwala, Non-Executive Director & Independent Director#
Mrs. Rukmani Devi, Non-Executive & Independent Director#
Mr. Puneet Chhatwal, Non-Executive Director
Mr. Puneet Raman, Non-Executive Director & Independent Director#

Independent directors are included as related parties for the purpose of Indian Accounting Standards (Ind AS 24- Related Party Transactions) only. They are not related under the Companies Act, 2013.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(iv) Key Management Personnel (KMP) for current and previous year:

Mr. Vijay Partap Shrikent (Chief Executive Officer)#
Mr. Vivek Sharma (Chief Executive Officer)#
Mr. Harish Kumar (Chief Financial Officer)
Ms. Vanika Mahajan (Company Secretary)

For part of the previous year

(v) Firms/Corporation in which Directors are interested with whom transactions were carried out during the current and previous year:

Maharaja Prabhu Narain Physical Cultural Trust
Aditya Dairies Private Limited
Anant Electric Lamp Works Private Limited
Imlak Varanasi Developments Private Limited
All India Kashiraj Trust

(vi) Relatives of the Directors with whom transactions were carried out during the current and previous year:

Anamika Kumwar
M. K. Krishna Priya
M. K. Vishnupriya
M. K. Hari Priya
Raghubir Singh Gohil
Rama Raman
Shanti Raman
Renu Raman
Mukta Raman
Navneet Raman

(vii) Subsidiary, JV & Associates of the Entities having Significant influence with whom transactions were carried out during the current and previous year:

Taj GVK Hotels and Resorts Limited
TAL Maldives Resorts Private Limited
Taj Kerala Hotels and Resorts Limited
Taj Sats Air Catering Limited
Oriental Hotels Limited
Tata Consultancy Services Limited
Tata Teleservices Limited
Tata Communications Limited
Tata Play Limited (Formerly known as Tata Sky Limited)
Tata SIA Airlines Limited
Tata Capital Limited
Tata Capital Financial Services Limited
Tata AIG General Insurance Company Limited
Tata AIA Life Insurance Company Limited
TRIL Infopark Limited
Taj Karnataka Hotels and Resorts Limited
Tata Medical & Diagnostics Limited

(viii) Others

Hotel Taj Ganges Employee Gratuity Trust

Terms and conditions of transactions with related parties:

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Note 32: (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022:

₹ lakhs

Sr. No.	Particulars	Holding Company		Fellow subsidiaries, JV, Associates of the Holding company & Entity with significant influence or their subsidiaries/JV		Key Management Personnel (KMP)		Entities in which Directors are interested/ Relatives of Directors		Directors		Others	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Transactions during the period:												
1	ICD received during the year	-	-	-	250.00	-	-	-	-	-	-	-	-
2	Repayment of ICD received during the year	-	-	550.00	250.00	-	-	-	-	-	-	-	-
3	Interest expense on ICD	-	-	28.75	62.01	-	-	-	-	-	-	-	-
4	KMP remuneration (Foot Note –1)	-	-	-	-	72.27	68.27	-	-	-	-	-	-
5	Other Reimbursement to KMPs	-	-	-	-	3.19	0.16	-	-	-	-	-	-
6	Director Sitting Fees	-	-	-	-	-	-	-	-	10.80	9.90	-	-
7	Director Commission on cash basis	-	-	-	-	-	-	-	-	-	40.94	-	-
8	License Fees expenses paid/ accrued	-	-	-	-	-	-	14.45	10.52	14.45	10.52	-	-
9	License Fees waiver	-	-	-	-	-	-	-	3.51	-	3.51	-	-
10	Management fees expenses paid/accrued	335.37	88.10	1.33	-	-	-	-	-	-	-	-	-
11	Fees paid for other services/ accrued	222.03	105.44	47.83	49.97	-	-	0.24	0.24	-	-	-	-
12	Deputed Staff Expense at cost – incl. KMP remuneration	80.06	110.13	100.86	85.12	-	-	-	-	-	-	-	-
13	Deputed Staff Expense Recovered	77.28	106.77	82.56	67.50	-	-	-	-	-	-	-	-
14	Other Reimbursable Expense at cost	81.53	87.42	0.05	0.36	-	-	-	-	-	-	-	-
15	Other Operating Income-Rooms (including tax)	-	-	5.25	6.30	-	-	-	-	-	-	-	-
16	Other Income Earned/ Recoveries made	6.99	5.72	3.19	0.52	-	-	-	-	-	-	-	-
17	Dividend Paid	-	48.29	-	4.07	-	-	-	8.34	-	2.22	-	-
18	Contribution to Gratuity Trust on Cash Basis	-	-	-	-	-	-	-	-	-	-	6.39	31.45

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 32: (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022: (Contd.)

₹ lakhs

Sr. No.	Particulars	Holding Company		Fellow subsidiaries, JV, Associates of the Holding company & Entity with significant influence or their subsidiaries/JV		Key Management Personnel (KMP)		Entities in which Directors are interested		Directors		Others	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Balances outstanding at the end of the period:												
1	Borrowings	-	-	-	550.00	-	-	-	-	-	-	-	-
2	Current Account Receivable	26.73	14.15	1.64	5.96	-	-	-	-	-	-	-	-
3	Trade Payables	44.00	29.08	0.74	4.62	-	-	-	-	-	-	-	-
4	Trade Receivables	-	-	1.16	1.25	-	-	-	-	-	-	-	-
5	Current Account Payables	-	-	2.24	3.37	-	-	-	-	-	-	-	-
6	Other Advances	-	-	0.41	-								
7	Interest Payable	-	-	-	5.99	-	-	-	-	-	-	-	-

Footnote:

1. KMP Remunerations paid as reimbursement to IHCL/Piem Hotels.

Note 32: (c) Details of material transactions with related party during the year ended March 31, 2022 and balances outstanding as at March 31, 2022:

₹ lakhs

Sr. No.	Entities	March 31, 2022	March 31, 2021
	Material transactions during the year		
1	**The Indian Hotels Company Limited (IHCL)**		
	i Management and operating Fees	335.37	88.10
	ii Fee for other Services	222.03	105.44
	ii Deputed Staff Expense at cost – incl. KMP remuneration	80.06	110.13
	iv Deputed Staff Expense Recovered	77.28	106.77
	v Other Operating Income – Rooms (including tax)	-	-
	vi Other Income Earned/Recoveries made	6.99	5.72
	vii Other Reimbursable Expense at cost	81.53	87.42
	viii Dividend Paid	-	48.29
	Fellow Subsidiary company		
2	**United Hotels Limited**		
	i ICD Received	-	250.00
	ii ICD Repayment made	550.00	250.00
	iii Interest Expense	28.75	62.01
	iv Deputed Staff Expense at cost	10.38	9.48
3	**KMP Remuneration – paid as reimbursement to IHCL/Piem Hotels**		
	i Vijay Partap Shrikent	-	19.51
	ii Vivek Sharma	41.33	21.11
	iii Vanika Mahajan	11.10	9.93
	iv Harish Kumar	19.83	17.72

₹ lakhs

Sr. No.	Entities	March 31, 2022	March 31, 2021
	Balances outstanding at the end of the year:		
1	**The Indian Hotels Company Limited (IHCL)**		
	i Trade Payables	44.00	29.08
	ii Receivable on Current account dues	26.73	14.15
	iii Other advances	-	-
2	**United Hotels Limited**		
	i Borrowings – Inter Corporate Deposit (ICD)	-	550.00
	ii Interest Expense payable	-	5.99
	iii Payable on Current account dues	0.90	0.78

Note 33: Employee Benefits

(a) The Company has recognised the following expenses as defined contribution plan under the head "Company's Contribution to Provident Fund and Other Funds" (net of recoveries):

₹ lakhs

	March 31, 2022	March 31, 2021
Provident Fund	34.26	35.49

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(b) The Company operates post retirement defined benefit plans as follows:-

Funded: Post Retirement Gratuity

(c) Defined Benefit Plans (Gratuity) – As per Actuarial Valuation on March 31, 2022:-

(i) Amount to be recognised in Balance Sheet and movement in net liability

₹ lakhs

	March 31, 2022	March 31, 2021
Present Value of Funded Obligations	245.93	233.01
Fair Value of Plan Assets	214.73	226.62
Net (asset)/Liability – Current	31.20	6.39

(ii) Expenses recognised in the Statement of Profit & Loss

₹ lakhs

	March 31, 2022	March 31, 2021
Current Service Cost	17.31	17.51
Interest on Net Defined Benefit Liability	(0.24)	1.43
Total	**17.07**	**18.94**

(iii) Amount recorded in Other Comprehensive Income

₹ lakhs

	March 31, 2022	March 31, 2021
Changes in financial assumptions	1.00	(2.41)
Changes in demographic assumptions	-	-
Experience Adjustments	-	(11.12)
Actual return on plan assets less interest on plan assets	4.05	0.99
Total	**5.05**	**(12.54)**

(iv) Reconciliation of Net Liability/Asset

₹ lakhs

	March 31, 2022	March 31, 2021
Opening Net Benefit Liability	6.39	31.45
Expense charged to profit and loss	17.07	18.93
Amount recognised outside profit and loss	5.05	(12.54)
Employer Contribution	(6.39)	(31.45)
Impact of liability assumed or (settled)*	9.08	-
Closing Net Defined Benefit Liability/(Asset) – Current	**31.20**	**6.39**

* On account of inter group transfer

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(v) Reconciliation of Defined Benefit Obligation

₹ lakhs

	March 31, 2022	March 31, 2021
Opening Defined Benefit Obligation	233.01	228.75
Current Service Cost	17.31	17.51
Past Service Cost	-	-
Interest on defined benefit obligation	14.62	14.55
Actuarial Losses/(Gain) arising from change in financial assumptions	-	(2.41)
Actuarial Losses/(Gain) arising from change in demographic assumptions	-	-
Actuarial Losses/(Gain) arising on account of experience adjustments	1.00	(11.12)
Benefits Paid	(29.09)	(14.27)
Liabilities assumed/(settled)*	9.08	-
Closing Defined Benefit Obligation	**245.93**	**233.01**

* on account of business combination or inter group transfer

(vi) Reconciliation of Fair Value of Plan Assets

₹ lakhs

	March 31, 2022	March 31, 2021
Opening Fair Value of Plan Assets	226.62	197.30
Employer Contribution	6.39	31.45
Interest on plan assets	14.86	13.13
Re-measurements due to Actual return on plan assets less interest	(4.05)	(0.99)
Benefits Paid	(29.09)	(14.27)
Liabilities assumed/(settled)*	-	-
Closing Fair Value of Plan Assets	**214.73**	**226.62**

* on account of business combination or inter group transfer

(vii) Description of Plan Assets

	March 31, 2022	March 31, 2021
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	4%	4%
Equity	0%	0%
Others – Bank FDR	96%	96%
Grand Total	100%	100%

(viii) Actuarial Assumptions

	March 31, 2022	March 31, 2021
Discount rate (p.a.)	6.80%	6.80%
Salary Escalation Rate (p.a.)	Staff- 5.00%	Staff- 5.00%
	Executive-4.00%	Executive-4.00%

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations. Further, Mortality has been assumed as per the published notes under the Indian Assured Lives Mortality (2006-08) Ult table Change in Benefit Obligation.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(ix) Maturity Profile

Maturity Profile	Amount in ₹ lakhs
Expected benefits for year 1	33.63
Expected benefits for year 2	47.81
Expected benefits for year 3	20.26
Expected benefits for year 4	22.43
Expected benefits for year 5	18.16
Expected benefits for year 6	32.14
Expected benefits for year 7	32.61
Expected benefits for year 8	7.13
Expected benefits for year 9	13.16
Expected benefits for year 10 & above	202.58

The weighted average duration to the payment of these cash flows is 6.92 years.

(x) Effect of Change in Key Assumptions

Year Ended March 31, 2022

Particulars	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-3.16%	3.43%
Impact of decrease in 50 bps on DBO	3.37%	-3.24%

The expected contribution for the next year is ₹20 lakhs.

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors. The above information has been certified by the actuary and has been relied upon by the Auditors.

Information disclosed above is to the extent provided by actuary.

Exposure to Risks:
These plans typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to government security yields prevailing as at the Balance Sheet date. If the return on plan asset is below this rate, it will create a plan deficit. The current plan has made investments in special deposit schemes of banks & FDRs. Due to the long-term nature of the plan liabilities, the Trustees of the Fund consider it appropriate to invest funds in the bank FDRs.

Interest risk: A decrease in the Government Securities (G-Sec Bonds) interest rate will increase the plan liability.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Other regulatory matters

Note 34: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	31.36	13.17
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due & payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 35: Earnings Per Share (EPS):

Earnings Per Share is calculated in accordance with Ind AS 33 – 'Earnings Per Share' prescribed under Section 133 of the Companies Act, 2013.

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Profit/(Loss) after tax – (₹)	565.28	(522.86)
Number of Ordinary (Equity) Shares in lakhs	13.00	13.00
Weighted Average Number of Ordinary (Equity) Shares in lakhs:		
Considered in calculation of Basic EPS	13.00	13.00
Considered in calculation of Diluted EPS	13.00	13.00
Face Value per Ordinary (Equity) Share (₹)	10.00	10.00
Earnings Per Share (₹):		
Basic	43.48	(40.22)
Diluted	43.48	(40.22)

Note 36: Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Financial assets and liabilities

The carrying value of financial instruments by categories under the most relevant method i.e. amortised cost is as follows:

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Financial assets:		
Cash and cash equivalents	73.98	122.88
Bank Balances other than Cash & Cash Equivalents	584.55	45.07
Trade Receivables	138.56	78.22
Loans & Advances	-	-
Other financial assets – Non-Current	516.10	35.55
Other financial assets – Current	75.92	68.76
Total	**1,389.11**	**350.48**
Financial liabilities:		
Borrowings	-	550.00
Lease Liabilities – Non-Current	363.70	356.54
Lease Liabilities – Current	-	-
Trade Payables	299.44	176.97
Other financial liabilities – Non-Current	-	-
Other financial liabilities – Current	202.64	171.71
Total	**865.78**	**1,255.22**

Fair value of Financial Instruments measured at amortised cost:

The management considers that the carrying amount of assets and liabilities recognised at amortised cost in financial statements is approximate to their fair value.

Note 37: Financial Risk Management

(a) Financial risk management:

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit team. Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company has exposure to the following risks arising from financial instruments:

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

(c) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments. During the year, following provisions for doubtful debts has been made (reversed):

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Opening provision for Impairment	78.97	42.95
Add- Provision made during the year	-	36.02
Less: Credit impaired Debts written off against past provisions	-	-
Less: Reversal of provision no longer required	11.05	-
Closing provision for doubtful debts	**67.92**	**78.97**

Trade receivables

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Particulars	March 31, 2022	March 31, 2021
No. of Customers who owed more than 10% of the Total receivables	1	3
Contribution of Customers in owing more than 10% of Total receivables	14%	45%

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not requires the Company to track changes in credit risk, rather it recognises impairment loss allowance based on life time expected credit loss at each balance sheet date, since its initial recognition.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low.

(d) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(e) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. Also, The Company is having short-term borrowings in form of inter corporate deposits renewing at a period of 90 days.

₹ lakhs

Particulars	Interest rate %	Due in 1st year
Year ended March 31, 2022	Fixed	
United Hotels Limited	9%	-
Total		-
Year ended March 31, 2021	Fixed	
United Hotels Limited	9%	550.00
Total		**550.00**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Expiring within one year:		
Working Capital Demand Loan (WCDL) and Bank overdraft	1,000.00	1,000.00
Expiring beyond one year	-	-
Total	**1,000.00**	**1,000.00**

The WCDL/Bank overdraft facilities may be drawn at any time by the Company.

(f) Other Risk – Impact of COVID-19

The Company has assessed the possible impact of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The impact of COVID-19 may be different from that estimated on the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Financial assets of ₹658.53 lakhs as at March 31, 2022 carried at amortised cost is in the form of cash and cash equivalents, bank deposits and earmarked balances with banks which carry a very low credit risk.

Other Financial assets of ₹592.02.31 lakhs as at March 31, 2022 carried at amortised cost which mainly includes long-term FDRs, receivables from group companies and deposit made with public bodies and other where the Company has assessed the counterparty credit risk and does not expect any losses.

Trade receivables (net) of ₹138.56 lakhs as at March 31, 2022 are carreid at amortised cost. The Company expects to recover these outstanding in due course albeit with some delay due to the current situation. Basis our internal assessment, the impairment allowance of ₹67.92 lakhs existing as at March 31, 2022 is considered adequate.

Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2022.

Note 38:

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ lakhs

Contractual Maturity of Financial Liabilities:	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due from 6th year onwards	Total
Year ended March 31, 2022					
Borrowings (for renewal)	-	-	-	-	-
Trade and other payables	299.44	-	-	-	299.44
Lease Liabilities	29.75	30.60	94.35	1,697.08	1,851.78
Other financial liabilities – Non-Current	-	-	-	-	-
Other financial liabilities – Current	202.64	-	-	-	202.64
Year ended March 31, 2021					-
Borrowings (for renewal)	550.00	-	-	-	550.00
Lease Liabilities	28.90	29.75	91.80	1,730.23	1,880.68
Trade and other payables	176.97	-	-	-	176.97
Other financial liabilities – Non-Current	-	-	-	-	-
Other financial liabilities – Current	171.71	-	-	-	171.71

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 39: Guarantees given

Bank Guarantees of ₹9.25 lakhs (Previous year – ₹9.25 lakhs) have been given by the Company to various government authorities & other parties. These guarantees were issued against the Fixed Deposits of ₹12.13 lakhs made with the bank.

Note 40: Disclosure pursuant to Ind AS 115

₹ lakhs

	Particulars	March 31, 2022	March 31, 2021
	Contract With Customers		
1	**Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.**		
	Income from operations		
	a) Room Income, Food & Beverages and Banquets	4,758.29	2,282.07
	b) Shop Rentals	49.73	54.67
	c) Others	175.94	86.84
	Total Income from operations	**4,983.96**	**2,423.58**
	Other operating revenue		
	a) Export Incentive	-	0.27
	b) Other revenue	-	-
		-	0.27
	Total Revenue from operations	**4,983.96**	**2,423.85**
2	**Impairment losses recognised on trade receivable during the year:**	(11.05)	36.02
3	**Disaggregate Revenue**		
	The following table presents company revenue disaggregated by type of revenue stream and by reportable segment (Refer Note 29 for Segment Reporting):		
	Revenue based on geography	4,983.95	2,423.85
	India	-	-
	Overseas		
	Revenue based on product and services		
	a) Room Income	2,633.44	1,125.15
	b) Food & Beverages and Banquets	2,124.85	1,156.92
	c) Shop Rentals	49.73	54.67
	d) Others revenue from contract with customers	175.94	86.84
	Other operating revenue		
	a) Export Incentive	-	0.27
	b) Other revenue	-	-
4	The Company derives its revenue from the transfer of goods and services over time in its major service lines. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108. (Refer Note 31 for Segment Disclosure).		
5	**Contract balances**		
	The following tables present information about trade receivables, contract assets, and deferred revenue:		
	Trade Receivables	138.56	78.22
	Deferred Revenue	-	-
	Advance Collections	182.96	155.95

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Advance Collections, deposits from customer

Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/ restaurant/ banquets. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage/ provision of banquet services. Refer Note No. 3 on significant accounting policies for details of performance obligation and revenue recognition.

₹ lakhs

At April 1,	155.95	148.95
At March 31,	182.96	155.95
Analysed as:		
Current	182.96	155.95
Non-current	-	-
Revenue recognised during the period that was included in the opening balance of Customer Advances amounted to ₹155.95 lakhs (Previous year – ₹148.95 lakhs)		

Note 41: Trade Receivable Ageing Schedule

As on March 31, 2022

₹ lakhs

Particulars	Unbilled	Less than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	18.83	108.56	11.17	-	-	-	138.56
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	30.10	15.29	14.20	59.59
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	8.33	8.33
Total	**18.83**	**108.56**	**11.17**	**30.10**	**15.29**	**22.53**	**206.48**

As on March 31, 2021

₹ lakhs

Particulars	Unbilled	Less than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	11.78	65.37	1.07	-	-	-	78.22
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	18.82	28.02	15.80	8.00	70.64
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	8.33	8.33
Total	**11.78**	**65.37**	**19.89**	**28.02**	**15.80**	**16.33**	**157.19**

* The above ageing schedules have been prepared on the basis of transactions dates.

Note 42: Trade Payable Ageing Schedule

As on March 31, 2022

₹ lakhs

Particulars	Unbilled Dues	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) MSME	-	31.36	-	-	-	31.36
(ii) Others	142.34	108.63	1.13	9.11	6.87	268.08
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	**142.34**	**139.99**	**1.13**	**9.11**	**6.87**	**299.44**

As on March 31, 2021

₹ lakhs

Particulars	Unbilled Dues	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) MSME	-	13.17	-	-	-	13.17
(ii) Others	85.74	61.28	9.79	6.09	0.90	163.80
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	**85.74**	**74.45**	**9.79**	**6.09**	**0.90**	**176.97**

* The above ageing schedules have been prepared on the basis of transactions dates.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 43: Ratio

S. No.	Particulars	in times/%	Numerator	Denominator	Current Year	Previous Year	Variance
a)	Current Ratio	in times	Current Assets	Current Liabilities excluding current maturities of long-term borrowings	1.36	0.47	187%
b)	Debt - Equity	in times	Non - Current Borrowings + Current Borrowings	Total Equity	0	0.08	-100%
c)	Debt service coverage	in times	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt)]	30.22	1.08	2698%
d)	Return on Equity	in %	Profit/(Loss) after tax	Average Total Equity	8%	-7%	-208%
e)	Inventory Turnover		NA	NA	NA	NA	
f)	Trade Receivable Turnover	in times	Revenue from operations	* Average Trade Receivables	45.98	9.49	385%
g)	Trade Payable Turnover	in times	Total expenses - Depreciation - Interest - Payroll Cost	* Trade Payables	10.80	4.27	153%
h)	Net Capital Turnover	in times	Net Sales	* Working Capital i.e. (Avg. Current Assets - Avg. Current Liabilities)	-32.85	-4.11	699%
i)	Net Profit Ratio	in %	Profit/(Loss) after tax	Total Income	11%	-21%	-154%
j)	Return on capital employed	in %	EBIT	* Avg. Equity + Avg. Debt + Avg. Leases	10%	-7%	-243%
k)	Return on Investment	in %	NA	NA	NA	NA	NA

* Average = (Opening + Closing)/2

Footnotes:

1. The ratios have improved in the current year vis a vis last year mainly on account of relaxation in lockdown and lifting of restrictions by the Govt. of India for hospitality sector.
2. As the Company is primarily engaged in hospitality sector (Service Industry), Inventory turnover ratio and Return on Investment ratio are not applicable to the Company.

Note 44: Other Statutory Information:

(i) The Company has not obtained any terms loans

(ii) The Company does not have any Benami property, where any proceedings has been initiated or pending against the Company for holding any benami property.

(iii) The Company does not have any transaction with struck off companies.

(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the 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.

(vii) 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 otherwsie) 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 to or on behalf of the Ultimate Beneficiaries.

(viii) The Company does not have any such 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 provision of the Income Tax Act, 1961).

Note 45: There are no financial liabilities and assets that are set off as at March 31, 2022 and March 31, 2021.

Note 46: Dividends

The Company has not declared any dividend in fiscal 2021 towards dividend for fiscal 2020.

The dividends declared by Benares Hotels Limited are in Indian Rupees and are based on the profits available for distribution as reported in the statutory financial statements of Benares Hotels Limited. Subsequent to March 31, 2022, the Board of Directors of Benares Hotels Limited have proposed a dividend of ₹130 lakhs (₹10.00 per share) in respect of fiscal 2022. The proposal is subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹130 lakhs.

Note 47: Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern through a judicious mix for short-term and long-term sources. The structure is managed to maintain an investment grade credit rating, to provide ongoing returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility. Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by Equity. Net debt is calculated as total borrowings (including 'current and non-current term loans' as shown in the balance sheet) less cash and cash equivalents and Current Investment.

The Company has borrowings of ₹ Nil lakhs (Previous year – ₹550.00 lakhs) and Net Debts of ₹ Nil lakhs (Previous year – ₹433.11 lakhs) as at the end of the reporting period. Accordingly, the Company has Nil gearing ratio (Net Debt/Total Equity) as at March 31, 2022 and 0.06 as at March 31, 2021.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 48: Others:

The date of implementation of the Code on Social Security, 2020 ('the Code') relating to employee benefits is yet to be notified by the Government and when implemented will impact the contributions by the Company towards benefits such as Provident Fund, Gratuity etc. The Company will assess the impact of the Code and give effect in the financial statements when the Code and Rules thereunder are notified.

Note 49: The disclosure required to be made in terms of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) 2015 is not applicable to the Company.

As per our Report of even date attached

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

R. Suriyanarayanan
Partner
Membership No. 201402

Date: April 19, 2022
Place: Mumbai

For and on behalf of the Board

Dr. Anant Narain Singh
Chairman
DIN: 00114728

Rohit Khosla
Director
DIN: 07163135

Vivek Sharma
Chief Executive Officer

Vanika Mahajan
Company Secretary
ICSI M.No - ACS34515

Harish Kumar
Chief Financial Officer
ICAI M. No - 534449

Date: April 19, 2022
Place: Varanasi

Independent Auditor's Report

To the Members of INDITRAVEL LIMITED

Report on the Audit of the Financial statements

Opinion

We have audited the accompanying financial statements of Indi Travel Limited ('the Company'), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes In Equity and the Statement of Cash Flows and for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India,

(a) In the case of the Balance sheet, of the state of affairs of the Company as at March 31, 2022;

(b) In the case of the Statement of Profit and Loss (including other comprehensive income), of the profit for the year ended on that date;

(c) In the case of the Statement of Changes in Equity, of the changes in Equity for the year ended on that date; and

(d) In the case of the Statement of Cash flows, of the cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

Emphasis of matter(s)

We draw attention to:

a) Note 36 to the financial statements, regarding the management's impairment assessment of property, plant and equipment, intangible assets, investments, inventories, trade receivables valuation as at March 31, 2022 being considered recoverable based on its internal and external sources of information and estimates, and its judgements on implication expected to arise from COVID-19 pandemic.

   Our opinion is not modified in respect of the above matter.

Independent Auditor’s Report (Contd.)

Information Other than the Financial statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor’s Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Independent Auditor’s Report (Contd.)

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

f) The matter described in sub- paragraph (a) under the Emphasis of Matters paragraph above, in our opinion, may have adverse effect on the functioning of the Company.

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) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended: The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.

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

(a) the Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 25 to the Financial statements;

(b) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(c) there are no amounts that are required to be transferred, to the Investor Education and Protection Fund by the Company.

(d) (i) the management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) the management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause d sub-clause (i) and (ii) contain any material mis-statement.

(e) the Company has neither declared nor paid any dividend during the year.

For **Chandrashekar Iyer & Co**
Chartered Accountants
Firm Registration No. 114260W

(Chandrashekhar Iyer)
Partner
Membership No. 47723
UDIN: 22047723AHLOEW8490

Mumbai, April 18, 2022

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Indi Travel Limited of even date)

(i) (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 Company has a programme of physical verification of its Property Plant and Equipment, by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, none of the Property Plant and Equipment were due for physical verification by the management during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the title deeds, comprising all the immoveable properties (other than property where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at the Balance sheet date.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year, accordingly, sub-clause (d) of clause (i) of paragraph 3 of the said order is not applicable.

(e) 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; accordingly, sub clause (e) of clause (i)of paragraph 3 of the said order is not applicable.

(ii) The Company is a service company, primarily rendering travel related services. Accordingly, it does not have any inventories. Thus, sub-clause (a) & (b) of clause (ii) of paragraph 3 of the Order is not applicable to the Company.

(iii) In respect of investments made, provision of any guarantee or security or granting of any loans or advances in the nature of loan, secured or unsecured to companies, firms, limited liability partnerships or any other parties:

(a) During the year the Company has not granted any loan or provided any guarantee or security to parties other than subsidiary, joint venture and associates except unsecured loan of ₹1,86,00,000/- to an associate of holding company.

(A) The aggregate amount and the balance outstanding as at the balance sheet date is ₹1,86,00,000/-.

(B) Since no loans are granted to parties' other than subsidiaries, joint ventures and associates, the question of aggregate amount and balance outstanding at the balance sheet date does not arise.

(b) In our opinion and according to the information and explanations given to us and based on the documents examined by us the terms and conditions of the loans given by the Company, are not *prima facie* prejudicial to the interest of the Company.

(c) In respect of the loan granted, the schedule of repayment of principal and payment of interest are stipulated and the receipts are regular.

(d) In respect of the said loan, there are no overdue amount in respect of principal and interest.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan or advance in the nature of loan which has fallen due during the year has been renewed or extended or fresh loan granted to settle the overdue of the existing loans given to the same parties.

f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters, related parties as defined in clause (76) of Section 2 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities as applicable. The Company has not granted any loans or made any investments or provided any guarantees or securities to the parties covered under Section 185 of the Companies Act, 2013.

(v) In our opinion and according to information and explanations given to us and based on our examination of the records of the Company, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provision of Section 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Accordingly, clause (v) of paragraph 3 of the said order is not applicable.

(vi) The Company is not required to maintain cost records specified by the Central Government under sub-section 1 of Section 148 of the Act. Accordingly, clause (vi) of paragraph 3 of the said order is not applicable.

(vii) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities applicable undisputed statutory dues including Goods and Services Tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable, however there has been a slight delay in few cases.

According to the information and explanations given to us and based on our examination of records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on our examination of records of the Company, there are no dues of Goods and Services Tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited on account of any dispute except the following:

Name of the Statue	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	₹ 10,41,995/-	Assessment Year 2007-08	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	₹ 27,55,410/-	Assessment Year 2011-12	Commissioner of Income Tax (Appeals), Mumbai

(viii) According to the information and explanations given to us, the Company has not surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, clause (viii) of paragraph 3 of the said order is not applicable.

(ix) (a) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not taken any loans or other borrowings. Accordingly sub-clause (a) of clause (ix) of paragraph 3 of the said order is not applicable.

Annexure "A" to the Independent Auditors' Report (Contd.)

(b) According to the information and explanations given to us, the Company is not a declared wilful defaulter by any bank or financial institution or other lender. Accordingly sub-clause (b) of clause (ix) of paragraph 3 of the said order is not applicable.

(c) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not obtained any term loan. Accordingly sub-clause (c) of clause (ix) of paragraph 3 of the said order is not applicable.

(d) According to the information and explanations given to us and based on our examination of records of the Company, no funds have been raised on short-term basis. Accordingly sub-clause (d) of clause (ix) of paragraph 3 of the said order is not applicable.

(e) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly sub-clause (e) of clause (ix) of paragraph 3 of the said order is not applicable.

(f) According to the information and explanations given to us and based on our examination of records of the Company the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly sub-clause (f) of clause (ix) of paragraph 3 of the said order is not applicable.

(x) (a) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, sub-clause (a) of clause (x) of paragraph 3 of the Order is not applicable.

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

(xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report under sub-section 12 of Section 143 of the Companies Act, 2013 has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause (xii) of paragraph 3 of the said order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and according to the explanations given to us the Company has an internal audit system that is commensurate with the size and nature of its business.

(b) We have considered the Internal audit reports of the Company for the period under audit.

Annexure "A" to the Independent Auditors' Report (Contd.)

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with its directors during the year. Hence the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

(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 conducted any Non-Banking Financial or Housing Finance activities hence sub-clause (b) of clause (xvi) of paragraph 3 of the said order is not applicable.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is a not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, sub-clause (c) of clause (xvi) of paragraph 3 of the Order is not applicable.

(d) According to the information and explanations given to us and based on our examination of the records of the Company, there are 6 core investment companies (CIC's) in the Group (basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions 2016 as at the end of the reporting period.

(xvii) According to the information and explanations given to us and based on our examination of the records, the Company has incurred cash losses of ₹ 36,19,789/- during the immediately preceding financial year but has not incurred cash losses during the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year, accordingly, clause (xviii) of paragraph 3 of the said order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Annexure “A” to the Independent Auditors’ Report (Contd.)

(xx) In our opinion and according to the information and explanations given to us, the Company is not required to spend any amount under Section 135 (5) of the Companies Act, 2013 for the financial year. accordingly, sub-clause (a) & (b) of clause (xx) of paragraph 3 of the said order are not applicable.

(xxi) According to the information and explanations given to us and based on our examination of the records of the Company, clause (xxi) of paragraph 3 of the said order is not applicable.

For **Chandrashekar Iyer & Co**
Chartered Accountants
Firm Registration No. 114260W

(Chandrashekhar Iyer)
Partner
Membership No. 47723
UDIN: 22047723AHLOEW8490

Mumbai, April 18, 2022

Annexure “B” to the Independent Auditors’ Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements section of our report to the Members of Indi Travel Limited of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Indi Travel Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the Financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Annexure “B” to the Independent Auditors’ Report (Contd.)

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 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 issued by the Institute of Chartered Accountants of India.

For **Chandrashekar Iyer & Co**
Chartered Accountants
Firm Registration No.114260W

(Chandrashekhar Iyer)
Partner
Membership No.47723
UDIN: 22047723AHLOEW8490

Mumbai, April 18, 2022

Balance Sheet

as at March 31, 2022

Amount in ₹

	Note	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	3	11,826,273	12,007,412
Capital work-in-progress	3		
Investment Property {refer note 33}		2,398,272	2,440,231
Intangible assets	4	7,128	7,128
		14,231,673	**14,454,771**
Financial assets			
Investments	5	69,976,890	69,976,890
Income Tax Assets		21,201,421	40,259,814
Other Financial Assets			
Security Deposit		20,000	20,000
Deferred Tax Assets (Net)	6	3,213,408	3,985,401
Total non-current assets		**108,643,392**	**128,696,877**
Current assets			
Financial assets			
Trade receivables	7	-	-
Cash and cash equivalents	8	6,670,964	3,293,690
Bank balances other than cash and cash equivalents	9	38,755,296	34,262,192
Loans	10	18,600,000	-
Other current assets	11	649,942	611,870
Total current assets		**64,676,202**	**38,167,751**
Total		**173,319,594**	**166,864,628**
Equity and liabilities			
Equity			
Equity share capital	12 (A)	7,200,120	7,200,120
Other equity	12 (B)	158,947,011	154,332,940
Total equity		**166,147,131**	**161,533,060**
Non-current liabilities			
Financial liabilities			
Provisions	13	2,351,660	2,204,405
Total non-current liabilities		**2,351,660**	**2,204,405**
Current Liabilities			
Financial liabilities			
Trade payables	14		
A) Total dues of Micro and Small enterprises		-	-
B) Total dues other than Micro and small enterprises		2,638,109	1,520,004
Other current liabilities	15	2,123,232	40,355
Provisions	13	59,462	1,566,804
Total current liabilities		**4,820,803**	**3,127,163**
Total		**173,319,594**	**166,864,628**

Summary of Significant Accounting Policies 2

The accompanying notes form an integral part of the Financial Statements from 1 to 38.

As per our report attached
For **Chandrashekar Iyer & Co.**
Chartered Accountants

For and on behalf of the Board

Chandrashekhar Iyer
Partner
Membership No. 047723
Firm Registration No. 114260W

Faisal Momen
Director
DIN: 00064878

Nabakumar Shome
Director
DIN: 03605594

Himanshu Jain
Director
DIN: 06890639

Place: Mumbai
Dated: April 18, 2022

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

Amount in ₹

	Note	March 31, 2022	March 31, 2021
Income			
Revenue from operations		-	-
Other income	16	22,289,285	2,056,362
Total Income		**22,289,285**	**2,056,362**
Expenses			
Changes in Inventories	24		
Employee benefit expense	17	4,946,576	3,308,007
Depreciation and amortisation expense		6,588	6,588
Other operating and general expenses	18	10,691,643	708,579
Total Expenses		**15,644,807**	**4,023,174**
Profit/(Loss) before exceptional items and tax		**6,644,478**	**(1,966,812)**
Exceptional items	19	-	(4,691,560)
Profit/(Loss) before tax		**6,644,478**	**(6,658,372)**
Tax expense			
Current tax		476,980	-
MAT Credit utilised		(457,311)	-
Deferred tax		1,229,304	(1,005,972)
Short/(Excess) provision for the earlier years		(1,113,727)	-
Total		**135,246**	**(1,005,972)**
Profit/(Loss) after tax for the year from continuing operations		6,509,232	(5,652,400)
Profit/(Loss) from discontinuing operations	20	(1,951,484)	(1,902,312)
Tax credit of discontinuing operations			
Profit/(Loss) including discontinuing operations (after tax)		4,557,748	(7,554,713)
Other comprehensive income, net of tax			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligation		56,323	248,247
		56,323	**248,247**
Total comprehensive Income for the period		**4,614,071**	**(7,306,466)**
Profit/(Loss) for the period attributable to:			
Owners of the Company		4,557,748	(7,554,713)
Total Comprehensive Income for the period attributable to			
Owners of the Company		4,614,071	(7,306,466)
Earnings per share:			
Basic – (₹)		6.33	(10.49)
Diluted – (₹)		6.33	(10.49)
Face value per ordinary share - (₹)		10	10

Summary of Significant Accounting Policies 2

The accompanying notes form an integral part of the Financial Statements from 1 to 38.

As per our report attached
For **Chandrashekar Iyer & Co.**
Chartered Accountants

Chandrashekar Iyer
Partner
Membership No. 047723
Firm Registration No. 114260W

Place: Mumbai
Dated: April 18, 2022

For and on behalf of the Board

Faisal Momen
Director
DIN: 00064878

Nabakumar Shome
Director
DIN: 03605594

Himanshu Jain
Director
DIN: 06890639

Cash Flow Statement

for the year ended March 31, 2022

Amount in ₹

	March 31, 2022	March 31, 2021
Cash Flow from Operating Activities		
Profit Before Tax	4,692,994	(8,560,685)
Adjustments For:		
Depreciation and Amortisation	223,098	249,336
Interest Income	(2,060,066)	(1,985,792)
Provision for Diminution in value of long-term Investments (reversal)	-	4,691,560
Provision for Employee Benefits	56,323	248,247
	(1,780,645)	**3,203,351**
Cash Operating Profit before working capital changes	2,912,349	(5,357,334)
Adjustments for (increase)/decrease in operating assets:		
Short-term loans and advances	(38,072)	201,988
Other Non-Current Assets	(2,988,488)	-
	(3,026,560)	**201,988**
Adjustments for increase/(decrease) in operating liabilities:		
Trade Payables	1,118,105	(141,329)
Short-term provisions	(1,507,342)	594,955
Long-term provisions	147,255	(669,948)
Other Current Liabilities	2,719,624	(340,700)
	2,477,642	**(557,022)**
Cash Generated from Operating Activities	2,363,431	(5,712,367)
Direct Taxes (Paid)/Refunded	22,046,881	(147,460)
Net Cash Generated from Operating Activities (A)	**24,410,312**	**(5,859,827)**
Cash Flow from Investing Activities		
Interest Received	2,060,066	1,985,792
Fixed deposits matured	20,000,000	6,332,066
Fixed Deposit placed	(24,493,104)	-
Net Cash Generated/(Used) In Investing Activities (B)	**(2,433,038)**	**8,317,858**
Cash Flow from Financing Activities		
ICD Placed by Company	(18,600,000)	-
Net Cash Generated/(Used) in Financing Activities (C)	**(18,600,000)**	**-**
Net Increase/(Decrease) in Cash and cash equivalents (A + B + C)	**3,377,274**	**2,458,031**
Cash and Cash Equivalents – Opening (Refer Note No. 8)	3,293,690	835,659
Cash and Cash Equivalents – Closing (Refer Note No. 8)	**6,670,964**	**3,293,690**

Summary of Significant Accounting Policies 2

The accompanying notes form an integral part of the Financial Statements from 1 to 38.

As per our report attached
For **Chandrashekar Iyer & Co.**
Chartered Accountants

For and on behalf of the Board

Chandrashekhar Iyer
Partner
Membership No. 047723
Firm Registration No. 114260W

Faisal Momen
Director
DIN: 00064878

Nabakumar Shome
Director
DIN: 03605594

Himanshu Jain
Director
DIN: 06890639

Place: Mumbai
Dated: April 18, 2022

Notes to Financial Statements
for the year ended March 31, 2022

Note 1: Corporate Information

Inditravel Ltd. is incorporated and domiciled in India and has its registered office at Mandlik House, Mandlik Road, Colaba, Mumbai – 400 001. The Company is primarily engaged in the business of Travel related services.

Note 2: Statement of Significant Accounting Policies

(a) Statement of Compliance:
The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

(b) Recent Indian Accounting Standards (Ind AS)
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020

(c) Basis of Preparation and Presentation:
These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

(d) Critical Accounting Estimates and Judgements
The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- **Useful Lives of Property, Plant and Equipment and Intangible Assets:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- **Impairment Testing:** Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- **Income Taxes:** Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and there the tax charge in the statement of profit or loss. 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 or loss.

- **Fair Value Measurement of Derivative and Other Financial Instruments:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements to select a variety of methods and make assumptions that are mainly based on market conditions existing at the Balance Sheet date.
- **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.
- **Defined Benefit Plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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 is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.
- All assets and liabilities are classified into current and non-current generally on the criteria of realisation/settlement within twelve months period from the Balance sheet date.

e) Revenue Recognition:

Revenue and cost is recognised and accounted on accrual basis. Sale of goods is net of sales tax, returns and trade discounts. Service Income is net of service tax and is recognised when earned in accordance with the terms of the contract.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognised when the Company's right to receive the amount is established.

(f) Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes all expenditure incidental to acquisition and installation.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that it's estimated recoverable amount.

Depreciation is charged to profit or loss so as to write off the cost of assets less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

The estimated useful lives of the depreciable assets are as follows:

Class of Assets	Estimated Useful life
Buildings	60 years
Plant & Machinery/Office Equipment	15 years
Furniture & Fixtures	15 years
Electrical fittings	10 years
Computers	6 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Capital work-in-progress represents property, plant and equipment's are not yet ready for their intended use and are carried at cost determined as aforesaid.

(g) Intangible Assets:

Intangible assets include cost of acquired software and Licenses. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use. The estimated useful life used for amortising intangible assets are as under:

Nature of Assets	Useful life adopted
Software and Licenses	6 years

(h) Impairment of Assets:

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

(i) Foreign Currency Translation:

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were the fair value measured.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of other monetary items are recognised in the Statement of Profit and Loss.

(j) Non-Current Assets Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable and expected to be completed within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell

(k) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current Tax:

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(l) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognised in the financial statements.

(m) Employee Benefits

(i) Provident Fund:

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the minimum rates of return prescribed by the Central Government and recognises such contributions and shortfall, if any, as an expense in the year in which the corresponding services are rendered by the Company.

(ii) Gratuity Fund

The Company follows Unfunded Gratuity scheme and carry a provision based on actuarial valuation in the books of accounts. The Gratuity plan provides for lump sum payment to vested employees on retirement, death or termination of employment of an amount based on the respective employee's last drawn salary and tenure of employment. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the other comprehensive income and reflected in retained earnings and will not be reclassified to the statement of profit and loss.

(iii) Compensated Absences

The Company has a scheme for compensated absences for employees, the liability for which is determined on the basis of an independent actuarial valuation using the projected unit credit method, carried out at the Balance Sheet date.

(iv) Other Employee Benefits

Other benefits, comprising of discretionary Long Service Awards and Leave Travel Allowances, are determined on an undiscounted basis and recognised based on the entitlement thereof.

(n) Cash and Cash Equivalent (for the purpose of cash flow statements):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(o) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

(p) Earnings Per Share:

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(q) Financial Instruments:

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity Investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Investment in subsidiaries, joint ventures and associates are carried at cost less impairment, if any. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Investment in equity – others is carried at lower of cost or fair value.

De-Recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

  (a) the Company has transferred substantially all the risks and rewards of the asset, or

  (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or Losses on Liabilities held for Trading are Recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

De-Recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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 recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 3: Property, Plant and Equipment (Owned, unless otherwise stated)

Amount in ₹

	Improvements to leasehold buildings	Freehold Land	Plant and Equipment	Furniture and Fixtures	Office Equipment	Total
Cost						
At April 1, 2020	10,673,111	1,624,088	1,398,295	59,244	5,917	13,760,655
Additions	-	-				-
Adjustments						-
Disposals/Transfer	-					-
At March 31, 2021	**10,673,111**	**1,624,088**	**1,398,295**	**59,244**	**5,917**	**13,760,655**
Additions						-
Adjustments						-
Disposals/Transfer						-
At March 31, 2022	**10,673,111**	**1,624,088**	**1,398,295**	**59,244**	**5,917**	**13,760,655**
Depreciation						
At April 1, 2020	322,410	-	1,197,853	23,473	2,130	1,545,866
Charge for the year	169,857	-	32,399	4,695	426	207,377
Adjustments						-
Disposals	-					-
At March 31, 2021	**492,267**	**-**	**1,230,252**	**28,168**	**2,556**	**1,753,243**
Charge for the year	169,856		6,162	4,695	426	181,139
Adjustments						-
Disposals	-					-
At March 31, 2022	**662,123**	**-**	**1,236,414**	**32,863**	**2,982**	**1,934,382**
Net Block						
At March 31, 2021	**10,180,844**	**1,624,088**	**168,043**	**31,076**	**3,361**	**12,007,412**
At March 31, 2022	**10,010,988**	**1,624,088**	**161,881**	**26,381**	**2,935**	**11,826,273**

Note 4: Intangible Assets (Acquired)

Amount in ₹

	Software	Total
Cost		
At April 1, 2020	50,955	50,955
Additions	-	-
Adjustments		-
Disposals	-	-
At March 31, 2021	**50,955**	**50,955**
Additions	-	-
Adjustments		-
Disposals	-	-
At March 31, 2022	**50,955**	**50,955**
Amortisation		
At April 1, 2020	43,827	43,827
Charge for the year	-	-
Adjustments		-
Disposals	-	-
At March 31, 2021	**43,827**	**43,827**
Charge for the year	-	-
Adjustments		-
Disposals	-	-
At March 31, 2022	**43,827**	**43,827**
Net Block		
At March 31, 2021	**7,128**	**7,128**
At March 31, 2022	**7,128**	**7,128**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 5: Investments

Non-Current Investments	March 31, 2022 Holdings As at	March 31, 2022 ₹	March 31, 2021 Holdings As at	March 31, 2021 ₹
Fully Paid Unquoted Equity Instruments				
Investments in Other companies (At Cost)				
Taj Trade & Transport Company Ltd.. shares of ₹ 10/- each fully paid-up	550,766	28,311,373	550,766	28,311,373
Taj Safaris Ltd. of ₹ 10/- each, fully paid-up *	11,170,380	111,703,800	11,170,380	111,703,800
	11,721,146	**140,015,173**	**11,721,146**	**140,015,173**
Total Non-current Investments – Gross		140,015,173		140,015,173
Less: Provision for Diminution in value of Investments **		(70,038,283)		(70,038,283)
Total Non-current Investments – Net		**69,976,890**		**69,976,890**
Footnotes:				
1) Aggregate of Unquoted Investments – Gross		140,015,173		140,015,173
2) Aggregate amount of impairment in value of investments		(70,038,283)		(70,038,283)
3) * These companies are the fellow subsidiaries of Inditravel Limited				
4) ** Provision for diminution in value has been made on the basis of fair valuation of the shares of the Company				

Note 6: Deferred Tax Assets/(Liabilities) (Net)

Amount in ₹

	March 31, 2022	March 31, 2021
Deferred Tax Assets:		
Provision for Employee Benefits	454,362	397,745
MAT Credit Entitlement	1,707,311	1,250,000
Others	1,953,861	3,040,645
Total (A)	**4,115,534**	**4,688,390**
Deferred Tax Liabilities:		
Property, Plant and equipment & Intangible Assets	(902,126)	(702,989)
Total (B)	**(902,126)**	**(702,989)**
Net Deferred Tax Assets/(Liabilities) (A+B)	**3,213,408**	**3,985,401**

Note 7: Trade receivables

Amount in ₹

	March 31, 2022	March 31, 2021
Exceeding six months from the date they were due for payment:		
Considered Good	-	-
Credit Impaired	-	7,807,181
	-	**7,807,181**
Allowance for Credit Impaired	-	(7,807,181)
	-	-

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Trade Receivables ageing schedule
As at March 31, 2022

Amount in ₹

Particulars	Outstanding for following periods from due date of payment						
	Unbilled Dues	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good							-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							-
(iii) Undisputed Trade Receivables – credit impaired							-
(iv) Disputed Trade Receivables – considered good							-
(v) Disputed Trade Receivables – which have significant increase in credit risk							-
(vi) Disputed Trade Receivables – credit impaired							-
Total	-	-	-	-	-	-	-
Less: Allowance for credit impaired							-
Net Trade Receivables	-	-	-	-	-	-	-

As at March 31, 2021

Amount in ₹

Particulars	Outstanding for following periods from due date of payment						
	Unbilled Dues	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good							-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							-
(iii) Undisputed Trade Receivables – credit impaired						7,807,181	7,807,181
(iv) Disputed Trade Receivables – considered good							-
(v) Disputed Trade Receivables – which have significant increase in credit risk							-
(vi) Disputed Trade Receivables – credit impaired							-
Total	-	-	-	-	-	**7,807,181**	**7,807,181**
Less: Allowance for credit impaired						7,807,181	7,807,181
Net Trade Receivables	-	-	-	-	-	-	-

Note 8: Cash and Cash Equivalents

Amount in ₹

	March 31, 2022	March 31, 2021
Balances with bank in current account	6,670,964	3,293,690
	6,670,964	**3,293,690**

Note 9: Bank Balances Other than Cash and Cash Equivalents

Amount in ₹

	March 31, 2022	March 31, 2021
Other Balances with banks		
Call and Short-term deposit accounts more than 3 months and less than 12 months	38,755,296	34,262,192
	38,755,296	**34,262,192**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 10: Loans

Amount in ₹

	March 31, 2022	March 31, 2021
Current		
(Unsecured, considered good unless stated otherwise)		
Related parties		
Considered Good	18,600,000	-
Considered Doubtful	7,232,200	7,232,200
	25,832,200	**7,232,200**
Less:		
Provision for Doubtful Advances	(7,232,200)	(7,232,200)
	18,600,000	-

Note 11: Other Current Assets

Amount in ₹

	March 31, 31, 2022	March 31, 2021
Interest Receivable	632,919	595,706
Prepaid Expenses	17,023	16,164
Total	**649,942**	**611,870**

Note 12 (A): Share capital consist of the following

Amount in ₹

		March 31, 2022	March 31, 2021
1	**Authorised Share capital**		
a)	**Equity Shares**		
	750000 (Previous Year 750000) Equity Shares of ₹ 10 each	7,500,000	7,500,000
b)	**Preference Shares**		
	12000000 (Previous Year 12000000) 6 % Cumulative Optionally Convertible Preference Shares of ₹ 10 each	120,000,000	120,000,000
c)	**Unclassified Shares**		
	17250000 (Previous Year 17250000) Unclassified Shares of ₹ 10 each	172,500,000	172,500,000
		300,000,000	**300,000,000**
2	**Issued, Subscribed and Paid up**		
a)	**Equity Shares**		
	720012 (Previous Year 720012) Equity Shares of ₹ 10 each fully paid	7,200,120	7,200,120
		7,200,120	**7,200,120**

Promoter shareholding

Amount in ₹

	March 31, 2022	March 31, 2021
Name of the promoter	The Indian Hotels Company Ltd.	
Number of shares held	339,009	339,009
Percentage of total shares	47.09%	47.09%
Percentage change during the year	NIL	NIL

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

a) Shareholders holding more than 5% shares in the Company

Name of the Company	March 31, 2022		March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Equity share of ₹ 10/-each fully paid				
The Indian Hotels Company Limited	339,009	47.09%	339,009	47.09%
Taj Trade and Transport company Limited	72,001	10.00%	72,001	10.00%
Piem Hotels Limited	189,002	26.25%	189,002	26.25%
Taj Enterprises Limited	72,000	10.00%	72,000	10.00%

b) Reconcilation of the shares outstanding at the beginning and at the end of reporting period

Name of the Company	March 31, 2022		March 31, 2021	
	No. of Shares	₹	No. of Shares	₹
Opening Balance	720,012	7,200,120	720,012	7,200,120
Add: Issued during the year	-	-	-	-
Less: Redeemed/Bought Back	-	-	-	-
Closing Balance	**720,012**	**7,200,120**	**720,012**	**7,200,120**

c) Shares in the Company held by its ultimate holding company including shares held by subsidiaries or associates of ultimate holding company

Name of the Company	March 31, 2022		March 31, 2021	
	No. of Shares	holding	No. of Shares	holding
Shares held by Ultimate Holding Company				
The Indian Hotels Company Limited	339,009	47.09%	339,009	47.09%
	339,009	**47.09%**	**339,009**	**47.09%**
Shares held by Subsidiary of Ultimate Holding Company				
Piem Hotels Limited	189,002	26.25%	189,002	26.25%
Taj Trade and Transport Company Limited	72,001	10.00%	72,001	10.00%
Taj Enterprises Limited	72,000	10.00%	72,000	10.00%
Northen Indian Hotels Limited	24,000	3.33%	24,000	3.33%
	357,003	**49.58%**	**357,003**	**49.58%**

d) The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting, expect in case of interim dividend. In event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 12 (B): Statement of Changes in Equity

A. Equity Share Capital

(1) Current reporting period

Amount in ₹

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
7,200,120	-	-	-	7,200,120

(2) Previous reporting period

Amount in ₹

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
7,200,120	-	-	-	7,200,120

Amount in ₹

Particulars	Share Application Money Pending Allotment	Equity Component of other financial instruments	Other Equity					Money received against share warrants	Total
			Reserves and Surplus						
			Capital Reserve	Securities Premium Account	General Reserve	Other Reserves	Retained Earnings		
Balance as at March 31, 2020	-	-	1,550,000		51,918,242	120,000,000	(11,828,837)	-	161,639,405
Profit for the year ended March 31, 2021							(7,554,713)		(7,554,713)
Other Comprehensive Income for the year ended March 31, 2021, net of taxes, (excluding actuarial gain/losses, given below)									-
Remeasurements of post employment benefit obligation, net of tax							248,247		248,247
Total Comprehensive Income for the year ended March 31, 2021	-		-	-	-		(7,306,466)	-	(7,306,466)
Balance as at March 31, 2021	-		1,550,000	-	51,918,242	120,000,000	(19,135,302)		154,332,940
Profit for the year ended March 31, 2022							4,557,748		4,557,748
Other Comprehensive Income for the year ended March 31, 2022, net of taxes, (excluding actuarial gain/losses, given below)									
Remeasurements of post employment benefit obligation, net of tax							56,323		56,323
Total Comprehensive Income for the year ended March 31, 2022	-		-	-	-		4,614,071		4,614,071
Balance as at March 31, 2022	-	-	1,550,000	-	51,918,242	120,000,000	(14,521,232)		158,947,011

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 13: Provision

Amount in ₹

	March 31, 2022	March 31, 2021
A) Long-term provisions		
Employee Benefit Obligation (Non-current)		
Leave Encashment	521,629	551,146
Gratuity	1,830,031	1,653,259
Post-retirement pension		
	2,351,660	**2,204,405**
B) Short-term provisions		
Employee Benefit Obligation (Current)		
Leave Encashment	51,809	212,114
Gratuity	7,653	1,354,690
	59,462	**1,566,804**

Note 14: Trade Payables

Amount in ₹

	March 31, 2022	March 31, 2021
Micro and Small Enterprises (Refer Note No 27)	-	-
Vendor Payables	1,147,590	71,649
Accrued expenses and others	1,490,519	1,448,355
	2,638,109	**1,520,004**

Trade Payables ageing schedule
As at March 31, 2022

Amount in ₹

Particulars	Outstanding for following periods from due date of payment					
	Unbilled Dues	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Trade Payables – MSME						-
(ii) Trade Payables – Others		1,147,590				1,147,590
(iii) Accrued Expenses		190,520			1,300,000	1,490,520
(iv) Disputed dues – MSME						-
(iv) Disputed dues – Others						-
Total	**-**	**1,338,110**	**-**	**-**	**1,300,000**	**2,638,110**

As at March 31, 2021

Amount in ₹

Particulars	Outstanding for following periods from due date of payment					
	Unbilled Dues	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Trade Payables – MSME						-
(ii) Trade Payables – Others		71,649				71,649
(iii) Accrued Expenses		148,355			1,300,000	1,448,355
(iv) Disputed dues – MSME						-
(iv) Disputed dues – Others						-
Total	**-**	**220,004**	**-**	**-**	**1,300,000**	**1,520,004**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 15: Other Current Liabilities

Amount in ₹

	March 31, 2022	March 31, 2021
Current		
Income received in advance	1,471,693	-
Statutory dues	235,863	34,998
Related Parties	415,676	5,357
	2,123,232	**40,355**

Note 16: Other Income

Amount in ₹

	March 31, 2022	March 31, 2021
Interest Income from financial assets at amortised cost		
Interest Income on		
Deposits with banks (Tax deducted at source ₹ 2,03,092/- (Previous Year ₹ 1,07,245/-)	2,043,759	1,985,792
Deposits with Related Parties	16,307	-
	2,060,066	**1,985,792**
Interest on Income Tax Refunds	10,387,250	
Total	**12,447,316**	**1,985,792**
Miscellaneous Income	9,841,969	70,570
Total	**22,289,285**	**2,056,362**

Note 17: Employee Benefit Expense and Payment to Contractors

Amount in ₹

	March 31, 2022	March 31, 2021
Salaries, Wages, Bonus etc.	2,430,629	2,474,744
Company's Contribution to Provident and Other Funds	394,822	792,978
Reimbursement of Expenses on Personnel Deputed to the Company	1,799,197	-
Staff Welfare Expenses	321,928	40,285
Total	**4,946,576**	**3,308,007**

Note 18: Other Operating and General Expenses

Amount in ₹

	March 31, 2022	March 31, 2021
Other expenses consist of the following:		
Repairs to Buildings	120,347	-
Rent Rates and Taxes	66,172	58,132
Insurance	76,991	137,502
Printing and Stationery	6,114	-
Travelling and Conveyance Expenses	170,782	16,270
Legal and Professional Charges	2,342,399	313,070
Payment made to Statutory Auditors (Refer Footnote (i))	42,200	40,000
Bad Debts	7,807,181	-
Miscellaneous Expenses	59,457	143,606
Total	**10,691,643**	**708,579**

(i) Payment made to Statutory Auditors:

Amount in ₹

	March 31, 2022	March 31, 2021
As auditors	40,000	40,000
For out-of pocket expenses	2,200	-
	42,200	**40,000**

Note 19: Exceptional Items

Amount in ₹

	March 31, 2022	March 31, 2021
a) Provision for Dimunition in Value of Investments	-	(4,691,560)
b) Reversal of Provision for Dimunition in Value of Investments	-	-
c) Profit on Sale of Investments	-	-
	-	**(4,691,560)**

Note 20: Profit/(Loss) on Discontinued Operations

Amount in ₹

	March 31, 2022	March 31, 2021
Income from discontinued operation		
Profit on Relinquishment of Land	-	-
Rental Income	-	-
Miscellaneous Income	-	-
	-	**-**
Expenses from discontinued operation		
Salaries, Wages, Bonus etc.	1,319,558	1,426,852
Rates and taxes	-	40,363
Repairs & Maintenance	56,016	185,319
Legal & Professional Expenses	351,250	-
Electricity	8,150	7,030
Depreciation	216,510	242,748
	1,951,484	**1,902,312**
Total	**(1,951,484)**	**(1,902,312)**

Note 21: Contingent Liabilities:

Contingent Liabilities and Commitments (to the extent not provided for)

Amount in ₹

	March 31, 2022	March 31, 2021
(i) Contingent Liabilities		
(a) Claims against the Company not acknowledged as debt		
(i) Income tax demand under appeal	37,97,405	46,03,585
	37,97,405	**46,03,585**

Employee Related Matters

Some casual workers had claimed minimum wages/permanency in the Company. The amount is unascertainable and the matter is pending in court.

The management believes that the outcome of the proceedings will not have an adverse effect on the Company's financial position and results of the operation.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 22: Deferred Tax:

Following are the major components of deferred tax asset/(liability):

Amount in ₹

	March 31, 2022	March 31, 2021
Deferred tax Assets:		
Gratuity & Leave Encashment	454,362	372,319
Bonus	-	25,426
Unabsorbed Depreciation	2,221,457	1,964,314
Others	(267,596)	1,076,331
MAT credit entitlement	1,707,311	1,250,000
Total of Deferred Tax Assets (A)	**4,115,534**	**4,688,390**
Deferred tax liabilities:		
Depreciation on Fixed assets	(902,126)	(702,989)
Total of Deferred Tax Liabilities (B)	**(902,126)**	**(702,989)**
Deferred tax net – Assets/Liabilities) – (A-B)	**3,213,408**	**3,985,401**

Note 23: Income Tax expenses recognised in the statement of Profit and loss a/c:

Amount in ₹

	March 31, 2022	March 31, 2021
Current Tax		
In respect of the current year	476,980	-
In respect of earlier years	(1,113,727)	-
	(636,747)	**-**
Deferred Tax		
In respect of the current year	1,229,304	(1,005,972)
MAT Credit	(457,311)	-
	771,993	**(1,005,972)**
Total tax expense recognised in the current year	**135,246**	**(1,005,972)**

Reconciliation of tax expense with the effective tax

Amount in ₹

	March 31, 2022	March 31, 2021
Profit/loss before tax (a)	4,692,994	(8,560,685)
Income tax rate as applicable (b)	26.00%	26.00%
Calculated Taxes based on above, without any adjustments for deduction [(a) x (b)] - c	1,220,178	(2,225,778)
Permanent tax differences due to:		
Effect of income that is exempt from taxation (like dividend income)	-	-
Permanent disallowances	(743,198)	1,219,806
Others (Difference due to change in rate of tax)	-	-
Deferred tax liability no longer required	-	-
Deferred tax assets not created due to no probable certainty	-	
Deferred tax assets reversed due to no probable certainty	-	-
Deferred tax assets no longer required	771,993	
d	**28,795**	**1,219,806**
Tax for current year (c+d)	1,248,973	(1,005,972)
Prior year taxes as shown above	(1,113,727)	-
Income tax expense recognised in profit or loss	**135,246**	**(1,005,972)**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 24: Particulars of Earnings Per Share

Amount in ₹

Particulars	March 31, 2022	March 31, 2021
Net profit /(loss) for the year as per the statement of profit and loss	45,57,748	(75,54,713)
Profit/(loss) to equity share holders	45,57,748	(75,54,713)
Weighted average number of equity shares	720,012	720,012
Nominal value per share	10	10
Earnings per share – Basic & Diluted	6.33	(10.49)

Note 25: Closure of Units

a) The Company discontinued its printing, electroplating and other operations and Car Hire division with effect from March 2001 and December 2014 respectively. As on the dates of closure, the Company carried the following assets and liabilities of discontinued operations:

Amount in ₹

Particulars	March 31, 2022		March 31, 2021	
	Assets	Liabilities	Assets	Liabilities
Divisions				
Others	14,695,471	-	14,737,430	-
Car Hire	100,000	-	100,000	-
Total	**14,795,471**	**-**	**14,837,430**	**-**

The Market values of these Assets are higher than the carrying value.

The Company has incurred Loss of ₹19,51,484/-(Previous year Profit of ₹19,02,312/-) from discontinued business, which is included in the Profit and Loss Account, break-up of which is given as under:

Amount in ₹

Particulars	March 31, 2021			March 31, 2021		
	Revenue	Expenses	Profit/(Loss)	Revenue	Expenses	Profit/(Loss)
Divisions						
Others	-	631,926	(631,926)	-	475,460	(475,460)
Car Hire		1,319,558	(1,319,558)		1,426,852	(1,426,852)
Total	**-**	**1,951,484**	**(1,951,484)**	**-**	**1,902,312**	**(1,902,312)**

Note 26:

In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of the Company's business.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 27: Amounts due to Micro, Small and Medium Enterprises:

(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act,2006" has been determined to the extend such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

(ii) The disclosures relating to Micro and Small Enterprises are as under:

Amount in ₹

Particulars	March 31, 2022	March 31, 2021
(a) Principal amount due thereon remaining Unpaid to any supplier at end of each accounting year.	-	-
(b) Interest due there on remaining unpaid to supplier as at end of each accounting year.	-	-
(c) The amount of interest paid in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during each accounting year.	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(f) The amount further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually - - paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note 28: Employee Benefits

Applicable Disclosures as per IND AS19:

The Company has calculated the various benefits to employees as under:

(A) Defined contribution plans

The Company has recognised the following expenses as defined contribution plan under the head "Company's Contribution to Provident Fund and other funds (net of recoveries)

Amount in ₹

Particulars	March 31, 2022	March 31, 2021
Provident fund	1,70,393	2,02,722

(B) Defined benefit plans

The Company operates post retirement defined benefit plans as follows:

(i) Post retirement gratuity – Non-Funded

(C) Defined benefit plans (Gratuity) – as per actuarial valuation on March 31, 2022: -
Principal Actuarial Assumptions as at March 31, 2022

Amount in ₹

Particulars	March 31, 2022	March 31, 2021
(i) Amount to be recognised in Balance Sheet and Movement in net Liability		
Present Value of unfunded defined benefit obligation	18,37,684	30,07,949
Net (Assets)/Liability	18,37,684	30,07,949
(ii) Expense recognised in Statement of Profit & Loss		
Current Service Cost	1,29,318	1,47,417
Interest Cost	1,59,646	1,91,815
Total	**2,88,964**	**3,39,232**
(iii) Expense recognised in Other Comprehensive Income		
Re-measurements Due to:		
Changes in financial assumptions	9,427	(41,630)
Experience adjustments	(65,750)	(2,50,131)
Adjustment to recognise the effect of asset ceiling	-	43,514
Total	**(56,323)**	**(2,48,247)**
(iv) Reconciliation of Defined Benefit Obligation:		
Opening Defined Benefit Obligation	30,07,949	32,92,638
Current Service Cost	1,29,318	1,47,417
Interest Cost	1,59,646	1,91,815
Remeasurements due to actuarial loss/(gain) arising from		
Changes in financial assumption	-	-
Experience adjustments	(56,323)	(2,48,247)
Benefits Paid	(14,02,906)	(3,75,674)
Closing Defined Benefit Obligation	**18,37,684**	**30,07,949**
(v) Reconciliation of Fair Value of Plan Assets		
Contribution by Employer	14,02,906	3,75,674
Benefit Paid	(14,02,906)	(3,75,674)
Closing of Fair Value of Plan Assets	-	-
(vi) Actuarial Assumptions:		
Discount rate (p.a.) in %	6.80%	6.85%
Salary escalation rate (p.a.) in %	7%	7%
Pension Escalation Rate (p.a.) in %	-	-
Annual Increase in Healthcare cost (p.a.)	-	-
Mortality Table (LIC)	-	-

(vii) Sensitivity Analysis

	March 31, 2022	
	Discount Rate (%)	Salary Escalation Rate (%)
Impact of increase in 50 bps on DBO	-4.96%	5.32%
Impact of decrease in 50 bps on DBO	5.35%	-4.97%
(viii) Data Summary:		
No. of Employees	5	7
Total Salary	82,739	1,19,277
Total Past Service	20.79	24.07
Value of liability	1,837,684	3,007,949
(ix) Any other additional disclosure given in the report		
Mortality Table * - Table 1		
Mortality in Service - Table 1		
Mortality in Retirement - NA		
*Table 1 – Indian Assured Lives Mortality (2012-14) Ult table.		

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 29: Related Party Disclosure AS – 18, issued by the Institute of Chartered Accountants of India.

A. Holding Company	The Indian Hotels Company Limited
B. Subsidiaries of Holding Company	KTC Hotels Limited
	United Hotels Limited
	Roots Corporation Limited
	Piem Hotels Limited
	Taj Trade and Transport Company Limited
	Northern India Hotels Limited
	Taj Enterprises Limited
	Benares Hotels Limited
	Luthria & Lalchandani Hotel & Properties Pvt. Ltd..
	Skydeck Properties and Developers Private Limited
	Sheena Investments Private Limited
	ELEL Hotels & Investments Limited
	Ideal Ice and Cold Storage Company Limited
	Taj International Hotels (H.K.) Limited
	IHOCO BV
	St. James Court Hotels Limited
	Taj International Hotels Limited – London
	IHMS LLC – San Francisco
	IHMS LLC – USA
	PIEM International Hotels (H.K.) Limited
	BAHC 5
	United Overseas Holdings Inc.
	IHMS Hotels (SA) (Proprietary) Limited
	Goodhope Palace Hotels (Proprietary) Limited
C. Joint Ventures of Holding Company	Taj Kerala Hotels & Resorts Limited
	Taj SATS Air Catering Limited
	Taj Safaris Limited
	Kaveri Retreat & Resorts Limited
	Zarrenstar Hospitality Private Limited
	Taj Karnataka Hotels & Resorts Ltd.
	Taj GVK Hotels & Resorts Ltd.
	TAL Hotels & Resorts Ltd.

D. Details of Transactions with related parties are as follows:

Amount in ₹

Particulars	Holding Company		Subsidiaries of Holding Company	
	2021-22	2020-21	2021-22	2020-21
Reimbursement of Deputed Staff Salary	418,096	-	1,381,101	-
Sale or services received	-	-	700,000	-
Due from Current Account	(76,547)	-	(339,129)	5,357

Amount in ₹

Particulars	Associates of Holding Company	
	2021-22	2020-21
Inter Corporate Deposits given	18,600,000	-
Interest Received on Inter Corporate Deposits	16,307	-
Interest Income received in advance	1,471,693	-

E. Statement of material transactions:

Amount in ₹

Company name	March 31, 2022	March 31, 2021
Holding Company		
The Indian Hotels Company Limited		
Reimbursement of Deputed Staff Salary	418,096	-
Current Account dues	(76,547)	-
Subsidiaries of Holding Company		
Taj Trade & Transport Company Limited		
Professional Fees Given	700,000	-
Reimbursement of Deputed Staff Salary & Wages	1,381,101	-
Current Account Dues	(339,129)	5,357
Associates of Holding Company		
Taida Trading & Industries Limited		
Inter Corporate Deposits Given	18,600,000	-
Interest Income on Inter Corporate Deposits	16,307	-
Interest Income received in advance	1,471,693	-

Note 30:

The details of provisions as required by the provisions of Indian Accounting Standard 37 “Provisions, contingent Liabilities and Contingent Assets” are as under

Amount in ₹

Nature of Provision	Leave Encashment & Gratuity
Opening Balance	37,71,209
Additional provisioning	1,76,772
Amounts used during the year	-
Amounts reversed during the year	(15,36,859)
Closing Balance	24,11,122

Note 31:

The Company’s only business being travel related services, disclosure of segment-wise information is not applicable under Indian Accounting Standard – Segmental Information (AS – 108 notified by the Company’s (Accounting Standards) Rules, 2006. There is no geographical segment to be reported since all the operations are undertaken in India.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 32:

The Company is carrying an investment of 1,11,70,380 Shares of Taj Safari Limited Face value ₹ 10 each, at ₹ 4,16,65,517/- (Previous year – ₹ 4,16,65,517/-). During the year an additional provision for diminution in value of investments amounting to ₹ NIL (Previous year – ₹ 46,91,560/-) has been made in the existing provision based on fair valuation of the shares of the Company and the same has been shown as an exceptional item in the Profit and Loss account.

Note 33:

The Company has investment in property amounting to ₹ 23,98,272/- (Previous year – ₹ 24,40,231/-) where the right to title is executed through registered power of attorney.

Note 34: Additional information

Amount in ₹

Sr. No.	Particulars	March 31, 2022	March 31, 2021
(i)	Value of imports on CIF basis	Nil	Nil
(ii)	Expenditure in Foreign Currency -		
	a. Passage and Travelling	Nil	Nil
	b. Professional Fees	Nil	Nil
(iii)	Earnings in foreign exchange		
	a. Export - F.O.B. value	Nil	Nil

Note 35: Sale of Services

Amount in ₹

Particulars	March 31, 2022	March 31, 2021
Car Hire and Other services	Nil	Nil

Note 36:

The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. This being an unprecedented event which is difficult to estimate, the actual implications could vary. The economic/social consequences of this event are impacting the very operation of the retail trade and consumer demand. However the management considers the impairment assessment of property, plant and equipment, intangible assets, investments, trade receivables valuation as at March 31, 2022 as recoverable based on its internal and external sources of information and estimates, and its judgements on implication expected to arise from COVID-19 pandemic.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 37:
As at March 31, 2022, the Company's current liabilities do not exceed its current assets. The Company also has enough Cash and Bank balances for the next 12 months to prevent disruption of the operating cash flows and enable the Company to meet its debts and obligations as they fall due.

Accordingly, the financial statements of the Company are prepared on a going concern basis.

Ratio Analysis:

Particulars	March 31, 2022	March 31, 2021
(a) Current Ratio,	13.4	12.2
(b) Debt-Equity Ratio,	NA	NA
(c) Debt Service Coverage Ratio,	NA	NA
(d) Return on Equity Ratio,	2.74%	4.67%
(e) Inventory turnover ratio,	NA	NA
(f) Trade Receivables turnover ratio,	NA	NA
(g) Trade payables turnover ratio,	NA	NA
(h) Net capital turnover ratio,	NA	NA
(i) Net profit ratio,	20.45%	-367%
(j) Return on Capital employed,	2.78%	-4.57%
(k) Return on investment.	NA	NA

Note 38:
Previous year figures are regrouped and rearranged wherever necessary to match with current year's classification.

Signature to Notes Forming Part of Financial Statements 1 to 38

For **Chandrashekar Iyer & Co.**
Chartered Accountants

Chandrashekhar Iyer
Partner
Membership No. 047723
Firm Registration No. 114260W

Place: Mumbai
Dated: April 18, 2022

For and on behalf of the Board

Faisal Momen
Director
DIN: 00064878

Nabakumar Shome
Director
DIN: 03605594

Himanshu Jain
Director
DIN: 06890639

Independent Auditor's Report

To the Members of IDEAL ICE LIMITED (Formerly known as Ideal Ice and Cold Storage Company Limited)

Report on the Audit of the Standalone financial statements

Opinion

1. We have audited the accompanying financial statements of Ideal Ice Limited (Formerly known as Ideal Ice and Cold Storage Company Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, of the state of affairs of the Company as at March 31, 2022, and total comprehensive loss (comprising of loss and other comprehensive loss), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. 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 Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

   In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

5. 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 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 Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation

Independent Auditor’s Report (Contd.)

and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. 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.

Independent Auditor's Report (Contd.)

10. 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.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

    d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

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

    f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

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

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

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

Independent Auditor's Report (Contd.)

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividends are declared and paid during the year by the Company.

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year, therefore the provisions of Section 197 read with Schedule V of the Act is not applicable.

For **Damji Merchant & Co.**
Chartered Accountants
Firms Registration No. 102082W

Karan Vishwakarma
Partner
Membership No. 183499
UDIN : 22183499AHRBEK6137

Place of Signature : Mumbai
Date : 22nd April, 2022

Annexure 'A' to the Independent Auditor's Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Ideal Ice Limited (Formerly known as Ideal Ice and Cold Storage Company Limited) on the financial statements as of and for the year ended March 31, 2022

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not own any immovable properties except properties which are leased by the company with duly executed lease agreements in the company's favour. Hence, sub clause (c) of clause i of paragraph 3 of the Order is not applicable.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.

ii. (a) Based on our audit procedures and according to the information and explanation given to us, the inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records are not more than 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of accounts.

(b) Based on our audit procedures and according to the information and explanation given to us, the Company has not been sanctioned loan in excess of five crore rupees from banks or financial institution on the basis of security of current assets and hence for question of filing quarterly returns or statements by the company with such banks or financial institutions does not arise. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

Annexure 'A' to the Independent Auditor's Report (Contd.)

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the information and explanations given to us and the records of the Company examined by us on the basis of our audit procedures, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.

(e) The Company does not have any subsidiaries, associates of joint ventures during the year, therefore the provisions of paragraph 3(ix)(e) are not applicable.

(f) The Company does not have any subsidiaries, associates of joint ventures during the year, therefore the provisions of paragraph 3(ix)(f) are not applicable.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

Annexure 'A' to the Independent Auditor's Report (Contd.)

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT- 4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. The provisions of Internal Audit under Companies Act, 2013 are not applicable to the Company. Accordingly, provisions of Paragraph 3 clause xiv(a) and (b) of the Order are not applicable.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

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

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) 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. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, there are 6 Core Investment Companies (CICs) in the Group (basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.

Annexure 'A' to the Independent Auditor's Report (Contd.)

xvii. Based on our audit procedures and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 49 Lakhs and Rs. 0.12 Lakhs during the current financial year and immediately preceding current financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 40 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. The Company is not covered under Section 135 of the Companies Act. Accordingly, provisions of Paragraph 3 clause xx(a) and (b) of the Order are not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Damji Merchant & Co.**
Chartered Accountants
Firms Registration No. 102082W

Karan Vishwakarma
Partner
Membership No. 183499
UDIN : 22183499AHRBEK6137

Place of Signature : Mumbai
Date : 22nd April, 2022

Annexure 'B' to the Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Ideal Ice Limited (Formerly known as Ideal Ice and Cold Storage Company Limited) on the financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Ideal Ice Limited (Formerly known as Ideal Ice and Cold Storage Company Limited) ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. 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 with reference to financial statements.

Annexure ‘B’ to the Independent Auditor’s Report (Contd.)

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 issued by ICAI.

For **Damji Merchant & Co.**
Chartered Accountants
Firms Registration No. 102082W

Karan Vishwakarma
Partner
Membership No. 183499
UDIN : 22183499AHRBEK6137

Place of Signature : Mumbai
Date : 22nd April, 2022

Balance Sheet

As at March 31, 2022

₹ Lakhs

	Note	As at March 2022	As at March 2021
Assets			
Non-current assets			
Property, Plant and Equipment	3	386.28	-
Capital work-in-progress		-	-
Right-of-Use Assets	4	-	-
Other Intangible Assets	5	991.47	-
Intangible assets under development		-	-
		1,377.75	**-**
Investments in associates and joint ventures		-	-
Non-current financial assets			
Investments	6(a)	-	-
Loans	7(a)	-	-
Other financial assets	8(a)	23.29	-
Deferred Tax Assets (Net)	9	-	-
Advance Income Tax (Net)		7.36	2.16
Other non-current assets	11(a)	17.17	-
		1,425.56	**2.16**
Current assets			
Inventories	12	95.77	-
Financial assets		-	
Investments	6(b)	-	-
Trade receivables	13	466.32	-
Cash and Cash Equivalent	14(a)	350.61	0.18
Bank Balances other than Cash and Cash Equivalent	14(b)	1.30	1.30
Loans	7(b)	-	-
Other financial assets	8(b)	84.51	0.03
Other current assets	11(a)	148.90	-
Assets classified as held for sale		-	-
		1,147.41	**1.51**
Total		**2,572.97**	**3.67**
Equity and Liabilities			
Equity			
Equity Share capital	15	587.79	97.97
Preference Share Capital		-	-
Other Equity	16	(220.06)	(178.00)
Equity attributable to owners of the Company		367.74	(80.04)
Non-controlling interests		-	-
Total Equity		**367.74**	**(80.04)**
Non-current liabilities			
Financial liabilities			
Borrowings	17(a)	1,040.00	72.62
Lease Liabilities		-	-
Other financial Liabilities	19(a)	-	-
Provisions	20(a)	10.89	-
Deferred Tax Liabilities (Net)	10	-	-
Other Long Term Liabilities	21(a)	-	-
		1,050.89	**72.62**
Current liabilities			
Financial liabilities			
Borrowings	17(b)	160.00	-
Lease Liabilities		-	-
Trade payables	18		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		418.46	6.57
Other financial Liabilities	19(b)	562.23	4.38
Provisions	20(b)	1.35	-
Current tax Liability (Net)		-	-
Other current liabilities	21(b)	12.30	0.15
Liabilities directly associated with assets classified as held for sale		-	-
		1,154.34	**11.10**
Total		**2,572.97**	**3.67**

As per our report of even date as attached

For **Damji Merchant & Co.,**
Chartered Accountants
Firm Regn No: 102082W

Karan Vishwakarma
Partner
Membership No: 183499

Place : Mumbai
Date :

For and on behalf of the Board

For Ideal ice Limited

Prabhat Verma
Director
Din No: 06548864

Sarabjeet Singh
Director
Din No: 02503553

Place : Bengaluru
Date :

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

₹ Lakhs

	Note	Upto March 2022	Upto March 2021
Revenue			
Rooms, restaurants, banquets and other operating income	22	701.20	-
Other income	23	72.71	0.38
Total revenue (I)		**773.92**	**0.38**
Expenses			
Food & beverages consumed	24	86.57	-
Employee benefits expense and payment to contractors	25	274.09	-
Finance costs	26	7.98	-
Depreciation and Amortisation	27	45.14	-
Other operating and general expenditure	28	400.02	0.50
Total		**813.80**	**0.50**
Profit / (Loss) before exceptional items and tax		**(39.89)**	**(0.12)**
Exceptional items	29	-	-
Profit / (Loss) before tax		**(39.89)**	**(0.12)**
Tax Expenses			
Current tax		2.16	-
Deferred tax		-	-
Profit / (Loss) after tax		**(42.05)**	**(0.12)**
Earnings Per Share			
Basic (Rs)		(1.40)	(0.01)
Diluted (Rs)		(1.40)	(0.01)
Face Value of Shares		10.00	10.00
Summary of Significant Accounting Policy	1-2		
The Accompanying notes forms integral part of the Financial Statement			

As per our report of even date as attached

For **Damji Merchant & Co.,**
Chartered Accountants
Firm Regn No: 102082W

Karan Vishwakarma
Partner
Membership No: 183499

Place : Mumbai
Date :

For and on behalf of the Board
For Ideal ice Limited

Prabhat Verma
Director
Din No: 06548864

Sarabjeet Singh
Director
Din No: 02503553

Place : Bengaluru
Date :

Statement of Changes in Equity

For the Year ended March 31, 2022

₹ Lakhs

	Equity Share Capital Subscribed	Retained Earning	Grand Total
At April 1, 2020	-	(177.88)	(177.88)
Changes in accounting policy/prior period errors	-	-	-
At the beginning of the reporting period	**-**	**(177.88)**	**(177.88)**
Profit for the year	-	(0.12)	(0.12)
Other Comprehensive Income for the year, net of taxes	-	-	-
Total Comprehensive Income for the year	**-**	**(178.00)**	**(178.00)**
Dividends	-	-	-
Tax on Dividend	-	-	-
Transfer to retained earnings	-	-	-
Issue of Share Capital	97.97	-	97.97
As at March, 2021	**97.97**	**(178.00)**	**(80.04)**
Profit for the year	-	(42.05)	(42.05)
Other Comprehensive Income for the year, net of taxes	-	-	-
Total Comprehensive Income for the year	**-**	**(220.06)**	**(220.06)**
Dividends	-	-	-
Tax on Dividend	-	-	-
Transfer to retained earnings	-	-	-
Issue of Share Capital	489.83	-	489.83
Change on account of acquisitions	-	-	-
Change in ownership interests in subsidiaries	-	-	-
Other Adjustments	-	-	-
Foreign Currency Translation Reserve	-	-	-
As at March, 2022	**587.79**	**(220.06)**	**367.74**

As per our report of even date as attached

For **Damji Merchant & Co.,**
Chartered Accountants
Firm Regn No: 102082W

Karan Vishwakarma
Partner
Membership No: 183499

Place : Mumbai
Date :

For and on behalf of the Board

For Ideal ice Limited

Prabhat Verma
Director
Din No: 06548864

Sarabjeet Singh
Director
Din No: 02503553

Place : Bengaluru
Date :

Cash Flow Statement

For the Year ended March 31, 2022

₹ Lakhs

	As at March 2022	As at March 2021
Cash Flow From Operating Activities		
Net Profit/(Loss) Before Tax	(39.89)	(0.12)
P&L Adjustments :		
Depreciation	45.14	-
Finance Cost	7.98	-
Interest Income	(0.05)	-
Liabilities / provision no longer required written back	(72.62)	-
Total P&L Adjustments	**(19.55)**	**-**
Cash Operating Profit Before Working Capital Changes	**(59.43)**	**(0.12)**
Changes in working capital (increase)/decrease in operating assets:		
Inventories	(95.77)	-
Trade and Other Receivables	(466.32)	-
Short-term loans and advances and other current financial assets	(84.48)	-
Long-term loans and advances and other non-current financial assets	(17.17)	-
Other Current Assets	(148.90)	-
Other Non Current Assets	(14.20)	-
Trade Payables	411.90	(0.12)
Other Current Liabilities	570.00	-
Short term provisions	1.35	-
Long-term Provisions	10.89	-
Total Changes in working capital (increase)/decrease in operating assets	**167.29**	**(0.12)**
Cash From Operating Activities	**107.86**	**(0.24)**
Direct Tax (paid)/refund	-	-
Net Cash Flow From/(Used in) Operating Activities	**107.86**	**(0.24)**
Cash Flow from Investing Activities		
Purchase of fixed assets, including capital advances	(1,422.62)	-
Bank Balances not considered as Cash & Cash Equivalents	1.30	-
Deposits realised/(given) with other companies	(23.29)	-
Net Cash Flow From/(Used in) Investing Activities	**(1,444.61)**	**-**
Cash flow from Financing Activities		
Proceeds from issue of share warrants	489.83	-
Proceeds from long term Loans and Debentures	1,200.00	-
Proceeds from other short-term borrowings	200.00	-
Finance costs	(2.65)	-
Repayment from other short-term borrowings	(200.00)	-
Net Cash Flow From/(Used in) Financing Activities	**1,687.17**	**-**
Net Increase / (Decrease) In Cash and Cash Equivalents	**350.43**	**(0.24)**
Cash and Cash Equivalents Opening 1st April	0.18	-
Adjustments on acquistions	-	0.43
Cash and Cash Equivalents Closing	**350.61**	**0.18**

As per our report of even date as attached

For **Damji Merchant & Co.,**
Chartered Accountants
Firm Regn No: 102082W

Karan Vishwakarma
Partner
Membership No: 183499

Place : Mumbai
Date :

For and on behalf of the Board

For Ideal ice Limited

Prabhat Verma
Director
Din No: 06548864

Sarabjeet Singh
Director
Din No: 02503553

Place : Bengaluru
Date :

Notes to Financial Statements

for the year ended March 31, 2022

Note 1 : Corporate Information

Ideal Ice Ltd. (formerly Ideal Ice Cold Storage Co. Ltd.) is incorporated and domiciled in India and has its registered office at Mandlik House, Mandlik Road, Colaba, Mumbai 400 001. The name of the company was changed to Ideal Ice Ltd. W.e.f September 16, 2021

The financial statements were approved by the Board of Directors and authorised for issue on April 22, 2022

Note 2 : Significant Accounting Policies

(a) Statement of Compliance:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Effective from April 1, 2016, the Company has adopted all issued Ind AS standards, as applicable, and the adoption was carried out in accordance with Ind AS 101 – "First time adoption of Indian Accounting Standards" with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles Generally accepted in India (Indian GAAP) and accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) which was the previous GAAP.

(b) Basis of Preparation and Presentation:

These financial statements have been prepared on a historical cost convention on the accrual basis at the end of each reporting period, as explained in the accounting policies below.

Accounting policies have been applied consistently except where a newly issued accounting standard is initially adopted or a revision to an existing accounting require a change in the accounting policy hitherto in use.

(c) Critical Accounting Estimates and Judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- Useful Lives of Property, Plant and Equipment and Intangible Assets: The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- Impairment Testing: Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost

to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- Income Taxes: Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and their tax charge in the statement of profit or loss.
- 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 or loss.
- Fair Value Measurement of Derivative and other Financial Instruments: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements to select a variety of methods and make assumptions that are mainly based on market conditions existing at the Balance Sheet date.
- Defined Benefit Plans: The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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, etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.
- Estimation Uncertainty Relating to the Global Health Pandemic on COVID-19

  The Company has assessed the possible impact of COVID-19 in preparation of the standalone financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of Covid-19 may be different from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

  The Company has earned positive earnings before Interest, Depreciation and Tax (EBIDTA) in the current year Rs 13.24 lakhs. The company has been able to meet all its financial obligations including payment of interest on short term borrowings.

  The company's accumulated losses as at March 31, 2022 is Rs 220.05 lakhs as COVID -19 has had an impact on its businesses in the past few years. During the current year on revival of travel and easing of restrictions, the company has revived its operations and focussed on the Food Delivery and Home Stay business which have yielded positive contributions. The company has also entered into the QSR business with effect from November 1, 2021 and has incurred losses of Rs 150 lakhs due to initial spends on brand launch and other related activities and impact of Covid-19 in January and February 2022.

  The Management is confident of that cash from operations (based on future projections prepared) and funds from borrowed facilities or from Parent Company, as needed, would be available for the Company to meets its obligations on the due dates and based on that the accounts of the company are prepared on a 'Going concern basis'.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(d) Revenue Recognition:

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Space and Shop Rentals: Rentals basically consists of rental revenue earned from letting of space. The contract for rentals are generally of short term in nature. Revenue is recognized in the period in which services are being rendered.

Other Allied Services: In relation to the, laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of service rendered.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

(e) Employee Benefits (other than for persons engaged through contractors):

i. Provident Fund:

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the Regional Provident Fund Commissioner.

ii. Gratuity Fund

The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the other comprehensive income and reflected in retained earnings and will not be reclassified to the statement of profit and loss.

iii. Compensated Absences

The Company has a scheme for compensated absences for employees, the liability for which is determined on the basis of an independent actuarial valuation using the projected unit credit method, carried out at the Balance Sheet date.

iv. Other Employee Benefits

Other benefits, comprising of discretionary Long Service Awards and Leave Travel Allowances, are determined on an undiscounted basis and recognised based on the entitlement thereof.

(f) Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and taxes (other than those refundable), expenses directly related to the location of assets and making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs (refer note no. 2(p) below). Initial estimate shall also include costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Depreciation is charged to profit or loss so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of the depreciable assets are as follows:

Class of Assets	Estimated Useful Life
Buildings	60 years
Improvements and Renovations to Buildings	10 years
Plant and Equipment	10 to 15 years
Electrical Installation and Equipment	10 years
Hotel Wooden Furniture	10 years
Furniture and Fixtures other than wooden furniture	8 years
Office Equipment	5 years
End User devices – Computers, Laptops etc	6 years
Vehicles	8 years
Assets costing less than ₹ 5000	4 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the pervious GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work in progress represents projects under which the property, plant and equipment's are not yet ready for their intended use and are carried at cost determined as aforesaid.

(g) Intangible Assets:

Intangible assets include cost of acquired software. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use.

Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Intangible assets with finite lives are amortized over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation periods are reviewed and impairment evaluations are carried out at least once a year. The estimated useful life used for amortising intangible assets are as under:

Class of Assets	Estimated Useful Life
Software and Licences	6 years

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use of disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

For transition to Ind AS, the Company has elected to continue with carrying value of all of its intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(h) Impairment of Assets:

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

(i) Foreign Currency Translation :

Initial Recognition

On initial recognition, all foreign currency transactions (other than advance receipt or payment of foreign currency) receipts or payments are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. The foreign currency transactions received or paid in advance are accounted at the date of receipt or payment of foreign currency.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were the fair value measured.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of other monetary items are recognised in the Statement of Profit and Loss.

Effective April 1, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

(j) Non-current Assets Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable and expected to be completed within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

(k) Assets taken on Lease:

On inception of a contract, the Company assesses whether it contains a lease. A contract is, or contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost and they are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are also adjusted for any re-measurement of lease liabilities. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term.

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

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option and any lease modification.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(l) Inventories:

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Cost include the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

(m) Government Grants

Government grants are recognised in the period to which they relate when there is reasonable assurance that the grant will be received and that the Company will comply with the attached conditions

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

(n) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current Tax:

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax :

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences in the foreseeable future and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(o) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

(p) Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit or Loss using the effective interest method.

(q) Cash and Cash Equivalent (for the purpose of cash flow statements):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(r) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

(s) Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year including potential equity shares, if any, on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(t) Segment Reporting:

The Company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the committee that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets/liabilities".

(u) Financial Instruments:

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL') on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

– The rights to receive cash flows from the asset have expired, or

– The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at Fair Value Through Profit or Loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 – "Financial Instruments" are satisfied. For liabilities designated as Fair Value through Profit and Loss ("FVTPL"), fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income ("OCI"). These gains/loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and Borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate ('EIR'). The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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 Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 3 : Tangible Assets

₹ Lakhs

	Freehold Land	Buildings	Plant and Machinery	Furniture & Fixtures	Office Equipment	Vehicles	Total	Capital work-in-progress	Investment Property
Gross Block at Cost									
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Additions	-	232.22	91.36	56.73	8.34	-	388.64	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at March, 2022	**-**	**232.22**	**91.36**	**56.73**	**8.34**	**-**	**388.64**	**-**	**-**
Depreciation									
At April 1, 2020	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	-	0.08	0.12	2.16	0.01	-	2.36	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at March, 2022	**-**	**0.08**	**0.12**	**2.16**	**0.01**	**-**	**2.36**	**-**	**-**
Net Block									
As at March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at March, 2022	**-**	**232.14**	**91.24**	**54.57**	**8.33**	**-**	**386.28**	**-**	**-**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 4 : Right-of-Use Assets

₹ Lakhs

	Leased Land	Owned Building on Leased Land	Plant and Machinery - Leased	Furniture and Fixture - Leased	Office Equipment - Leased	Vehicles - Leased	Total
Gross Block at Cost							
At April 1, 2020	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
As at March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
As at March, 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation							
At April 1, 2020	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
As at March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
As at March, 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Block							
As at March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at March, 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 5 : Intangible Assets

₹ Lakhs

	Goodwill	Leasehold Property Rights	Website Development Cost	Software	Management Contracts	Brand	Total	Intangible assets under development
Gross Block at Cost								
At April 1, 2020	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
As at March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Additions	-	-	-	-	-	1,034.25	1,034.25	-
Disposals	-	-	-	-	-	-	-	-
As at March, 2022	**-**	**-**	**-**	**-**	**-**	**1,034.25**	**1,034.25**	**-**
Amortisation								
At April 1, 2020	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-
Deductions for the year	-	-	-	-	-	-	-	-
As at March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	-	-	-	-	-	42.78	42.78	-
Disposals	-	-	-	-	-	-	-	-
As at March, 2022	**-**	**-**	**-**	**-**	**-**	**42.78**	**42.78**	**-**
Net Block								
As at March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at March, 2022	**-**	**-**	**-**	**-**	**-**	**991.47**	**991.47**	**-**

Note 6 : Investment

₹ Lakhs

	As at March 2022	As at March 2021
(a) Non current Investment		
NIL		
(b) Current Investment		
NIL		
	-	**-**

Note 7 : Loans (Unsecured, considered good unless stated otherwise)

₹ Lakhs

	As at March 2022	As at March 2021
(a) Non current		
NIL		
(b) Current assets		
NIL		
	-	**-**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 8 : Other financial assets

₹ Lakhs

	As at March 2022	As at March 2021
(a) Non current		
Long Term Deposits		
with Related parties	-	-
with Public Bodies and Others	23.29	-
Less : Provision for Doubtful advances	-	-
	23.29	-
(b) Current assets		
Other advances		
Considered good	51.17	-
Considered doubtful	-	-
	51.17	-
Provision for doubtful advances	-	-
	51.17	-
Interest receivable		
Related Parties	-	-
Others	0.03	0.03
	0.03	**0.03**
On Current Account dues		
Related Parties	-	-
Others	11.13	-
	11.13	-
	62.33	**0.03**

Note 9 : Deferred Tax Assets (Net)

₹ Lakhs

	As at March 2022	As at March 2021
NIL		

Note 10 : Deferred Tax Liabilities (Net)

₹ Lakhs

	As at March 2022	As at March 2021
NIL		

Note 11 : Other assets

₹ Lakhs

	As at March 2022	As at March 2021
(a) Non current		
Capital advances	17.17	-
	17.17	-
(b) Current		
Prepaid Expenses	-	-
Indirect tax recoverable	147.84	-
Advance to Suppliers	1.06	-
	148.90	-

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 12 : Inventories

₹ Lakhs

	As at March 2022	As at March 2021
Food and beverages	22.69	-
Stores and operating supplies	73.08	-
	95.77	**-**

Note 13 : Trade receivables (Unsecured)

₹ Lakhs

	As at March 2022	As at March 2021
Others :		
Considered good	466.32	-
Which have significant increase in credit risk	-	-
Credit impaired	-	-
	466.32	**-**
Less : Provision for trade receivables credit impaired	-	-
	466.32	**-**

Note 14(a) : Cash and Cash Equivalent

₹ Lakhs

	As at March 2022	As at March 2021
Cash on hand	2.82	-
Cheques, drafts on hands	-	-
Current accounts	347.79	0.18
Call and short term deposit accounts (less than 3 months)	-	-
	350.61	**0.18**

Note 14(b) : Bank Balances other than Cash and Cash Equivalent

₹ Lakhs

	As at March 2022	As at March 2021
Call and short term deposit accounts	1.30	1.30
	1.30	**1.30**
Less : Term deposit with bank maturing after 12 months from the Balance Sheet data and other earmarked / margin money / pledged deposits classified as non-current	-	-
	1.30	**1.30**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 15 : Share Capital

₹ Lakhs

	As at March 2022	As at March 2021
Authorised Share Capital		
Ordinary Shares	**1,500.00**	**110.00**
	1,500.00	**110.00**
Issued Share Capital		
Ordinary Shares	**587.79**	**97.97**
	587.79	**97.97**
Subscribed and paid up		
Ordinary Shares	587.79	97.97
	587.79	**97.97**

Note 16 : Other Equity

₹ Lakhs

	As at March 2022	As at March 2021
Retained Earning		
Surplus/Deficit in the Profit And Loss b/f	(178.00)	(177.88)
Current Year profits	(42.05)	(0.12)
Total Reserves and Surplus	**(220.06)**	**(178.00)**

Note 17 : Borrowings

₹ Lakhs

	As at March 2022	As at March 2021
(a) Non current		
Other Loans and Advances		
From related parties		
Secured	-	-
Unsecured	1,200.00	72.62
	1,200.00	**72.62**
Less: Current maturities of Long term borrowings (shown under Short term borrowings)	160.00	-
Total Long Term Borrowings	**1,040.00**	**72.62**
(b) Current assets		
Short-term borrowings		
Current maturities of long term borrowings		
Long Term Borrowings from Related Parties	160.00	-
Total Short Term Borrowings	**160.00**	**-**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 18 : Trade payables

₹ Lakhs

	As at March 2022	As at March 2021
Trade payables		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises		
Vendor payables	209.40	6.45
Accrued expenses and others	209.07	0.12
	418.46	**6.57**
	418.46	**6.57**

Note 19 : Other financial liabilities

₹ Lakhs

	As at March 2022	As at March 2021
(a) Non Current		
NIL		
(b) Current		
Deposits		
Payables on Current Account dues		
Related Parties	72.35	4.38
Others	-	-
	72.35	**4.38**
Interest accrued but not due on borrowings	5.33	-
Interest accrued and due on borrowings	-	-
Creditors for capital goods and services	477.64	-
Employee related liabilities	6.92	-
Other liabilities	-	-
	562.23	**4.38**

Note 20 : Provisions

₹ Lakhs

	As at March 2022	As at March 2021
(a) Long term provisions		
Compensated Absences	7.11	-
Gratuity	3.78	-
Provision for employee benefits	**10.89**	**-**
	10.89	**-**
(b) Short term provisions		
Compensated Absences	1.09	-
Provision for Employee benefits – Others	0.26	-
Provision for Employee Benefits	**1.35**	**-**
	1.35	**-**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 21 : Other Liabilities

₹ Lakhs

	As at March 2022	As at March 2021
(a) Non Current		
NIL		
	-	-
(b) Current		
Statutory dues	12.30	0.15
	12.30	**0.15**

Note 22 : Rooms, Restaurants, Banquets and other income

₹ Lakhs

	As at March 2022	As at March 2021
Income from Operations	701.20	-
	701.20	**-**
Income from Operation is derived from the following services:		
Room Income	-	-
Food, Restaurant & Banquet Income	284.26	-
Shop Rentals	-	-
Membership Fees	-	-
Management & Operating Fees	409.39	-
Others Operating Income	7.55	-
	701.20	**-**

Note 23 : Other income

₹ Lakhs

	As at March 2022	As at March 2021
Interest income		
Deposits with Banks	0.05	-
	0.05	**-**
Interest on Income Tax Refunds	-	-
Total	**0.05**	**-**
Other Miscellaneous Income	72.66	0.38
	72.71	**0.38**

Note 24 : Food and beverages consumed

₹ Lakhs

	As at March 2022	As at March 2021
Food and Beverages consumed	86.57	-
	86.57	**-**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 25 : Employee Benefits Expenses and Payment to Contractors

₹ Lakhs

	As at March 2022	As at March 2021
Salaries, Wages, Bonus etc.	116.56	-
Company's contribution to provident and other funds	0.75	-
Reimbursement of expenses on personnel deputed to the company	75.61	-
Payment to contractors	76.84	-
Staff welfare expenses	4.32	-
	274.09	**-**

Note 26 : Finance costs

₹ Lakhs

	As at March 2022	As at March 2021
Interest expense		
Interest Expense at effective interest rate on borrowings	7.98	-
Less : Interest Recovered on Related Currency swaps	-	-
	7.98	**-**
Less : Interest capitalised	-	-
	7.98	**-**

Note 27 : Depreciation and Amortisation

₹ Lakhs

	As at March 2022	As at March 2021
Depreciation on Property, Plant and Equipment	2.36	-
Depreciation of Right-of-use Assets	-	-
Amortisation on Intangible Assets	42.78	-
	45.14	**-**

Note 28 : Operating and general expenses

₹ Lakhs

	As at March 2022	As at March 2021
I. Operating expenses consists of the following :		
Linen and room supplies	2.04	-
Catering supplies	12.15	-
Other supplies	4.63	-
Fuel, power and light	19.94	-
Repairs to buildings	1.97	-
Repairs to machinery	5.91	-
Repairs to others	1.27	-
Travel agents' commission	11.55	-
Discount to collecting agents	0.07	-
Other operating expenses	-	-
	59.53	**-**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

₹ Lakhs

	As at March 2022	As at March 2021
II. General expenses consists of the following :		
Rent	38.04	-
Licence fees	-	-
Rates and taxes	25.40	-
Insurance	-	-
Advertising and publicity	172.00	-
Printing and stationery	0.59	-
Passage and travelling	1.12	-
Provision for doubtful debts	-	-
Professional fees	58.60	0.44
Outsourced Support Services	6.14	-
Expenditure on Corporate Social Responsibility	-	-
Other expenses	22.79	-
Reimbursable Fees Expenses	-	-
Communication charges	9.32	-
Payment made to statutory auditors :		
i. As auditors	1.67	0.06
ii. For taxation matters	-	-
iv. For management services	-	-
v. For other services	4.82	-
vi. For reimbursement of expenses	-	-
	6.49	**0.06**
Directors' fees and commission	-	-
	308.38	**0.50**
	367.92	**0.50**

Note 29 : Exceptional Items

₹ Lakhs

	March 31, 2022	March 31, 2021
NIL		

Note 30 : Standards Issued but not yet Effective

There are no new standard or amendments to the existing standards notified by Ministry of Corporate Affairs ("MCA") which would have been applicable from April 1, 2022.

Note 31 : Contingent Liabilities (to the extent not provided for)

₹ Lakhs

	March 31, 2022	March 31, 2021
a) Claims against the company not acknowledged as debt – Interest on customs duty not provided pending waiver application before Appellate authorities	-	-
b) Guarantees	-	-
c) Other money for which the company is contingently liable	-	-

Note 32 : Commitments

(a) Capital Commitments: ₹ in lakhs

Estimated amount of contracts remaining to be executed on capital account net of capital advances and not provided for is ₹ 26 lakhs (Previous Year – ₹ 0)

(b) Other Commitments Nil (Nil)

Note 33 : Employee Benefits

(a) The Company has recognised the following expenses as defined contribution plan under the head "Company's Contribution to Provident Fund and Other Funds" (net of recoveries):

₹ Lakhs

	As at March 2022	As at March 2021
Provident Fund	1.23	0

(b) The Company operates post retirement defined benefit plans as follows:-

Post Retirement Gratuity (unfunded)

(c) Defined Benefit Plans – As per Actuarial Valuation on March 31, 2022:-

(i) Amount to be recognized in Balance Sheet and movement in net liability ₹ in lakhs

₹ Lakhs

	Gratuity March 31, 2022	Gratuity March 31, 2021
Present Value of Funded Obligations	-	-
Present Value of Unfunded Obligations	4.04	-
Fair Value of Plan Assets	-	-
Net (Asset) / Liability	**4.04**	**-**

(ii) Expenses recognized in the Statement of Profit & Loss

₹ Lakhs

	Gratuity March 31, 2022	Gratuity March 31, 2021
Current Service Cost	0.41	-
Past service Cost	-	-
Interest Cost	0.09	-
Expected return on Plan Assets	-	-
Effect of the limit on Plan Asset	-	-
Total	**0.50**	**-**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(iii) Expenses recognized in Other Comprehensive Income (OCI)

₹ Lakhs

	Gratuity March 31, 2022	Gratuity March 31, 2021
Changes in financial assumptions	-	-
Changes in demographic assumptions	-	-
Experience adjustments	(0.02)	-
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognise the effect of asset ceiling	-	-
Total	**(0.02)**	**-**

(iv) Reconciliation of Defined Benefit Obligation

₹ Lakhs

	Gratuity March 31, 2022	Gratuity March 31, 2021
Opening Defined Benefit Obligation	-	-
Current Service Cost	4.04	-
Interest Cost	-	-
Changes in financial assumptions	-	-
Changes in demographic assumptions	-	-
Experience adjustments	-	-
Benefits Paid	-	-
Closing Defined Benefit Obligation	**4.04**	**-**

(ix) Actuarial Assumptions

₹ Lakhs

	Gratuity March 31, 2022	Gratuity March 31, 2021
Discount rate (p.a.)	6.80%	-
Salary Escalation Rate (p.a.)		
Staff	5.00%	-
Executive	4.00%	-

(xi) Maturity Profile

Maturity Profile	₹ in Lakhs
Expected benefits for year 1	0.26
Expected benefits for year 2	0.36
Expected benefits for year 3	0.57
Expected benefits for year 4	0.39
Expected benefits for year 5	0.36
Expected benefits for year 6	0.34
Expected benefits for year 7	0.32
Expected benefits for year 8	0.31
Expected benefits for year 9	0.16
Expected benefits for year 10 & above	6.61

The weighted average duration to the payment of these cash flows is 10.28 years.

(xii) Effect of Change in Key Assumptions

Year Ended March 31, 2022
₹ Lakhs

Particulars	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-4.93% 3.84	5.49% 4.26
Impact of decrease in 50 bps on DBO	**5.37%** **4.26**	**-5.08%** **3.83**

Note 34 : Related Party Disclosures

(a) The names of related parties of the Company are as under:

i. Holding Company/ Parent Company

Name of the Entity	Country of Incorporation
The Indian Hotels Company Limited (IHCL)	India

ii. Subsidiary of Parent Company

Name of the Entity	Country of Incorporation
Piem Hotels Limited (Piem)	India
Benaras Hotels	India
Roots Corporation Ltd.	India
Taj Trade &Transport	India
United Hotels Ltd.	India

iii. Jointly Controlled Entities of the Company

Name of the Entity	Country of Incorporation
Taj Sats Air Catering Ltd. (Taj Sats)	India
Taj Madras Flight Kitchens Limited (TMFK)	India
Taj GVK Hotels & Resorts Limited (Taj GVK)	India

iv. Associates of the Company

Name of the Entity	Country of Incorporation
Oriental Hotels Ltd. (OHL)	**India**

iv. Tata Sons Related Company

Name of the Entity	Country of Incorporation
Tata Capital Ltd.	India
Tata Consultancy Services Ltd.	India
Tata Digital Ltd.	India

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(b) Details of related party transactions during the year ended March 31, 2022 and outstanding balances as at March 31, 2022:

₹ Lakhs

Particular	IHCL	BHL	OHL	PIEM	RCL	Taj GVK	Taj Sats	TTT	TMFK	UHL	Tata Capital	TCS	TATA DIGITAL
Advertisement & promotion	22.00	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Conveyance	5.40	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Deputed Staff payable	63.61	-	-	-	-	3.08	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Deputed Staff recoverable	18.99	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Share Capital Subscribed	489.83	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Food raw material	5.02	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest accrued but not due	5.33	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Inter Company Payable	70.76	-	0.01	0.56	-	-	-	1.73	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Inter company receivable	13.41	0.02	(0.70)	0.55	-	0.10	0.44	-	0.04	0.09	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposit	1200.00	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	6.56	-	-	-	-	-	-	-	-	-	1.67	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Management Fees Receivable	150.60	1.55	26.57	32.69	0.60	-	10.41	-	1.40	5.52	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Management Fees-Related Parties	145.41	1.35	22.49	63.61	2.40	3.20	8.87	-	1.19	2.78	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll	86.38	-	-	-	-	3.08	-	1.73	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement Cost	6.29	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement Fees Receivable	1.76	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	14.11	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Software Purchase	-	-	-	-	-	-	-	-	-	-	-	6.87	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Support service	-	-	-	-	-	-	-	-	-	-	-	-	4.59
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Mark	985.00	-	-	-	-	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Payable	24.47	-	-	-	-	-	-	-	-	-	0.54	-	4.59
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-
Inter unit payable	-	-	-	-	-	-	-	0.41	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 35 : Segment Information

The Company is in the hospitality business and the business of food delivery ,Restaurant & home stays are part of the hospitality business. Hence disclosure of segment-wise information is not applicable under Ind AS108 - 'Operating Segments'. There is no geographical segment to be reported since all the operations are undertaken in India.

Note 36 : Earnings Per Share (EPS)

Earnings Per Share is calculated in accordance with Indian Accounting Standard 33 – 'Earnings Per Share' – (Ind AS-33):

₹ in lakhs except per share data

Particulars	March 31, 2022	March 31, 2021
Profit/ (Loss) before tax and exceptional items (₹)	(39.89)	(0.12)
Profit/ (Loss) after tax and exceptional items (₹)	(42.05)	(0.12)
Number of Ordinary Shares		
Weighted Average Number of Ordinary Shares:		
Considered in calculation of Basic EPS	30,06,062	9,79,654
Considered in calculation of Diluted EPS	30,06,062	9.79.654
Face Value per Ordinary Share (₹)	10	10
Earnings Per Share - before exceptional items (₹):		
Basic	(1.40)	(0.01)
Diluted	(1.40)	(0.01)
Earnings per Share – after exceptional items (₹)		
Basic	(1.40)	(0.01)
Diluted	(1.40)	(0.01)

Note 37 : Going Concern

The Company has earned positive earnings before Interest, Depreciation and Tax (EBIDTA) in the current year of Rs 13.24 lakhs. The company has been able to meet all its financial obligations including payment of interest on short term borrowings.

The company's accumulated losses as at March 31, 2022 is Rs 220.05 lakhs as Covid -19 has had an impact on its businesses in the past few years. During the current year on revival of travel and easing of restrictions, the company has revived its operations and focussed on the Food Delivery and Home Stay business which have yielded positive contributions. The company has also entered into the QSR business with effect from 1st November 2021 and has incurred losses of Rs 150 lakhs due to initial spends on brand launch and other related activities and impact of Covid-19 in January and February 2022.

The Management is confident of that cash from operations (based on future projections prepared) and funds from borrowed facilities or from Parent Company, as needed, would be available for the Company to meets its obligations on the due dates and based on that the accounts of the company are prepared on a 'Going concern basis'.

Note 38 : Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

a. Financial Assets and Liabilities

The carrying value of financial instruments by categories is as follows:

Fair Value Measurement:

₹ in lakhs

	Amortised cost March 31, 2022	Amortised cost March 31, 2021
Financial Assets:		
Cash and cash equivalents	350.61	0.18
Bank balance other than cash and cash equivalents	1.30	1.30
Trade Receivables*	466.32	-
Other Current financial assets*	84.51	0.03
Other Non-current financial assets*	23.28	-
Total	**926.02**	**1.51**
Financial Liabilities:		
Borrowings	1,200	72.6
Trade Payables*	412	0.1
Other current financial liabilities*	562	4.4
Total	**2,174**	**77.1**

*All the Trade receivable, Trade Payable, Other Current financial asset and other current financial liabilities are less than 6 months old

Fair values of financial assets measured at amortised cost:

Management considers that the carrying amounts of financial assets recognised at amortised costs in financial statements approximate their fair values.

b. Financial Risk Management:

Financial instruments held by the company, principally comprise of cash, trade and other receivables, trade and other payables, loans and borrowings. The main purpose of these financial instruments is to manage the operating, investing and financing activities of the company.

Financial risk management of the company is carried out based on the guidelines established by the finance team which comes under the purview of the Board of Directors of the company.

The company has exposure of the following risks from its use of financial instruments:

(i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, , loans and advances, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Group result in material concentration of credit risk.

Exposure to Credit Risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 466. 32 and ₹ Nil lakhs as of March 31, 2022 and March 31, 2021, respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, unbilled revenue, other financial assets and investments excluding equity and preference investments.

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Particulars	March 31, 2022	March 31, 2021
No of Customers who owed more than 10% of the Total receivables	1	-
Contribution of Customers in owing more than 10% of Total receivables	32.06%	-

(ii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The objective of market risk management is to manage and control market risk exposure within the acceptable parameters, while optimizing returns.

(iii) Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as of:

Contractual maturity of financial liabilities:

₹ in lakhs

March 31, 2021	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Borrowings	72.61				72.61
Trade and other payables	4.38				4,38
Other financial liabilities	0.15				0.15
Total	**77.14**				**114.76**

₹ in lakhs

March 31, 2022	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Borrowings	160	400	640		1,200
Trade and other payables	418.46				418.46
Other financial liabilities	562.23				562.23
Total	**1,140.69**	**500**	**620**		**2,180.69**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 39 : Micro Enterprises and Small Enterprises

There are no Micro and Small enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31st March, 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

₹ in lakhs

	31st March, 2022	31st March, 2021
The disclosure pursuant to the said Act is as under		
(i) Principal amount (along with payment made to suppliers) outstanding	-	-
(ii) Interest paid beyond the appointed day during the year	-	-
(iii) Interest due and payable for delay in making the payment	-	-
(iv) Interest accrued and remaining unpaid at the end of the year	-	-
(v) Further interest remaining due and payable in succeeding years	-	-

Note 40 : Financial Ratios

Sr. No.	Ratio	in times/%	Numerator	Denominator	Current Year	Previous Year
a)	Current Ratio	in times	Current Assets	Current Liabilities excluding current maturities of long term borrowings	1.2	0.1
b)	Debt - Equity	in times	Non - Current Borrowings + Current Borrowings	Total Equity	3.3	(0.9)
c)	Debt service coverage	in times	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortization expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt)]	1.7	-
d)	Return on Equity	in %	Profit/(Loss) after tax	Average Total Equity	-15%	0%
e)	Trade Receivable Turnover	in times	Revenue from operations	* Average Trade Receivables	4	-
f)	Trade Payable Turnover	in times	Total expenses - Depreciation - Interest - Payroll Cost	* Trade Payables	2.3	0.1
g)	Net Capital Turnover	in times	Net Sales	* Working Capital i.e (Avg Current Assets - Avg Current Liabilities)	2.1	(0.2)
h)	Net Profit Ratio	in %	Profit/(Loss) after tax	Total Income	-5%	-32%
i)	Return on capital employed	in %	EBIT	* Avg Equity + Avg Debt + Avg Leases	-5%	2%
j)	Return on Investment	in %	NA	NA	NA	NA

Note: * Average = (Opening + Closing)/2

Note 41 : Previous year figures

Previous year's figures have been re-Grouped, rearranged and recast wherever necessary so as to make them comparable with the current year's figures.

As per our report of even date as attached

For **Damji Merchant & Co.,**
Chartered Accountants
Firm Regn No: 102082W

Karan Vishwakarma
Partner
Membership No: 183499

Place : Mumbai
Date :

For and on behalf of the Board

For Ideal ice Limited

Prabhat Verma
Director
Din No: 06548864

Sarabjeet Singh
Director
Din No: 02503553

Place : Bengaluru
Date :

Independent Auditor's Report

To the Members of KTC HOTELS LIMITED
Ernakulam

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind-AS financial statements of KTC Hotels Limited ("the Company"), which comprise the Balance Sheet as at March 31 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies along with the Notes forming part of the accounts and other explanatory information.

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

Basis for Opinion

We conducted our audit of the financial statements, in accordance with the Standards on Auditing specified under Section 143(10) of the Act ("SAs"). Our responsibility under those standards are further described in the Auditors' responsibility for the audit of the financial statements section of this report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No	Key Audit Matter	Auditor's Response
1.	**Evaluation of uncertain tax positions** The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 2.(i) and 19.1 to the Financial Statements	**Principal Audit Procedures** Obtained details of completed tax assessments and demands for the year ended March 31 2022 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1 2022, to evaluate whether any change was required to management's position on these uncertainties.
2.	**Recoverability of Indirect tax receivables** As at March 31 2022, non-current assets represent Balance with Government Authorities in the nature of service tax recoverable amounting to ₹ 6,35,883 which are pending adjudication. Refer Note 5 to the Financial Statements.	**Principal Audit Procedures** We have reviewed the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution

Independent Auditor's Report (Contd.)

Information Other than the Financials Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including Annexures to the Director's Report in the Annual Report of the Company for the financial year 2021-22, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other Information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, the profit, total comprehensive income, cash flows and changes in equity of the Company in accordance with Ind AS and other accounting principles generally accepted in India.

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial reporting in place and the operating effectiveness of such controls.

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

4. Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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 of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the Annexure “A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

Independent Auditor's Report (Contd.)

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) in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act to the extent applicable;

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

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to its directors during the year.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 19.1 to the Ind AS financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which they have 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. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year in respect of which compliance is required to be verified under section 123 of the Companies Act,

FOR **Varma and Varma**
Chartered Accountants
FRN: 004532S

Sanil S. Kurup
Partner
M No. 234574

Place: Calicut
Date: 22.4.2022

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KTC Hotels Limited of even date)

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

B) The company does not have any intangible asset as at the year ended 31-03-2022.

(b) We are informed that major items of the Property, Plant and Equipment of the Company have been physically verified by the management during the year, which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets and that no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(d) According to the information and explanations provided to us and based on our verification of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets during the year.

(e) According to the information and explanations provided to us and based on our verification of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 and rules made thereunder.

(ii) a. The Company is a service company, primarily engaged in business of renting of immovable property. Accordingly, it does not hold any physical inventories .Thus, paragraph 3(ii) of the Order is not applicable to the Company.

b. According to the information and explanations provided to us and based on our verification of the records of the Company, the Company has not availed working capital facilities from banks or financial institutions. Thus, paragraph 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations provided to us and based on our verification of the records of the Company, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties, Thus, paragraph 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) The Company has not made any investment or given any security or given any guarantee or granted any loans for which the provisions of sections 185 and 186 of the Companies Act, 2013 are applicable.

(v) According to the information and explanations provided to us and based on our verification of the records of the Company, the Company has not accepted any deposits from the public, thus, paragraph 4(v) of the order is not applicable to the Company.

(vi) According to the information and explanations provided to us and based on our verification of the records of the Company, the provisions relating to maintenance of cost records under section 148 of the Companies Act, 2013 are not applicable to the Company for the year.

(vii) As per the information and explanations furnished to us, in respect of statutory dues:

a. According to the information and explanations provided to us and based on our verification of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues with the appropriate authorities during the year to the extent applicable. There were no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

Annexure A to the Auditors' Report (Contd.)

b. According to the information and explanations given to us, and as per the records of the company examined by us, the following disputed amount of statutory dues have not been deposited with the relevant authorities as per details given below:

Nature of the Statute	Nature of dues	Amount (In Rs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act 1961	Income Tax	*9,59,450/-	Assessment Year 2005 -06	CIT(Appeals), Kozhikode
Finance Act 1994	Service tax	22,47,062/-	Financial Year 2007 – 08 and 2008 –09	Office of the Commissioner of Central Excise, Customs and Service Tax (Appeals), Kochi

*Out of the above, an amount of Rs.5,24,190/- have been adjusted against the refund due for the Assessment Year 2009-10

(viii) According to the information and explanations provided to us and based on our verification of the records of the Company, there are no amounts that are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix) The Company does not have any loans or borrowings from any financial institution, banks, or any other lenders during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations provided to us and based on our verification of records of the Company, the Company neither raised any money by way of initial public offer or further public offer (including debt instruments) nor made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, paragraph 3(x)(a) and 3(x)(b) of the Order is not applicable.

(xi) According to the information and explanations provided to us and based on our verification of the records of the Company, no fraud by the Company or any fraud on the Company has been noticed or reported during the course of our audit. Also, no report under sub-section (12) of section 143 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) and no whistle-blower complaints were received during the year by the Company.

(xii) The company is not a Nidhi company and hence the reporting requirement under Para 3(xii) is not applicable in the company

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 wherever applicable and details have been disclosed in Note No. 19.3 to the financial statements as required by the applicable Accounting Standards.

(xiv) According to the information and explanations provided to us and based on our verification of the records of the Company, as per section 138 read with applicable rules, appointment of internal auditor is not applicable to the Company. Thus, paragraph 3(xiv)(a) and 3(xiv)(b) of the Order is not applicable.

(xv) According to the information and explanations given to us and records of the Company, examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.

(xvi) According to the information and explanations provided to us and based on our verification of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934, has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the Reserve Bank of India and Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, paragraph 3(xvi)(a) to 3(xvi)(d) of the order are not applicable.

Annexure A to the Auditors’ Report (Contd.)

(xvii) According to the information and explanations provided to us and based on our verification of the records of the Company, the company has not incurred cash losses in the current financial year or in the immediately preceding financial year.

(xviii) According to the information and explanations provided to us and based on our verification of the records of the Company, the statutory auditor has not resigned during the year. Hence the paragraph 3(xviii) is not applicable.

(xix) According to the information and explanations provided to us and based on our verification of the records of the Company, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities other information accompanying the financial statements, the auditor’s knowledge of the Board of Directors and management plans, we are of the opinion that no 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.

(xx) According to the information and explanations provided to us and based on our verification of the records of the Company, Section 135 is not applicable to the Company hence the Company does not have any amount remaining unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project. Thus, paragraph 3(xx)(a) and 3(xx)(b) are not applicable.

(xxi) According to the information and explanations provided to us and based on our verification of the records of the Company, reporting under this clause is not applicable to the Company as the Company is not required to prepare consolidated financial statements.

FOR **Varma and Varma**
Chartered Accountants
FRN: 004532S

Sanil S. Kurup
Partner
M No. 234574

Place: Calicut
Date: 22.4.2022

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KTC Hotels Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of KTC Hotels Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure "B" to the Independent Auditor's Report (Contd.)

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls system over financial reporting with reference to these financial statements were operating effectively as at March 31 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 issued by the Institute of Chartered Accountants of India.

FOR **Varma and Varma**
Chartered Accountants
FRN: 004532S

Sanil S. Kurup
Partner
M No. 234574

Place: Calicut
Date: 22.4.2022

Balance Sheet
as at March 31, 2022

₹ Lakhs

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	2,80,70,486	2,87,04,286
		2,80,70,486	**2,87,04,286**
Financial Assets			
Income tax assets (Net)		-	76,641
Other non-current assets	5	6,35,883	6,35,883
Total non-current assets		**2,87,06,369**	**2,94,16,810**
Current assets			
Financial Assets			
i) Trade receivables	6	12,04,415	2,44,887
ii) Cash and cash equivalents	7(a)	6,73,702	1,07,47,259
iii) Bank Balances other than Cash and Cash Equivalents	7(b)	2,60,00,000	1,60,00,000
iv) Loans	8	1,52,300	1,52,300
v) Other financial assets	4	12,26,000	-
Other current assets	5	12,082	12,532
Total current assets		**2,92,68,499**	**2,71,56,978**
TOTAL ASSETS		**5,79,74,868**	**5,65,73,788**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	9	60,40,000	60,40,000
(b) Other Equity	10	2,46,37,027	2,26,54,339
Total equity		**3,06,77,027**	**2,86,94,339**
Liabilities			
Non-current liabilities			
Financial Liabilities			
i) Borrowings	11	13,16,725	11,98,034
Deferred Tax Liabilities (Net)	12	55,96,730	57,11,930
Other non-current Liabilities	13	1,96,21,214	2,02,02,619
Total non-current liabilities		**2,65,34,669**	**2,71,12,583**
Current liabilities			
Financial Liabilities			
i) Trade payables	14	75,000	1,37,737
Current tax liabilities (Net)		58,649	-
Other current liabilities	13	6,29,523	6,29,129
Total current liabilities		7,63,172	7,66,866
Total Liabilities		2,72,97,841	2,78,79,449
TOTAL EQUITY AND LIABILITIES		**5,79,74,868**	**5,65,73,788**
Accounting Policies	1-2		
Additional Information	19-29		

For and on behalf of the Board of directors of
KTC Hotels Limited

Gautam Sethi
Director
(DIN:08571659)

Place: Bangalore
Date:

Prabhat Verma
Director
(DIN:06548864)

As per our report of even date attached

For **Varma & Varma**
(FRN:004532S)
Chartered Accountants

Sanil S. Kurup
Partner
M.No:234574

Place:Calicut
Date:

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

₹ Lakhs

Particulars	Note	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Income			
Revenue from operations	15	22,94,587	20,70,376
Other income	16	12,26,000	13,99,974
Total Income		**35,20,587**	**34,70,350**
Expenses			
Finance costs	17	1,18,691	1,07,992
Depreciation and Amortisation expenses	3	6,33,800	6,33,800
Other expenses	18	1,18,498	1,57,863
Total expenses		**8,70,989**	**8,99,655**
Profit / (Loss) before tax		**26,49,598**	**25,70,694**
Tax Expense			
(1) Current tax		7,82,110	7,57,317
(2) Deferred tax		(1,15,200)	(1,09,470)
Profit for the year		**19,82,688**	**19,22,847**
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Total other comprehensive income (net of tax)		-	-
Total comprehensive income for the year		**19,82,688**	**19,22,847**
Earnings per equity share - Basic and diluted (₹)		3.28	3.18
Weighted average number of equity shares (face value of ₹ 10 each)		6,04,000	6,04,000
Accounting Policies	1-2		
Additional Information	19-29		

The accompanying notes form an integral part of the financial statements.

For and on behalf of the Board of directors of
KTC Hotels Limited

Gautam Sethi
Director
(DIN:08571659)

Prabhat Verma
Director
(DIN:06548864)

Place: Bangalore
Date:

As per our report of even date attached

For **Varma & Varma**
(FRN:004532S)
Chartered Accountants

Sanil S. Kurup
Partner
M.No:234574

Place:Calicut
Date:

Statement of Changes in Equity
for the year ended 31 March, 2022

A. Equity share capital

₹ Lakhs

	Note	Equity shares	Amount
Equity shares of INR 10 each issued at par, subscribed and fully paid-up			
As at March 31, 2020	9	6,04,000	60,40,000
Changes in equity share capital during 2020-21		-	-
As at March 31, 2021		**6,04,000**	**60,40,000**
Changes in equity share capital during 2021-22		-	-
As at March 31, 2022		**6,04,000**	**60,40,000**

B Other equity

₹ Lakhs

Particulars	Reserves and surplus		Total equity attributable to equity share share holders of the Company
	General Reserve	Retained Earnings	
As at March 31, 2020	**33,00,000**	**1,74,31,493**	**2,07,31,493**
Total comprehensive income for the year ended March 31, 2021			
Profit for the year	-	19,22,847	19,22,847
Other comprehensive income, net of taxes	-	-	-
Total comprehensive income	**-**	**19,22,847**	**19,22,847**
Transactions with owners, recorded directly in equity			
Contributions by and distributions to owners			
Dividend paid	-	-	-
Dividend tax	-	-	-
Total contributions by and distributions to owners	**-**	**-**	**-**
As at March 31, 2021	**33,00,000**	**1,93,54,341**	**2,26,54,339**
Total comprehensive income for the year ended March 31, 2022			
Profit for the year	**-**	**19,82,688**	**19,82,688**
Other comprehensive income, net of taxes	-	-	-
Total comprehensive income	**33,00,000**	**19,82,688**	**19,82,689**
Transactions with owners, recorded directly in equity			
Contributions by and distributions to owners			
Dividend paid	-	-	-
Dividend tax	-	-	-
Total contributions by and distributions to owners	**-**	**-**	**-**
As at March 31, 2022	**33,00,000**	**2,13,37,027**	**2,46,37,027**

For and on behalf of the Board of directors of
KTC Hotels Limited

Gautam Sethi
Director
(DIN:08571659)
Place: Bangalore
Date:

Prabhat Verma
Director
(DIN:06548864)

As per our report of even date attached

For **Varma & Varma**
(FRN:004532S)
Chartered Accountants

Sanil S. Kurup
Partner
M.No:234574
Place:Calicut
Date:

Cash Flow Statement

for the year ended March 31, 2022

₹ Lakhs

Statement of Cash Flows	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash flow from Operating Activities:-		
Profit before tax	26,49,598	25,70,694
Adjustments for:		
Depreciation and amortization	6,33,800	6,33,800
Finance Costs	1,18,691	1,07,992
Interest Income	(12,26,000)	(16,11,736)
Total Adjustments	(4,73,509)	(8,69,944)
Operating profit before working capital changes	**21,76,089**	**17,00,750**
Adjustments for:		
Trade receivables	(9,59,528)	26,54,594
Loans , other financial assets and other assets	(12,25,550)	8,19,941
Other financial liabilities, provisions and other liabilities	(6,43,747)	(12,62,193)
Cash generated from operating activities (A)	**(6,52,737)**	**39,13,092**
Income tax paid	(6,46,820)	(5,34,758)
Net cash from / (used) in operating activities	**(12,99,557)**	**33,78,334**
Cash flow from investing activities:		
Bank Balances other than Cash and Cash Equivalents	(1,00,00,000)	(46,00,000)
Interest income	12,26,000	16,11,736
Net Cash from / (used) In Investing Activities (B)	**(87,74,000)**	**1,02,75,663**
Cash flow from financing activities:		
Deposit from holding company	1,18,691	1,07,992
Inter corporate deposit given	-	(1,00,00,000)
Inter corporate deposit refunded	-	1,00,00,000
Finance Costs	(1,18,691)	(1,07,992)
Net Cash from / (used) In Financing Activities (C)	**-**	**-**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	**(1,00,73,557)**	**3,90,070**
Cash and cash equivalents at the beginning of the year	1,07,47,259	1,03,57,189
Cash and cash equivalents at the end of the year (Refer Note No:7a)	**6,73,702**	**1,07,47,259**
NET INCREASE/(DECREASE) AS DISCLOSED ABOVE	**(1,00,73,557)**	**3,90,070**

Significant Accounting Policies - See Note No.1 & 2

For and on behalf of the Board of directors of
KTC Hotels Limited

As per our report of even date attached

For **Varma & Varma**
(FRN:004532S)
Chartered Accountants

Gautam Sethi
Director
(DIN:08571659)

Prabhat Verma
Director
(DIN:06548864)

Sanil S. Kurup
Partner
M.No:234574

Place: Bangalore
Date:

Place:Calicut
Date:

Note 1 Corporate Information

KTC Hotels Limited ("the Company"), was set up in the year 1984 and has its registered office at The Gateway Hotel, Marine Drive, Ernakulam, Kochi – 682 011. The Major shareholders of the Company are The Indian Hotels Company Limited. The Company is engaged in the business of renting of immovable property.

Note 2 Significant accounting policies

(a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 as amended from time to time.

(b) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are presented in Indian Rupees in Crores, except share data, unless otherwise stated.

(c) Basis of preparation of financial statements

These financial statements have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

All assets and liabilities are classified as current and non-current as per Company's normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

(d) Critical accounting estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

(e) Critical accounting estimates

a. Useful lives of property, plant and equipment and intangible assets

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.

b. Impairment testing

Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

c. **Income Taxes**

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and the tax charge in the statement of profit or loss.

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 or loss.

d. **Litigation**

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

(f) Property, plant and equipment

Freehold Land is carried at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overheads incurred upto the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(g) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method, and is generally recognised in the statement of profit and loss. Freehold land is not depreciated.

(h) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

(i) Revenue recognition

(i) License fees are recognised in accordance with contractual terms under completed contract service method.

(ii) Interest accrued is recognised in time proportion basis taking into account amount outstanding and rates applicable.

(iii) Other incomes are recognised on accrual basis except when there are significant uncertainties.

(j) Assets taken on lease

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All the other leases are classified as operating leases.

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on a straight-line basis, unless another basis is more representative of the time pattern of benefits received from the use of the assets taken on lease or the payments of lease rentals are in line with the expected general inflation compensating the lessor for expected inflationary cost. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

Assets held under finance lease are capitalised at the inception of the lease, with corresponding liability being recognised for the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Lease payments are apportioned between the reduction of the lease liability and finance charges in the statement of Profit or Loss so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term

For leases which include both land and building elements, basis of classification of each element is assessed on the date of transition, April 1, 2015, in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard

(k) Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(1) Current tax:

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(2) Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Deferred tax liabilities are generally recognized for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(l) Borrowing Cost

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit or Loss using the effective interest method.

(m) Cash and Cash Equivalent (for the purpose of cash flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(n) Cash and Cash Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified by operating, investing and financing activities.

(o) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(p) Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at either at amortized cost FVTPL or fair value in Other Comprehensive Income (FVOCI)

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

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at investment level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for each of such investments and the operation of those policies in practice.

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable interest rate features;

- prepayment and extension features; and

- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortized cost - These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de recognition is recognized in profit or loss. Equity investments at FVOCI -These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii. Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(q) Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the company including claims raised by fiscal authorities pending in appeal for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which have remote chance for crystallisation are not provided for in accounts but disclosed by way of notes to the accounts. However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. Contingent assets are not recognised in the accounts but are disclosed by way of notes to the accounts.

3. Property, Plant & Equipments

₹ Lakhs

Particulars	Land	Buildings	Total (A)+(B)
Gross carrying value			
Balance at April 1, 2020	42,52,675	3,99,71,450	4,42,24,125
Additions	-	-	-
Deletions	-	-	-
Balance at March 31, 2021	**42,52,675**	**3,99,71,450**	**4,42,24,125**
Balance at April 1, 2021	42,52,675	3,99,71,450	4,42,24,125
Additions	-		
Deletions	-		
Balance at March 31, 2022	**42,52,675**	**3,99,71,450**	**4,42,24,125**
Accumulated Depreciation			
Balance at April 1, 2020	-	1,48,86,038	1,48,86,038
Depreciation	-	6,33,800	6,33,800
Deletions	-	-	-
Balance at March 31, 2021	**-**	**1,55,19,838**	**1,55,19,838**
Balance at April 1, 2021	-	1,55,19,838	1,55,19,838
Depreciation	-	6,33,800	6,33,800
Deletions	-	-	-
Balance at March 31, 2022		**1,61,53,638**	**1,61,53,638**
Net carrying value as at March 31, 2022	**42,52,675**	**2,38,17,812**	**2,80,70,486**
Net carrying value as at March 31, 2021	**42,52,675**	**2,44,51,612**	**2,87,04,287**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 4. Other financial assets

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Unsecured, considered good		
Fixed Deposit	12,26,000	-
	12,26,000	**-**

Note 5: Other assets

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non current		
Unsecured, considered good		
Others-Balance with Government Authorities	6,35,883	6,35,883
	6,35,883	**6,35,883**
Current		
Unsecured, considered good		
Others-Balance with Government Authorities	12,082	12,532
	12,082	**12,532**

Note 6. Trade receivables

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Unsecured		
Considered good	12,04,415	2,44,887
	12,04,415	**2,44,887**
Net Trade Receivables	**12,04,415**	**2,44,887**

(Refer Note 6.1)

Note 6.1 Trade receivables

₹ Lakhs

As at March 31, 2022	Outstanding for following periods from due date of payment						
	Unbilled Dues	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	9,59,528	2,44,887	-	-	-	12,04,415
Total	**-**	**9,59,528**	**2,44,887**	**-**	**-**	**-**	**12,04,415**

₹ Lakhs

As at March 31, 2021	Outstanding for following periods from due date of payment						
	Unbilled Dues	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	2,44,887	-	-	-	-	2,44,887
Total	**-**	**2,44,887**	**-**	**-**	**-**	**-**	**2,44,887**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 7(a). Cash and Cash Equivalents

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with bank in current accounts	6,73,702	1,07,47,259
	6,73,702	**1,07,47,259**

Note 7(b). Bank Balances other than Cash and Cash Equivalent

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Deposit Accounts	2,60,00,000	1,60,00,000
	2,60,00,000	**1,60,00,000**

Note 8. Loans

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless stated otherwise)		
Others	1,52,300	1,52,300
	1,52,300	**1,52,300**

Note 9. Share Capital

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Share Capital		
Authorised		
15,00,000 (15,00,000) equity shares of Rs.10/- each	1,50,00,000	1,50,00,000
(March 31, 2021: 15,00,000 Equity Shares of Rs.10 each)		
	1,50,00,000	**1,50,00,000**
Equity share capital		
Issued, subscribed and paid-up		
Equity shares		
Face Value per ordinary share		
6,04,000 equity shares of Rs.10/- each	60,40,000	60,40,000
(March 31, 2021: 6,04,000 Equity Shares of Rs.10 each)		
	60,40,000	**60,40,000**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reported period

Equity Shares	March 31, 2022	March 31, 2021
	No. of shares	No. of shares
At the beginning of the period	6,04,000	6,04,000
Issued during the period	-	-
Outstanding at the end of the period	**6,04,000**	**6,04,000**

(b) Details of shareholders holding more than 5% shares of the Company

Class of shares / Name of shareholder	March 31, 2022 & March 31, 2021	
	No. of shares	% of holding
Indian Hotel Company Ltd	6,04,000	100%

Note 10. Other Equity

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Reserves & Surplus		
General Reserve	33,00,000	33,00,000
Retained Earnings		
Balance at the beginning of the year	1,93,54,341	1,74,31,493
Profit as per Statement of Profit and Loss	19,82,688	19,22,847
Total	**2,13,37,027**	**1,93,54,341**
Total Reserves and Surplus	**2,46,37,027**	**2,26,54,339**
Total	**2,46,37,027**	**2,26,54,339**

Note 11 Borrowings

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
From Related Party		
Unsecured	13,16,725	11,98,034
Total	**13,16,725**	**11,98,034**

Note 12 : Deferred Tax Liabilities (Net)

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities:		
On excess of net book value over income tax written down value of fixed assets	55,96,730	57,11,930
Total (A)	**55,96,730**	**57,11,930**
Deferred Tax Assets:		
Provision for doubtful debts	-	-
Others	-	-
Total (B)		
Net Deferred Tax Liabilities (A-B)	**55,96,730**	**57,11,930**

Note 13. Other Liabilities

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Advances		
Others	1,96,21,214	2,02,02,619
	1,96,21,214	**2,02,02,619**
Current		
Income Received in Advance	5,81,405	5,81,318
Statutory dues	48,118	42,474
Others		5,337
	6,29,523	**6,29,129**

Note 14 Trade payables

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer Note 14.1)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	75,000	1,37,737
	75,000	**1,37,737**

14.1 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Company are given below:

₹ Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid to any supplier as at the end of the year	-	-
The interest due on the principal remaining outstanding as at the end of the year	-	-
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-

Note 14.2 Trade payables

₹ Lakhs

MAR 2022	Outstanding for following periods from due date of payment#						
	Accrued Expenses	Not Due	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	75,000.00	-	-	-	75,000.00
Total	**-**	**-**	**75,000.00**	**-**	**-**	**-**	**75,000.00**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

₹ Lakhs

MAR 2021	Outstanding for following periods from due date of payment#						
	Accrued Expenses	Not Due	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	1,37,737.00	-	-	-	1,37,737.00
Total	**-**	**-**	**1,37,737.00**	**-**	**-**	**-**	**1,37,737.00**

Note 15. Revenue from operations

₹ Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
License Fees	22,94,587	20,70,376
	22,94,587	**20,70,376**
Income from Operation is derived from the following services:		
Management & Operating Fees	22,94,587	20,70,376
	22,94,587	**20,70,376**

Note 16. Other income

₹ Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income - Intercorporate Deposits	12,26,000	8,23,562
Interest Income - Others		5,76,412
Total	**12,26,000**	**13,99,974**

Note 17. Finance costs

₹ Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expense on deposit	1,18,691	1,07,992
Total	**1,18,691**	**1,07,992**

Note 18. Expenses

₹ Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rates and taxes		212
Payment to Auditors -		
i. Statutory Audit Fees	75,000	70,000
ii. Taxation Matters	5,000	5,000
Other expenses	38,498	82,651
	1,18,498	**1,57,863**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

19. Additional Information

19.1 Contingent Liabilities and Commitments (to the extent not provided for in the accounts)

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
I. Contingent Liabilities:		
(a) Claims against the Company not acknowledged as debts		
Income Tax Demands disputed in Appeals not provided for AY 2005-06 (Refer note 19.1.a)	959,450.00	959,450.00
Income Tax refund for the AY 2021-22 reduced as per intimation u/s 143(1) pending rectification by the Income Tax Authorities	36,070.00	36,070.00
Service Tax Demands disputed in Appeals not provided for 2007-08 to 2008-09	2,247,062.00	2,247,062.00
(b) Bank Guarantee	Nil	Nil
(c) Other money for which the Company is contingently liable	Nil	Nil
II. Commitments		
a) Estimated amount of contracts remaining to be executed on capital account not provided for	Nil	Nil
b) Uncalled liability on shares and other investments partly paid	Nil	Nil
c) Other Commitments	Nil	Nil

Note 19.1.a

In respect of above, the company has good chance of getting orders in favour of the company and hence no provision is considered necessary at this stage.

19.2 Earnings Per Share (EPS)

Earnings Per Share is calculated in accordance with Indian Accounting Standard 33 – 'Earnings Per Share' – (Ind AS-33) prescribed under Section 133 of the Companies Act, 2013.

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Profit/ (Loss) after tax	1,982,688	1,922,847
Number of Equity Shares:		
Weighted average number of equity share considered in calculation of EPS	604,000	604,000
Considered in calculation of diluted EPS	604,000	604,000
Face value per equity share	10	10
Earnings per share:		
Basic	3.28	3.18
Diluted	3.28	3.18

19.3 Disclosure of Related Party Transactions in accordance with IND AS 24 "Related Party Disclosures"

A. Related Party and Nature of Relationship:

(a) Key Management Personnel	i. Gautam Sethi ii. Ashok Binnani iii. Prabhat Verma
(b) Relatives of Key Management Personnel	Nil
c.) Enterprises over which the key managerial personnel and their relatives are able to exercise significant influence having transactions with the company	Nil

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

₹ Lakhs

Particulars	Nature of Transactions	Year ended March 31, 2022	Year ended March 31, 2021
Indian Hotels Company Ltd. (Holding Company)	License fee	2,294,587	2,070,376
Indian Hotels Company Ltd. (Holding Company)	Receivables	1,204,415	244,887
Taj Kerala Hotels & Resorts Limited	Loan/Deposit Given	-	10,000,000
Taj Kerala Hotels & Resorts Limited	Loan/Deposit Refund Received	-	10,000,000
	Deposit		
Indian Hotels Company Ltd. (Holding Company)	Outstanding Balance Payable	1,316,725.00	1,198,034.00
Indian Hotels Company Ltd. (Holding Company)	Interest on Deposit	118,691.00	107,992.00

No amount has been provided/written off as doubtful debts or advances written back in respect of payables due from or to any of the above related parties.

20 Financial Instruments Measurements and Disclosures

Financial Risk Management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks arising from financial instruments

- Credit risk
- Liquidity risk
- Market risk
- Interest Rate Risk
- Foreign Currency Risk
- Capital Management

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Credit Risk

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations and arises principally from the company's receivables from customers and investments. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables.

The Company's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

The company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the company. The Company establishes a loss allowance that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company's risk exposure in investment is limited to investing in associates. The Company does not expect any losses from non-performance by these Associates.

The Company's risk exposure in loans is limited to loan to holding company, associates and group companies. The Company does not expect any losses from non-performance by these counter parties

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 always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the succeeding 60 days. The company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Interest Rate Risk
Below is the sensitivity of profit or loss in interest rates for borrowings.

₹ Lakhs

Particulars	Impact in Statement of Profit and Loss for 1% change	
Interest sensitivity	**March 31, 2022**	**March 31, 2021**
Change by 100 basis points (100 bps)		

Capital Management
For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through equity and borrowings. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

As at March 31, 2022, the Company has only one class of equity shares.

Trade Receivable
Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

For trade receivables, as a practical expedient, the company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates and also takes into account available external and internal credit risk factors.

Movement in Expected Credit Loss Allowance on Trade Receivables

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Balance at the beginning of the year		
Loss allowance measured at lifetime expected credit losses		-
Balance at the end of the year	-	-

Details of Financial Assets (trade receivables) that are neither past due nor impaired and that are past due but not impaired

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Financial assets that are neither past due nor impaired	1,204,415	244,887
Financial assets that are past due but not impaired	-	
Financial assets that are past due and impaired	-	-
Total	**1,204,415**	**244,887**

21 Accounting Classifications and Fair Values

Fair Values vs Carrying Amounts

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

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

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of current trade receivables, current trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

₹ Lakhs

Particulars	Fair value through profit or loss	Amortized Cost	Fair value through OCI
Financial assets			
Cash and cash equivalents	-	673,702	-
Balance other than Cash and cash equivalent		26,000,000	
Trade receivables	-	1,204,415	-
Investments		-	-
Loans	-	152,300	-
Other Financial Assets	-	1,226,000.00	-
Total	**-**	**29,256,417**	**-**
Financial liabilities			
Trade payables	-	75,000	-
Other Financial liabilities	-	629,523	-
Borrowings	-	1,316,725	-
Total	**-**	**2,021,248**	**-**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, of March 31, 2021 are as follows.

₹ Lakhs

Particulars	Fair value through profit or loss	Amortized Cost	Fair value through OCI
Financial assets			
Cash and cash equivalents		10,747,259	-
Trade receivables		244,887	-
Investments		-	-
Other Financial Assets		152,300	-
Loans		-	-
Total	**-**	**11,144,446**	**-**
Financial liabilities			
Trade payables	-	137,737	-
Other Financial liabilities	-	629,129	-
Borrowings	-	1,198,034	-
Total	**-**	**1,964,900**	**-**

Tax Disclosures

i) Income Tax recognised

₹ Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Income Tax recognised in Statement of Profit and Loss		
Current Tax	782,110	757,317
Deferred Tax in relation to origination and reversal of timing differences	(115,200)	(109,470)
Adjustment in respect of current income tax of prior years	-	-
	666,910	**647,847**
Income Tax recognised in Other Comprehensive Income		
Deferred Tax relating to items recognised in OCI during the period	-	-
Total	**666,910**	**647,847**

ii) Reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarised below:

₹ Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax (a)	2,649,598	2,570,694
Income tax rate as applicable (b)	25.17%	25.17%
MAT Rate as applicable (c)	16.69%	19.24%
Tax on above	666,851	646,992
Impact of change in substantively enacted tax rates	-	
Others	59	855
Income tax expense reported in Statement of Profit and Loss	**666,910**	**647,847**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

iii) Income Tax Recognised in Other Comprehensive Income

₹ Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred Tax	-	-
Total	**-**	**-**

iv) Analysis of Deferred Tax Assets/ (Liabilities) Presented in the Balance Sheet:

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Deferred Tax Liabilities	5,596,730	5,711,930
Deferred Tax Liabilities (Net)	**5,596,730**	**5,711,930**

23 Segment Reporting

24 Remittance in Foreign Currencies on Account of Dividend

(i) Number of Non-resident shareholders - Nil (Previous year- Nil)

(ii) Number of shares held by them –Nil (Previous Year- Nil)

(iii) Dividend remitted in Foreign Currency - Nil (Previous year Nil)

25 The Company has an internal control system in place, including in relation to internal controls over financial reporting, which is commensurate with the nature and size of its operations. These internal controls are reviewed/tested by the management on an ongoing basis and there are no material weaknesses/deficiencies. Further strengthening of the internal control system/ improvements thereof are being assessed/carried out by the management on a continuing basis.

26 In the opinion of the Directors, Loans and Advances and Other Current Assets, have the value at which they are stated in the Balance Sheet, if realized in the ordinary course of business.

27 Impairment of assets: As per the assessment of the management, there is no impairment in-value to any or all assets of the company with reference to the values at which they are recorded in the books of accounts.

28 Following the global outbreak of Corona Virus (COVID-19) pandemic, on March 24, 2020, the Government of India had ordered a complete nationwide lockdown which had been extended for further periods with certain specified relaxations. The Company and the relative industry has been impacted by the pandemic, which has also affected the operations of the company. However, having regard to the subsequent relaxations which are being allowed in a phased manner and the trends in the overall business environment, the management expects operations to steadily improve in the future.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

The management has taken into account the possible impact of all known events arising from the pandemic in the preparation of the financial statements, including recoverability of assets, impact on revenue and expenses and all other key aspects as at the Balance Sheet date. Having regard to the assumptions and management estimates, no further adjustments are considered necessary in the accounts at this stage. Nevertheless, given the uncertainties associated with the pandemic, the company will continue to monitor all significant changes closely in the future as well.

29 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of directors of
KTC Hotels Limited

Gautam Sethi
Director
(DIN:08571659)

Prabhat Verma
Director
(DIN:06548864)

Place: Bangalore
Date:

As per our report of even date attached

For **Varma & Varma**
(FRN:004532S)
Chartered Accountants

Sanil S. Kurup
Partner
M.No:234574

Place:Calicut
Date:

Independent Auditor's Report

To the Members of NORTHERN INDIA HOTELS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Northern India Hotels Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 controls 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditor's Report (Contd.)

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.

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.

   As required by Section 143(3) of the Act, based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

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

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

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

FOR **O.P. Dadu & Co.**
Chartered Accountants
FRN. 001201N

(Abhey Dadu)
Partner
M.No.093313

Place: New Delhi
Dated: April 18, 2022
UDIN: 22093313AHHSXJ2434

Annexure A to the Auditors' Report

In our opinion, and in so far as we have been able to ascertain from the records produced, Information furnished and the explanations given to us by the Company.

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

(B) The Company has maintained the proper records showing full particulars of Intangible assets

(b) The Company has during the year physically verified Property, Plant and Equipment. No discrepancies were noticed on such verification.

(c) According to the information & explanation given to us, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company and title deeds in respect of Land admeasuring 14744.60 Sq. Yards, the gross carrying value of Rs. 1,93,649/- are pending for Registration.

(d) According to the information & explanation given to us, the Company has not revalued any Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information & explanation 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.

(ii) (a) The Company does not hold any inventory during the year. Accordingly, paragraph 3(ii)(a) of the order is not applicable to the company.

(b) The Company does not have any working capital limits from banks or financial institutions on the basis of security of current assets during the year. Accordingly, paragraph 3(ii) (b) of the order is not applicable to the company.

(iii) (a) (A) The Company has not provided loan, provide advance in the nature of loan, stood guarantee, provided security to its subsidiaries and joint ventures, The company has provided unsecured loan of Rs. 375.00 Lakh during the year to one of its associate company. The year-end balance of such loan is Rs. 375.00 lakh.,

(B) The Company has not provided loan, provide advance in the nature of loan, stood guarantee, provided security to parties other than subsidiaries, joint ventures and associate.

(b) According to the information & explanation given to us, the term and condition of the grant of unsecured loans are not prejudicial to the company interest.

(c) According to the information & explanation given to us, payment of principal and payment of interest has been stipulated and the repayments or receipts are regular.

(d) According to the information & explanation given to us, there is no overdue amount, in respect of grant of loan.

Annexure A to the Auditors' Report (Contd.)

(e) According to the information & explanation given to us, no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

(f) According to the information & explanation given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information & explanation given to us, the Company has compiled with provisions of sections 185 and 186 of the Companies Act with respect of loans, investments, guarantees, and security.

(v) The Company has not accepted any deposited from the public. Accordingly, paragraph 3(v) of the order is not applicable to the company.

(vi) As far as, we are aware, the central government has not specified the maintenance of cost records by the company under sub-section (1) of section 148 of the Companies Act.

(vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities wherever applicable to.

According to the information and explanation given to us, no undisputed amount payable in respect of statutory dues as including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues on 31.3.2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute.

(viii) According to the information and explanation given to us, the Company has not surrendered or disclosed any income during the year in its tax assessments under the Income Tax Act, 1961 (43 of 1961), which has not been recorded in the books of accounts. Accordingly, paragraph 3(viii) of the order is not applicable to the company.

(ix) The Company does have any loan or other borrowings from any lender. Accordingly, paragraph 3(ix) of the order is not applicable to the company.

(x) (a) The Company does not raise any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the order is not applicable to the company.

(b) The Company does not make any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x)(b) of the order is not applicable to the company,

Annexure A to the Auditors' Report (Contd.)

(xi) (a) According to the information and explanation given to us, no fraud by the Company or no fraud on the company has been noticed or reported during the course of our audit.

(b) No, report u/s 143 (12) of the Companies Act, 2013 filled by the auditor in form ADT-4 as prescribed under rule 13 of the companies (Audit and Auditor) rules, 2014 with Central Government.

(c) According to the information and explanation given to us, the companies has not received any compliant from the whistle-blower.

(xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the order is not applicable to the company.

(xiii) According to the information and explanation given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;

(xiv) (a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013."

(b) The Company did not have an internal audit system for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) (a) The Company is not required to registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) According to the information and explanation given to us, the Company has not conducted Non-Banking Financial or Housing Finance activities.

(c) According to the information and explanation given to us, the Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) According to the information and explanation given to us, the Company is not Core Investment Company (CIC) , Accordingly, paragraph 3 (xvi)(d) of the order is not applicable to the company.

(xvii) According to the information and explanation given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the Statutory auditor during the year. Accordingly, paragraph 3 (xviii) of the order is not applicable to the company.

Annexure A to the Auditors' Report (Contd.)

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) (a) According to the information and explanations given to us, the provision of section 135 of the companies Act,2013 are not applicable on the company. Accordingly, paragraph 3 (xx) (a) and (b) of the order are not applicable to the company.

FOR **O.P. Dadu & Co.**
Chartered Accountants
FRN. 001201N

(Abhey Dadu)
Partner
M.No.093313

PLACE: NEW DELHI
DATED: APRIL 18, 2022

Annexure B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub- section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Northern India Hotels Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure B to the Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

FOR **O.P. Dadu & Co.**
Chartered Accountants
FRN. 001201N

(Abhey Dadu)
Partner
M.No.093313

PLACE: NEW DELHI
DATED: APRIL 18, 2022

Balance Sheet
as at March 31, 2022

	Note	March 31, 2022	March 31, 2021
			₹ Lakhs
Assets			
Non-current Assets			
Property, Plant and Equipment	3	25.66	26.61
Intangible Assets	4	0.02	0.02
Capital work-in-progress	4A	868.34	-
		894.02	**26.63**
Financial Assets			
Investments	5	10.43	10.43
Other financial assets	7	0.59	0.59
Current Tax (Net)		14.56	7.25
Other Non-current Assets	8	27.75	-
		947.35	**44.90**
Current Assets			
Financial Assets			
Trade and Other Receivables	9	19.78	24.94
Cash and Cash Equivalents	10	743.93	7.68
Bank Balances other than Cash and Cash Equivalents	11	1,494.87	3,276.05
Loans	6	375.00	-
Other financial assets	7	-	-
Other Current Assets	8	1.97	0.12
		2,635.55	**3,308.79**
Total Assets		**3,582.90**	**3,353.69**
Equity and Liabilities			
Equity			
Equity Share capital	12	44.15	44.15
Other Equity	13	3,439.47	3,287.58
Total Equity		**3,483.62**	**3,331.73**
Liabilities			
Non-current Liabilities			
Deferred Tax Liabilities (Net)	14	5.31	5.53
		5.31	**5.53**
Current Liabilities			
Financial Liabilities			
Other financial Liabilities	15	58.45	12.38
Provision for tax (net)		-	-
Other current liabilities	16	35.52	4.05
		93.97	**16.43**
Total Equity and Liabilities		**3,582.90**	**3,353.69**
		0.00	0.00
Summary of Significant Accounting Policies	2		
The accompanying notes form an integral part of the Financial Statements	1 - 21		

In terms of our report attached.

For **O. P. Dadu & Co.**
Chartered Accountants
Firm Registration No. 001201N

For and on behalf of the Board

Abhey Dadu
Partner
Membership No.093313

Sudhir L. Nagpal
Director
DIN No. 00044762

Rajesh R. Nagpal
Director
DIN No. 00032123

New Delhi: April 18, 2022

Mumbai: April 18, 2022

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

₹ Lakhs

	Note	Year Ended March 31, 2022	Year Ended March 31, 2021
Income			
Revenue from Operations			
Income from Hotel Operations	17	69.16	47.15
Other Income	18	158.71	307.57
Total		**227.87**	**354.72**
Expenses			
Depreciation and Amortisation	3 & 4	0.95	0.96
Other Operating and General Expenses	19	22.93	30.67
Total		**23.88**	**31.63**
Profit/ (Loss) Before Tax and Exceptional items		**203.99**	**323.09**
Exceptional Items	20	-	-
Profit/ (Loss) Before Tax		**203.99**	**323.09**
Tax Expenses			
Current Tax		52.15	79.55
Deferred Tax		(0.22)	(0.23)
Short/ (Excess) Provision of Tax/ Deferred Tax of Earlier Years (net)		0.17	1.41
Total		**52.10**	**80.73**
Profit/ (Loss) for the period after tax		151.89	242.36
Other Comprehensive income, net of tax		-	-
Other Comprehensive income for the period, net of tax		**-**	**-**
Total Comprehensive Income for the period		**151.89**	**242.36**
Earning Per Equity Share			
a) Weighted average number of shares		4,37,600	4,37,600
b) Nominal value of shares (Rupees)		10	10
c) Basic and diluted earnings per share (Rupees)		34.71	55.38
Summary of Significant Accounting Policies	2		
The accompanying notes form an integral part of the Financial Statements	1 - 21		

In terms of our report attached.

For **O. P. Dadu & Co.**
Chartered Accountants
Firm Registration No. 001201N

For and on behalf of the Board

Abhey Dadu
Partner
Membership No.093313

New Delhi: April 18, 2022

Sudhir L. Nagpal
Director
DIN No. 00044762

Rajesh R. Nagpal
Director
DIN No. 00032123

Mumbai: April 18, 2022

Statement of Cash Flows

for the year ended March 31, 2022

₹ Lakhs

		March 31, 2022	March 31, 2021
Cash Flow From Operating Activities			
Profit Before Tax		203.99	323.09
Adjustments For :			
Depreciation and Amortisation		0.95	0.96
Profit on Transfer of Property		-	(110.17)
Dividend Income		(0.02)	(0.01)
Interest Income		(158.30)	(197.32)
Provision for Employee Benefits			
		(157.37)	**(306.54)**
Cash Operating Profit before working capital changes		46.62	16.55
Adjustments for (increase)/ decrease in operating assets:			
Trade and Other Receivables		5.16	12.43
Other Current Assets		(1.85)	0.66
Other Non-Current Assets		(27.75)	5.89
		(24.44)	**18.98**
Adjustments for increase/ (decrease) in operating liabilities:			
Other Current Liabilities		31.47	(5.55)
Other Financial Liabilities		46.07	11.33
		77.54	**5.78**
Cash Generated from Operating Activities		99.72	41.31
Direct Taxes (Paid)/ Refunded		(59.63)	(79.76)
Net Cash From Operating Activities (A)		**40.09**	**(38.45)**
Cash Flow From Investing Activities			
Purchase of Fixed Assets		(868.34)	-
Interest Received		158.30	197.32
Dividend Received		0.02	0.01
Profit on Transfer of Property		-	110.17
ICD's Given		(375.00)	-
Other Financial Assets		-	-
Proceeds from maturity of short-term deposits with banks		1,781.18	(280.56)
Net Cash Used In Investing Activities (B)		**696.16**	**26.94**
Cash Flow From Financing Activities			
Net Cash Generated/ (Used) In Financing Activities (C)		**-**	**-**
Net Increase/ (Decrease) In Cash and cash equivalents (A + B + C)		736.25	(11.51)
Cash and Cash Equivalents - Opening		7.68	19.19
Cash and Cash Equivalents - Closing (Refer Note 10)		743.93	7.68
Summary of Significant Accounting Policies	2		
The accompanying notes form an integral part of the Financial Statements	1 - 21		

In terms of our report attached.

For **O. P. Dadu & Co.**
Chartered Accountants
Firm Registration No. 001201N

For and on behalf of the Board

Abhey Dadu
Partner
Membership No.093313

Sudhir L. Nagpal
Director
DIN No. 00044762

Rajesh R. Nagpal
Director
DIN No. 00032123

New Delhi: April 18, 2022

Mumbai: April 18, 2022

Statement of Changes in Equity

as at March 31, 2022

₹ Lakhs

Particulars	Equity Share Capital Subscribed	Retained Earning	Retained Earning		Other reserves	Grand Total
			General Reserve	Profit & Loss B/fd		
Balance as at March 31, 2021	**44.15**	**3,287.58**	**-**	**3,287.58**	**-**	**3,331.73**
Changes in accounting policy/prior period errors						-
Restated balance as at March 31, 2021	**44.15**	**3,287.58**	**-**	**3,287.58**	**-**	**3,331.73**
Profit for the year	-	151.89	-	151.89	-	151.89
Other Comprehensive Income for the year, net of taxes, excluding actuarial gain/ losses	-	-	-	-	-	-
Actuarial Gains/Losses (Not Reclass to P&L)	-	-	-	-	-	-
Total Comprehensive Income for the year	**-**	**151.89**	**-**	**151.89**	**-**	**151.89**
Dividends	-	-	-	-		-
Tax on Dividend	-	-	-	-		-
Balance as at March 31, 2022	44.15	3,439.47	-	3,439.47	-	3,483.62

In terms of our report attached.

For **O. P. Dadu & Co.**
Chartered Accountants
Firm Registration No. 001201N

For and on behalf of the Board

Abhey Dadu
Partner
Membership No.093313

Sudhir L. Nagpal
Director
DIN No. 00044762

Rajesh R. Nagpal
Director
DIN No. 00032123

New Delhi: April 18, 2022

Mumbai: April 18, 2022

Notes to Financial Statements
for the year ended March 31, 2022

Note 1. Corporate Information

Northern India Hotels Limited ("NIHL" or the "Company"), is a public limited company incorporated in 1971 and has its registered office at Taj view Hotel, Fatehabad Road, Taj Ganj, Agra – 282001. It is subsidiary of PIEM Hotels Ltd., Mumbai. The company is primarily engaged in the business of owing hotel.

The financial statements were approved by the Board of Directors and authorised for issued on 18 April, 2022

Note 2. Significant Accounting Policies

(a) Statement of Compliance:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

(b) Basis of Preparation and Presentation:

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

(c) Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- **Useful Lives of Property, Plant and Equipment and Intangible Assets:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- **Impairment Testing:** Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than it carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and there the tax charge in the statement of profit or loss.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

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 or loss.

- **Fair Value Measurement of Financial Instruments:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements to select a variety of methods and make assumptions that are mainly based on market conditions existing at the Balance Sheet date.
- **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

(d) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises Licence Fee relating to hotel operations.

Licence fee earned is under long-term contracts with the PIEM Hotels Limited and is recognised when earned in accordance with the terms of the contract.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognized when the Company's right to receive the amount is established.

(e) Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and taxes (other than those refundable), expenses directly related to the location of assets and making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs (refer note no. 2(j) below). Initial estimate shall also include costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Depreciation is charged to profit or loss so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

In respect of Leasehold Buildings, depreciation on buildings on leased properties is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives.

The estimated useful lives of the depreciable assets are as follows:

Class of Assets	Estimated Useful Life
Hotel Buildings	60 years
Plant and Equipment	10 to 20 years
Assets costing less than ₹ 5000	4 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the pervious GAAP and use that carrying value as its deemed cost as of the transition date.

(f) Intangible Assets:

Intangible assets include cost of acquired software. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use. Internally developed intangibles are capitalised if, and only if, all the following criteria can be demonstrated:

i) the technical feasibility and Company's intention and ability of completing the project;

ii) the probability that the project will generate future economic benefits;

iii) the availability of adequate technical financial and other resources to complete the project; and

iv) the ability to measure the development expenditure reliably.

Intangible assets with finite lives are amortized over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation periods are reviewed and impairment evaluations are carried out at least once a year. The estimated useful lives used for amortising intangible assets are as under:

Class of Assets	Estimated Useful Life
Software	6 years

An intangible assets is derecognized on disposal, or when no future economic benefits are expected from use of disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

For transition to Ind AS, the Company has elected to continue with carrying value of all of its intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

(g) Impairment of Assets:

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

(h) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current Tax:

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(i) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

(j) Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit or Loss using the effective interest method.

(k) Cash and Cash Equivalent (for the purpose of cash flow statements):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

(l) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

(m) Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(n) Financial Instruments:

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Investments
All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Investment in subsidiaries, joint ventures and associates are carried at cost less impairment, if any. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets
In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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 Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 3 : Property, Plant and Equipment (Owned, unless otherwise stated)

₹ Lakhs

	Freehold Land	Buildings (Refer Footnote (i) & (ii))	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total
Gross Block at Cost							
At March 31, 2021	3.80	28.50	0.01	-	-	-	32.31
Additions							-
Adjustments							-
Disposals							-
At Mrach 31, 2022	3.80	28.50	0.01	-	-	-	32.31
Depreciation (Refer Footnote (ii))							
At March 31, 2021	-	5.70	-	-	-	-	5.70
Charge for the year		0.95					0.95
Disposals							-
At Mrach 31, 2022	-	6.65	-	-	-	-	6.65
Net Block							
At March 31, 2021	3.80	22.80	0.01	-	-	-	26.61
At Mrach 31, 2022	3.80	21.85	0.01	-	-	-	25.66

Footnotes :

1) Gross block including freehold land admeasuring 14744.60 Sq.yd Aggregating to Rs.1,93,499/- pending conveyance.

Note 4 : Intangible Assets (Acquired)

₹ Lakhs

	Website Development Cost	Software and Licenses	Service and Operating Rights	Total	Intangible assets under development
At March 31, 2021	-	0.51	-	0.51	-
Additions	-	-	-	-	-
Adjustments	-	-	-	-	-
Disposals	-	-	-	-	-
At March 31, 2022	-	0.51	-	0.51	-
Amortisation					
At March 31, 2021	-	0.49	-	0.49	-
Charge for the year	-	-	-	-	-
Adjustments	-	-	-	-	-
Disposals	-	-	-	-	-
At March 31, 2022	-	0.49	-	0.49	-
Net Block					
At March 31, 2021	-	0.02	-	0.02	-
At March 31, 2022	-	0.02	-	0.02	-

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 4A : Capital Work in Progress

₹ Lakhs

CAPITAL WORK IN PROGRESS	
At March 31, 2021	-
Additions	868.34
Adjustments	
Disposals	
At March 31, 2022	**868.34**

Note 5 : Investments

₹ Lakhs

	Face Value	March 31, 2022		March 31, 2021	
		Holdings As at	Amount	Holdings As at	Amount
Non Current					
Trade Investments					
Fully Paid Quoted Equity Investments :					
Investments in Fellow Subsidiary					
Beneras Hotels Limited	10	150	0.02	150	0.02
			0.02		**0.02**
Fully Paid Unquoted Equity Investments :			-		-
Investments in Associate Companies					
Taida Trading and Industries Limited	100	4,000	0.09	4,000	0.09
Inditravel Limited	10	24,000	2.40	24,000	2.40
Taj Trade and Transport Company Limited	10	49,998	7.91	49,998	7.91
			10.40		**10.40**
Total Trade Investment			**10.42**		**10.42**
Non-trade Investments					
Investment in Equity Instruments					
Fully Paid Unquoted Equity Instruments					
Sarswat Co-operative Bank Ltd.	10	1,000	0.10	1,000	0.10
			0.10		**0.10**
Total Non-current Investments - Gross			10.52		10.52
Less : Provision for Diminution in value of Investments			0.09		0.09
Total Non-current Investments - Net			**10.43**		**10.43**
Aggregate amount of quoted investments					
Cost			0.02		0.02
Market Value			3.06		1.92
Aggregate amount of unquoted investments					
Cost			10.50		10.50

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 6 : Loans

₹ Lakhs

	March 31, 2022	March 31, 2021
A) Current		
Short-term Loans		
(Unsecured, considered good unless stated otherwise)		
ICD to Related Parties	375.00	-
Others	-	-
	375.00	**-**
	375.00	**-**

Note 7 : Other Financial Assets

₹ Lakhs

	March 31, 2022	March 31, 2021
A) Non Current		
Deposits with Public Bodies and Others at amortised costs		
Term Deposit with Bank maturing after 12 months	-	-
Public Bodies and Others	0.59	0.59
	0.59	**0.59**
Less: Provision for Deposits doubtful of recovery	-	-
	0.59	**0.59**
B) Current		
Interest receivable		
Related Parties	-	-
Others	-	-
	-	**-**

Note 8 : Other Assets

₹ Lakhs

	March 31, 2022	March 31, 2021
A) Non Current		
Capital Advances	27.75	-
	27.75	**-**
B) Current		
Prepaid Expenses	-	-
Amount Recoverable against Exp	1.85	
Deposits adjustable against future payments	0.12	0.12
	1.97	**0.12**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 9 : Trade and other receivables

₹ Lakhs

	March 31, 2022	March 31, 2021
(Unsecured) (Refer Footnote)		
Considered good	19.78	24.94
Considered doubtful	-	-
	19.78	24.94
Less : Provision for Debts doubtful of recovery	-	-
	19.78	**24.94**

Note 10 : Cash and Cash Equivalents

₹ Lakhs

	March 31, 2022	March 31, 2021
Cash on hand	0.31	0.02
Balances with bank in current account	46.12	7.66
Balances with bank in call and short-term deposit accounts (original maturity less than 3 months)	697.50	-
	743.93	**7.68**

Note 11 : Bank Balances Other than Cash and Cash Equivalents

₹ Lakhs

	March 31, 2022	March 31, 2021
Other Balances with banks		
Call and Short-term deposit accounts	1,494.87	3,276.05
	1,494.87	**3,276.05**
Less: Term Deposit with Bank maturing after 12 months from the balance sheet date and other Earmarked/Margin Money/Pledged deposits classified as Non-Current	-	-
	1,494.87	**3,276.05**

Note 12 : Share Capital

₹ Lakhs

	March 31, 2022	March 31, 2021
Authorised Share Capital		
Equity Shares		
5,50,000 (Previous year - 5,50,000) Equity Shares of ₹ 10 each	55.00	55.00
Preference Shares		
5,000 (Previous year - 5,000) Preference Shares of ₹ 100/- each	5.00	5.00
	60.00	**60.00**
Issued Share Capital		
4,37,600 (Previous year - 4,37,600) Equity Shares of ₹ 10 each	44.91	44.91
	44.91	**44.91**
Subscribed and Paid Up		
4,37,600 (Previous year - 4,37,600) Equity Shares of ₹ 10 each	43.76	43.76
Add 11450 Shares Forfeited	0.39	0.39
	44.15	**44.15**

Footnotes :

(i) The Company has one class of equity shares having a par value of ` 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the year

₹ Lakhs

	March 31, 2022		March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
As at the beginning of the year	4,37,600	43,76,000	4,37,600	43,76,000
Add/ less : Shares issued during the year	-	-	-	-
Add/ less : Shares bought back during the year	-	-	-	-
As at the end of the year	**4,37,600**	**43,76,000.00**	**4,37,600**	**43,76,000**

(iii) Shareholders holding more than 5% shares in the Company :

Equity share of ₹ 10 each fully paid	March 31, 2022		March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
PIEM Hotels Limited	4,12,083	94.16%	4,12,083	94.16%

(iv) Shareholders holding more than 5% shares in the Company :

Equity share of ₹ 10 each fully paid	March 31, 2022		March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
PIEM Hotels Limited	4,12,083	94.16%	4,12,083	94.16%

Note 13. Other Equity

₹ Lakhs

	March 31, 2022	March 31, 2021
Reserves & Surplus		
Retained Earning		
Surplus/Deficit in the Profit And Loss b/f	3,287.58	3,045.22
Add: Current Year profits	151.89	242.36
Closing retained earning	**3,439.47**	**3,287.58**
Other Comprehensive Income		
Total	**3,439.47**	**3,287.58**

Note 14 : Deferred Tax Liabilities (net)

₹ Lakhs

	March 31, 2022	March 31, 2021
Deferred Tax Liabilities:		
Property, Plant & Equipment	5.31	5.53
Total (A)	**5.31**	**5.53**
Deferred Tax Assets:		
Total (B)	**-**	**-**
Net Deferred Tax Liabilities (A-B)	**5.31**	**5.53**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 15: Other financial liabilities

₹ Lakhs

	March 31, 2022	March 31, 2021
B) Current financial liabilities		
Payables on Current Account dues :		
Related Parties	-	-
Others	-	-
	-	-
Creditors for capital expenditure	56.56	-
Others (Refer Footnote _)	1.89	12.38
	58.45	**12.38**

Note 16 : Other Current Liabilities

₹ Lakhs

	March 31, 2022	March 31, 2021
B) Current		
Income received in advance	29.26	-
Statutory dues	6.26	4.05
	35.52	**4.05**

Note 17 : Revenue from Operations

₹ Lakhs

	March 31, 2022	March 31, 2021
Income from Hotel Operations	69.16	47.15
Total	**69.16**	**47.15**

Note 18 : Other Income

₹ Lakhs

	March 31, 2022	March 31, 2021
Interest Income		
Inter-corporate deposits		
Related Parties	0.74	60.63
Others	-	-
	0.74	**60.63**
Deposits with banks	157.56	136.69
Total	**158.30**	**197.32**
Dividend Income on investments held at the end of period/ year		
From others	0.02	0.01
Profit on sale of assets (Net)	-	-
Profit on sale of Indore Plot	-	110.17
Others	0.39	0.07
Total	**158.71**	**307.57**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 19 : Other Operating and General Expenses

₹ Lakhs

	March 31, 2022	March 31, 2021
General expenses consist of the following :		
Rent	-	0.14
Licence Fees	-	0.50
Rates and Taxes	-	5.00
Printing and Stationery	0.33	0.30
Telephone Expenses	0.36	0.46
Professional Fees	5.05	9.90
Payment made to Statutory Auditors (Refer Footnote (i)	1.35	1.00
Service Charges	12.74	12.63
Other Expenses (Refer Footnote (iv))	3.10	0.74
Total	**22.93**	**30.67**

₹ Lakhs

		March 31, 2022	March 31, 2021
(i)	**Payment made to Statutory Auditors:**		
	As auditors	1.10	0.80
	As tax auditors	-	-
	For other services (Taxation Matters)	0.20	0.20
	For out-of pocket expenses	0.05	-
		1.35	**1.00**

Note 20 : Exceptional Items

₹ Lakhs

	March 31, 2022	March 31, 2021
Exceptional Items comprises the following :		
Total	**-**	**-**

21. Notes on Account

21.1 Additional Information to the Financial Statements

21.1.1 Contingent Liabilities

Contingent liabilities and commitments (to the extent not provided for)

₹ Lakhs

S. No.		March 31, 2022	March 31, 2021
1.	Contingent liabilities		
	(a) Claims against the Company not acknowledged as debt	NIL	NIL
	(b) Guarantees	NIL	NIL
	(c) Other money for which the Company is contingently liable	NIL	NIL
	Total	**NIL**	**NIL**
2.	Commitments	682.70	NIL
	Total	**NIL**	**NIL**

Note: Contingent assets are not recognized in the financial statements.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

21.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

₹ Lakhs

S. No.	Particulars	March 31, 2022	March 31, 2021
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year*	14.48	NIL
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
(iv)	The amount of interest due and payable for the year	NIL	NIL
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	NIL	NIL

Note:

(i) Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

(ii) * Includes amount recognized under creditor for capital expenditure in Current Financial Liabilities.

21.3 Related Party Transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(a) Ultimate Holding Company

Name	Country	Holding as at	
		March 31, 2022	March 31, 2021
The Indian Hotels Company Limited	India	-	-

(b) Holding Company

Name	Country	Holding as at	
		March 31, 2022	March 31, 2021
PIEM Hotels Limited	India	94.16%	94.16%

(d) Fellow Subsidiary

Name	Country	Holding as at	
		March 31, 2022	March 31, 2021
Roots Corporation Limited	India		

(D) Associates

Name	Country	Holding as at	
		March 31, 2022	March 31, 2021
Taida Trading And Industries Limited	India	-	-

(a) Details of Transactions made during the Year:

(1) PIEM Hotels Limited

₹ Lakhs

S. No.	Particulars	March 31, 2022	March 31, 2021
1.	Operating/License Fees Income	69.16	47.15
2.	Reimbursement of Services	12.74	12.63
3.	Sundry Expenses	-	-

(2) PIEM Hotels Limited

₹ Lakhs

S. No.	Particulars	March 31, 2022	March 31, 2021
1.	Balance at the year end (Payable)	-	-
3.	Balance at the year end (Receivable)	19.78	24.94

(3) Roots Corporation Limited

₹ Lakhs

S. No.	Particulars	March 31, 2022	March 31, 2021
1.	Interest Received	-	60.63

(4) Taida Trading and Industries Ltd.

₹ Lakhs

S. No.	Particulars	March 31, 2022	March 31, 2021
1.	Interest Received	0.74	-
3.	ICD Given	375.00	-

Terms and Conditions of Transactions with Related Parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

21.4 Earnings Per Share

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Profit/ (Loss) after taxes /Lakhs	151.89	242.36
Number of Ordinary Shares	437600	437600
Weighted Average Number of Ordinary Shares:		
Considered in calculation of Basic EPS	437600	437600
Considered in calculation of Diluted EPS	437600	437600
Face Value per Ordinary Share	10	10
Earnings Per Share:(Rupees)		
Basic	34.71	55.38
Diluted	34.71	55.38

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

21.5 Income Tax recognized in Profit or Loss:

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Current Tax		
In respect of the current year	52.15	79.55
In respect of earlier years	0.17	1.41
	52.32	**80.96**
Deferred Tax		
In respect of the current year		
MAT credit		-
Other items	(0.22)	(0.23)
Adjustment to deferred tax attributable to changes in tax rates and laws	-	-
In respect of earlier years	-	-
	(0.22)	**(0.23)**
Total tax expense recognised in the current year relating to continuing operations	**52.10**	**80.73**

21.6 Reconciliation of tax expense with the effective tax

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Profit before tax from continuing operations (a)	**203.99**	**323.09**
Income tax rate as applicable (b)	25.17%	25.17%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	51.34	81.31
Permanent tax differences due to:		
Effect of income that is exempt from taxation (like dividend income)	-	-
Income considered as capital in nature under tax and tax provisions	-	-
Effect of expenses that are not deductible in determining taxable profit	0.59	3.39
Tax on Income on which special tax rate is applied	-	(5.37)
Others	-	(0.01)
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	-	-
Effect on deferred tax balances due to the change in income tax rate	-	-
Prior year taxes as shown above	0.17	1.41
Income tax expense recognised in profit or loss (relating to continuing operations)	**52.10**	**80.73**

The following is the analysis of deferred tax assets/ (liabilities) presented in the balance sheet:

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Deferred Tax Assets	-	-
Deferred Tax Liabilities	(5.31)	(5.53)
Net Deferred Tax Liability	(5.31)	(5.53)

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

₹ Lakhs

Particulars	Opening Balance	Recognised in profit or loss		Closing balance
		Impact of change in Income Tax Rate	Others	
Deferred tax assets / (liabilities):				
Property. Plant and equipment & Intangible Assets	(5.53)		0.22	(5.31)

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

₹ Lakhs

Particulars	Opening Balance	Recognised in profit or loss		Closing balance
		Impact of change in Income Tax Rate	Others	
Deferred tax assets / (liabilities):				
Property. Plant and equipment & Intangible Assets	(5.76)	-	0.23	(5.53)

21.7 Financial Instruments

21.7.1 The carrying value and fair value of financial instruments by categories is as follows:

(a) As of 31st March, 2022

₹ Lakhs

Particulars	FVPL	FVOCI	Amortised cost	Total
Financial assets:				
Investments				
Equity Investment				
Subsidiaries, JVs and Associates	-	-	10.33	10.33
External Companies	-	-	0.10	0.10
Other Financial Assets	-	-	0.59	0.59
Trade Receivables	-	-	19.78	19.78
Cash and cash equivalents	-	-	743.93	743.93
Bank Balance Other than Cash & Cash Equivalent	-	-	1494.87	1494.87
Loans	-	-	375.00	375.00
Total - Financial Assets	**-**	**-**	**2644.60**	**2644.60**
Financial liabilities:				
Other Financial Liabilities	-	-	58.45	58.45
Total - Financial Liabilities	**-**	**-**	**58.45**	**58.45**

(b) As of 31st March, 2021

₹ Lakhs

Particulars	FVPL	FVOCI	Amortised cost	Total
Financial assets:				
Investments				
Equity Investment				
Subsidiaries, JVs and Associates	-	-	10.33	10.33
External Companies	-	-	0.10	0.10
Loans	-	-		
Other Financial Assets	-	-	0.59	0.59
Trade Receivables	-	-	24.94	24.94
Cash and cash equivalents	-	-	7.68	7.68
Bank Balance Other than Cash & Cash Equivalent	-	-	3276.05	3276.05
Total - Financial Assets	**-**	**-**	**3319.69**	**3319.69**
Financial liabilities:				
Other Financial Liabilities	-	-	12.38	12.38
Total - Financial Liabilities	**-**	**-**	**12.38**	**12.38**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

21.8 Segment Reporting (Ind AS-108)
Disclosure of segment wise information is not applicable as Hoteliering is the Company's only business segment.

21.9 Payments to the auditor comprises of:

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Audit Fees (As statutory auditors)	1.10	0.80
Taxation Matters	0.20	0.20
Reimbursement of Expenses	0.05	-
Total	**1.35**	**1.00**

21.10 Events occurring after the reporting period
There are no events which qualify for events happening after the reporting period.

21.11 Offsetting financial assets and financial liabilities
There are no financial liabilities and assets that are off set during the financial years 31.03.2022 and 31.03.2021.In terms of our report attached.

In terms of our report attached.
For **O. P. Dadu & Co.**
Chartered Accountants
Firm Registration No. 001201N

Abhey Dadu
Partner
Membership No.093313

New Delhi: April 18, 2022

For and on behalf of the Board

Sudhir L. Nagpal
Director
DIN No. 00044762

Rajesh R. Nagpal
Director
DIN No. 00032123

Mumbai: April 18, 2022

Independent Auditor's Report

To the Members of PIEM HOTELS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **PIEM HOTELS LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, of the state of affairs of the Company as at March 31, 2022, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Responsibilities of the Management and Those Charged with Governance for Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, 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. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the

Independent Auditor’s Report (Contd.)

accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Refer Note 39.

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

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Independent Auditor's Report (Contd.)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

    (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

    (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

        i. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements – Refer Note 23 to the financial statements;

        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 during the year ended March 31, 2022; and

        iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Independent Auditor's Report (Contd.)

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No. 003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN : 22220369AHHKBJ9228

Place of Signature: Mumbai
Date: April 18, 2022

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of PIEM HOTELS Limited ("the Company") on the financial statements as of and for the year ended March 31, 2022.

(i) (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 Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at Balance Sheet date, except as stated below :

(I) Property, Plant and Equipment

Description of property	Total number of cases	Gross carrying value (₹ in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of the Company
Piece of land in Agra	1	4.32	Zorawar Singh, Nathu Singh, Shri Mohan Singh, Ramesh Chand, Dauji Ram	No	30-35 years	Due to non-availability of all signatories at the same time, registration formalities are pending.

(II) Lease Assets

In respect of immovable properties of land and building that have been taken on lease and disclosed as leasehold lands/ buildings under property, plant & equipment/right of use assets in the financial statements, the lease agreements are in the name of the Company except for land in Indore and Lucknow (disclosed as right of use assets in the financial statements) due to following reasons:

(a) Indore – Allotment is in the name of erstwhile subsidiary which got amalgamated with the Company with effect from 2002.

(b) Lucknow – Endorsement by the local development authority in its records of the assignment of lease by the holding company in favour of the Company is pending since 2003.

(c) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and hence paragraph 3(i)(d) of the Order is not applicable to the Company.

(d) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder and hence paragraph 3(i)(e) of the Order is not applicable to the Company.

Annexure A (Contd.)

(ii) (a) Based on our audit procedures & according to the information and explanation given to us, the inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records are not more than 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of accounts.

(b) Based on our audit procedures & according to the information and explanation given to us, the Company has not been sanctioned loan in excess of five crore rupees from banks or financial institution on the basis of security of current assets and hence the question of filing quarterly returns or statements by the Company with such banks or financial institutions does not arise. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.

(iii) Based on our audit procedures & according to the information and explanation given to us, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with provisions of Section 186 of the Act in respect of grant of loans, making investments and providing guarantees, and securities, as applicable. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.

(v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The Company is not required to maintain cost records specified by the Central Government under sub-section (1) of Section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanations given to us and the records of the Company examined by us, no undisputed amounts payable in respect of Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at March 31, 2022 for a period of more than six months from the date they became payable.

Annexure A (Contd.)

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at March 31, 2022, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of Statute	Nature of Dues	Amount Demanded (₹ in lakhs)	Amount not Deposited under Disputes (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax	324.22	324.22	AY 2016-17	The Company is in the process of filing an appeal against the assessment order passed by National Faceless Assessment Centre, Delhi.
The Finance Act,1994	Service Tax	419.15	419.15	FY 2010-11 to 2015-16	Commissioner of Central GST and Central Excise, Lucknow
The Finance Act,1994	Service Tax	157.60	157.60	FY 2005-06 to 2010-11	Commissioner of Central GST and Central Excise, Pune
The Finance Act,1994	Service Tax	63.13	63.13	FY 2015-16 to 2017-18	Deputy Commissioner of Central GST and Central Excise, Mumbai
The U.P Sales Tax Act	Sales Tax	15.76	3.30	FY 2007-08 to 2011-12	Deputy Commissioner of State Tax
The Maharashtra VAT Act & CST Act	Sales Tax	46.49	44.50	FY 2015-16	Deputy Commissioner of State Tax
The Maharashtra VAT Act & CST Act	Sales Tax	37.77	35.86	FY 2016-17	Deputy Commissioner of State Tax
The Maharashtra VAT Act & CST Act	Sales Tax	10.72	10.13	FY 2017-18	Deputy Commissioner of State Tax
Mumbai Municipal Corporation Act	Property Tax	2929.13	492.27	FY 2010- 2022	Brihanmumbai Mahanagar Palika
The Bombay Entertainments Duty Act	Entertainment Tax	166.00	166.00	FY 2010- 2018	Brihanmumbai Mahanagar Palika
Luxury Tax	Luxury Tax	11.55	11.55	FY 2004-05	Senior Assistant Commissioner of Sales Tax
Entertainment Tax	Entertainment Tax	1.11	1.11	FY 1997-98	High Court, Allahabad

* AY – Assessment year, FY – Financial year

(viii) Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us and the records of the Company examined by us, term loans were applied for the purpose for which the loans were obtained.

Annexure A (Contd.)

(d) According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short-term basis have been utilised for long-term purposes.

(e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any loans during the year on pledge of securities held in its subsidiaries or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the Indian accounting standard – Related Party Disclosures (Ind AS 24).

(xiv) (a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the Internal Auditors for the period under audit.

(xv) On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

Annexure A (Contd.)

(xvi) (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

(b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, there are 6 Core Investment Companies (CICs) in the Group (basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.

(xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has incurred cash losses of ₹ 4,122.42 lakhs during the immediately preceding financial year but has not incurred any cash losses during the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable.

Annexure A (Contd.)

(xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due. Also refer note 39 to the financial statements in this regard.

(xx) As the Company is not required to spend any amount under Section 135 of the Companies Act for the financial year, paragraph 3(xx) of the Order is not applicable to the Company.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN : 22220369AHHKBJ9228

Place of Signature: Mumbai
Date: April 18, 2022

Annexure B

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

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to financial statements of **PIEM HOTELS LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Annexure B (Contd.)

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN : 22220369AHHKBJ9228

Place of Signature: Mumbai
Date: April 18, 2022

Balance Sheet

as at March 31, 2022

₹ in lakhs

	Notes	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
Property, Plant and Equipment	3(a)	46,694.64	47,565.76
Rights-of-Use Assets	3(b)	6,714.18	6,840.29
Capital work-in-progress	3(a)	518.98	390.88
Intangible Assets	4	56.23	80.35
		53,984.03	**54,877.28**
Financial Assets			
Investments	5(a)	14,521.49	15,620.27
Other Financial Non-Current Assets	5(b)	420.38	396.00
Deferred Tax Assets (Net)	12	4,124.90	3,165.77
Advance Income Tax (Net)		636.78	351.58
Other Non-Current Assets	7	601.32	841.63
Total Non-Current Assets		**74,288.90**	**75,252.53**
Current Assets			
Inventories	8	901.09	742.48
Financial Assets			
Investments	5(a)	501.20	-
Trade Receivables	5(c)	1,159.01	774.72
Cash and Cash Equivalents	5(d)	552.18	32.78
Other Balances with Banks	5(d)	538.36	735.15
Other Financial Assets	5(b)	579.78	676.00
Other Current Assets	6	1,794.52	1,709.81
Total Current Assets		**6,026.14**	**4,670.94**
Total Assets		**80,315.04**	**79,923.47**
Equity and Liabilities			
Equity			
Equity Share Capital	9(a)	381.00	381.00
Other Equity	9(b)	60,218.67	57,561.06
Total Equity		**60,599.67**	**57,942.06**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	10(c)	-	3,510.00
Lease Liabilities	10(c)	7,492.36	7,290.99
Other Financial Liabilities	10(a)	25.22	13.40
Provisions	11	542.19	534.24
Total Non-Current Liabilities		**8,059.77**	**11,348.63**
Current Liabilities			
Financial Liabilities			
Borrowings	10(c)	2,500.00	4,154.43
Lease Liabilities		15.21	13.81
Trade Payables			
Total Outstanding dues of micro and small enterprises	10(b)	333.30	178.03
Total Outstanding dues of creditors other than micro and small enterprises	10(b)	3,882.88	3,406.00
Other Financial Liabilities	10(a)	2,162.02	1,048.76
Other Current Liabilities	13	1,461.27	976.98
Provisions	11	1,300.92	854.77
Total Current Liabilities		**11,655.60**	**10,632.78**
Total Liabilities		**19,715.37**	**21,981.41**
Total Equity and Liability		**80,315.04**	**79,923.47**
The accompanying notes form an integral part of the financial statements	1 – 40		

To be read along with our audit report of even date attached

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

Ramanarayanan J
Partner (220369)
UDIN: 22220369AHHKBJ9228

Mumbai, April 18, 2022

For and on behalf of the Board

Puneet Chhatwal
(Chairman & Managing Director)
DIN No. 7624616

Sudhir L. Nagpal
(Jt. Managing Director)
DIN No. 00044762

Rajesh R. Nagpal
(Jt. Managing Director)
DIN No. 00032123

Ms. Farzana Sam Billimoria
Company Secretary

Mumbai, April 18, 2022

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

₹ in lakhs

	Notes	March 31, 2022	March 31, 2021
Income			
Revenue			
Revenue from Operations	14	26,207.69	14,998.23
Other Income	15	419.12	402.44
Total Income		**26,626.81**	**15,400.67**
Expenses			
Food and Beverages Consumed	16	3,529.64	2,089.01
Employee Benefit Expenses and Payment to Contractors	17	9,462.18	8,207.39
Finance Costs	18	1,438.07	1,271.32
Depreciation and Amortisation expenses	3a, 3b & 4	4,090.06	4,189.03
Other Operating and General expenses	19	13,296.21	9,264.79
Total expenses		**31,816.16**	**25,021.54**
Profit Before Exceptional items and Tax		**(5,189.35)**	**(9,620.87)**
Exceptional Item	33	**3,516.34**	-
Profit Before Tax		**(1,673.01)**	**(9,620.87)**
Tax Expenses			
Current Tax	20	-	-
Deferred Tax	20	(1,408.75)	(2,745.10)
Total tax expenses		**(1,408.75)**	**(2,745.10)**
Profit/(Loss) during the year		**(264.26)**	**(6,875.77)**
Other Comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Remeasurement of defined benefit obligation		(23.00)	214.43
Change in fair value of equity instruments designated irrevocably as FVTOCI		3,901.22	2,697.20
Less: income tax expense		(449.62)	(317.11)
Other Comprehensive income for the year, net of tax		**3,428.60**	**2,594.52**
Total Comprehensive Income for the year		**3,164.34**	**(4,281.25)**
Earnings per share – ₹ (Basic and Diluted)	34	(6.94)	(180.47)
Face value per ordinary share – (₹)		10.00	10.00
The accompanying notes form an integral part of the financial statements	1 – 40		

To be read along with our audit report of even date attached

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

Ramanarayanan J
Partner (220369)
UDIN: 22220369AHHKBJ9228

Mumbai, April 18, 2022

For and on behalf of the Board

Puneet Chhatwal
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DIN No. 00044762

Rajesh R. Nagpal
(Jt. Managing Director)
DIN No. 00032123

Ms. Farzana Sam Billimoria
Company Secretary

Mumbai, April 18, 2022

Statement of Changes in Equity

as at March 31, 2022

₹ in lakhs

	Equity Share Capital Subscribed	RESERVES AND SURPLUS						TOTAL
		Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through other comprehensive income	
Balance at the beginning of April 1, 2020	**381.00**	**375.61**	**77.00**	**2,011.00**	**12,834.04**	**41,972.57**	**4,572.09**	**62,223.31**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	**381.00**	**375.61**	**77.00**	**-**	**12,834.04**	**41,972.57**	**4,572.09**	**5,405.70**
Profit for the year	-	-	-	-	-	(6,875.77)	-	(6,875.77)
Other Comprehensive Income for the year ended March 31, 2021, net of taxes, excluding actuarial gain/losses, given below	-	-	-	-	-	-	2,439.74	2,439.74
Transfer to Retained earnings on sale of Investments	-	-	-	-	-	1,125.37	(1,125.37)	-
Actuarial Gains/Losses (Not Reclass to P&L)	-	-	-	-	-	154.78	-	154.78
Total Comprehensive Income for the year 2020/21	**-**	**-**	**-**	**-**	**-**	**(5,595.62)**	**1,314.37**	**(4,281.25)**
Dividends	-	-	-	-	-	-	-	-
Tax on Dividend	-	-		-	-	-	-	-
DDT Refund	-	-	-	-	-	-	-	-
Balance at the end of March 31, 2021	**381.00**	**375.61**	**77.00**	**2,011.00**	**12,834.04**	**36,376.95**	**5,886.46**	**57,942.06**
Balance at the beginning of April 1, 2021	**381.00**	**375.61**	**77.00**	**2,011.00**	**12,834.04**	**36,376.95**	**5,886.46**	**57,942.06**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	**381.00**	**375.61**	**77.00**	**2,011.00**	**12,834.04**	**36,376.95**	**5,886.46**	**57,942.06**
Profit for the period	-	-	-	-	-	(264.26)	-	(264.26)
Other Comprehensive Income for the year ended March 31, 2022, net of taxes, excluding actuarial gain/losses, given below	-	-	-	-	-	-	3,445.20	3,445.20
Transfer to Retained earnings on sale of Investments	-	-	-	-	-	-	-	-
Actuarial Gains/Losses (Not Reclass to P&L)	-	-	-	-	-	(16.60)	-	(16.60)
Total Comprehensive Income for the year 2021/22	**-**	**-**	**-**	**-**	**-**	**(280.86)**	**3,445.20**	**3,164.34**
Dividends	-	-		-	-	(506.73)	-	(506.73)
Tax on Dividend	-	-	-	-	-	-	-	-
DTT Refund	-	-	-	-	-	-	-	-
Balance at the end of March 31, 2022	**381.00**	**375.61**	**77.00**	**2,011.00**	**12,834.04**	**35,589.36**	**9,331.66**	**60,599.67**
The accompanying notes form an integral part of the financial statements	1 – 40							

The above statement of changes in equity should be read along with our audit report of even date attached.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

Ramanarayanan J
Partner (220369)
UDIN: 22220369AHHKBJ9228

Mumbai, April 18, 2022

For and on behalf of the Board

Puneet Chhatwal
(Chairman & Managing Director)
DIN No. 7624616

Sudhir L. Nagpal
(Jt. Managing Director)
DIN No. 00044762

Rajesh R. Nagpal
(Jt. Managing Director)
DIN No. 00032123

Ms. Farzana Sam Billimoria
Company Secretary

Mumbai, April 18, 2022

Cash Flow Statement
for the year ended March 31, 2022

₹ in lakhs

	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flow from Operating Activities		
Profit Before Tax	**(1,673.01)**	**(9,620.87)**
Adjustments For:		
Depreciation and Amortisation	4,090.06	4,189.03
Gain on termination of Ind AS 116 Lease/waiver of lease rent	(100.83)	(97.27)
Provision for Doubtful Debts and Advances	(26.68)	49.90
(Profit)/Loss on sale of non-current investments	(3,516.34)	-
(Profit)/Loss on sale of current investments	(10.22)	(14.36)
Loss on Sale/Discarding of Assets	101.31	234.49
SEIS Income written off	92.48	-
Dividend Income	(16.00)	(29.02)
Interest Income	(49.60)	(74.23)
Interest Expense	701.02	553.01
Interest on Lease Liability (Ind AS 116)	737.06	718.31
Fair value movement on Investment measured at FVTPL	(1.30)	0.82
Provision for Employee Benefits (OCI Adjustments)	(23.00)	214.43
	1,977.96	**5,745.11**
Cash Operating Profit before working capital changes	304.95	(3,875.76)
Adjustments for (increase)/decrease in operating assets:		
Inventories	(158.62)	272.73
Trade Receivables	(357.62)	836.22
Other financial current assets	123.82	(39.41)
Other Current assets	(10.29)	(232.79)
Other financial non current assets	(24.37)	1.93
Other non current assets	(27.29)	383.01
	(454.37)	**1,221.69**
Adjustments for increase/(decrease) in operating liabilities:		
Trade Payables	632.14	(928.89)
Other current liabilities	484.29	(205.20)
Other financial current liabilities	718.25	(542.74)
Other financial non current liabilities	19.77	(40.40)
Other liabilities	472.57	(96.20)
	2,327.02	**(1,813.42)**
Cash Generated from Operating Activities	2,177.60	(4,467.48)
Direct Taxes (Paid)/Refunded	(285.20)	450.00
Net Cash from Operating Activities (A)	**1,892.40**	**(4,017.48)**

Cash Flow Statement (Contd.)
for the year ended March 31, 2022

₹ in lakhs

	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment	(2,790.84)	(2,229.21)
Sale of Property, Plant & Equipment	52.98	23.81
Purchase of current Investments	(2,500.00)	(800.00)
Sale of current Investments	2,010.32	2,814.73
Sale of Investment in an Associate	8,516.34	-
Sale of Investment in Other Companies	-	1,130.98
Interest Received	21.98	44.47
Dividend Received	16.00	29.02
Bank balances other than cash and cash equivalents	196.80	(203.19)
Net Cash Used In Investing Activities (B)	**5,523.58**	**810.61**
Cash Flow from Financing Activities		
Interest Paid	(691.16)	(561.01)
Payment of Lease Liabilities (including Interest)	(534.27)	(50.27)
Proceeds from long-term borrowings	900.00	3,600.00
Repayment from long-term borrowings	(4,500.00)	-
Proceeds from short-term borrowings from related party	2,000.00	1,500.00
Repayment of short-term borrowings from related party	(3,500.00)	(1,500.00)
Proceeds/(Repayment) from other short-term borrowings	(64.42)	64.42
Dividend & Tax paid	(506.73)	-
Net Cash Generated/(Used) In Financing Activities (C)	**(6,896.58)**	**3,053.14**
Net Increase/(Decrease) In Cash and cash equivalents (A + B + C)	**519.40**	**(153.73)**
Cash and Cash Equivalents – Opening	**32.78**	**186.51**
Cash and Cash Equivalents – Closing	**552.18**	**32.78**
Refer note 10 (C) for Net Debt reconciliation		
The accompanying notes form an integral part of the financial statements 1 – 40		

To be read along with our audit report of even date attached

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

Ramanarayanan J
Partner (220369)
UDIN: 22220369AHHKBJ9228

Mumbai, April 18, 2022

For and on behalf of the Board

Puneet Chhatwal
(Chairman & Managing Director)
DIN No. 7624616

Sudhir L. Nagpal
(Jt. Managing Director)
DIN No. 00044762

Rajesh R. Nagpal
(Jt. Managing Director)
DIN No. 00032123

Ms. Farzana Sam Billimoria
Company Secretary

Mumbai, April 18, 2022

Notes to the Financial Statements
for the year ended March 31, 2022

Background and Operations

Piem Hotels Limited is a subsidiary of The Indian Hotels Company Limited. The Company is primarily engaged in the business of owning and operating hotels. The registered office of the Company is located at 90, Cuffe Parade, Mumbai – 400 005.

The financial statements were approved by the Board of Directors and authorised for issue on April 18, 2022.

1. Significant Accounting Policies

a) Statement of Compliance:
The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] and other relevant provisions of the Act.

Recent Accounting Pronouncements:

(i) New Accounting Standards/Amendments notified and adopted by the Company:
The following Accounting Standards have been modified on miscellaneous issues with effect from June 18, 2021. Such changes include clarification/guidance on:

i) Ind AS 107 Financial Instruments: Disclosures – Additional disclosures relating to interest rate benchmark reform (IBOR reform) including nature and extent of risks to which the entity is exposed due to financial instruments subject to interest rate benchmark reform and how the Company manages those risks; the Company's progress in completing the transition to alternative benchmark rates and how the Company is managing the transition.

ii) Ind AS 109 Financial Instruments – Guidance provided on accounting for modifications of contracts resulting from changes in the basis for determining the contractual cash flows as a result of the IBOR reform; various exceptions and relaxations have been provided in relation to the hedge accounting.

iii) Ind AS 116 Leases – Extension of optional practical expedient in case of rent concessions as a direct consequence of COVID-19 pandemic till June 30, 2022 and guidance on accounting for modification of lease contracts resulting from the IBOR reform.

iv) Ind AS 102 Share based payments – Alignment of liabilities definition with the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.

v) Ind AS 103 Business Combination – Alignment of assets and liabilities definition with the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards.

vi) Amendment of definition of term 'recoverable amount' in Ind AS 105, Ind AS 16 and Ind AS 36 from 'fair value less cost to sell' to 'fair value less cost of disposal'.

None of these amendments except for Ind AS 116 has any material impact on the financial statements for the current year. For impact of Ind AS 116, refer note 15 Other Income wherein ₹ 100.83 lakhs recognised towards lease rent waiver.

(ii) 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.

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.

(iii) New accounting standards/amendments notified but not yet effective

The following Accounting Standards have been modified on miscellaneous issues with effect from April 1, 2022. Such changes include clarification/guidance on:

i) Ind AS 103 Business Combination – Identified assets acquired and liabilities assumed (including contingent assets and contingent liabilities) must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the Institute of Chartered Accountants of India (ICAI).

ii) Ind AS 109 Financial Instruments – Guidance provided on identifying substantial modification of the terms of an existing financial liability basis difference in discounted present value of the cash flows between old and new terms (the '10 percent' test).

iii) Ind AS 16 Property, Plant and Equipment (PPE) – Clarification provided on accounting for excess of net sale proceeds of items produced over the cost of testing as deduction from the directly attributable costs considered as part of cost of an item of PPE.

iv) Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Illustrative guidance provided on the cost of fulfilling a contract – incremental costs of fulfilling the contract and allocation of other costs that relate directly to fulfilling contracts, and clarification provided on recognising impairment loss that has occurred on assets used in fulfilling the contract before a separate provision for onerous contract established.

None of these amendments is expected to have any material impact on the financial statements of the Company.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

b) Basis of Presentation and Presentation:

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period and plan assets in case of defined benefits plan, as explained in the accounting policies below.

c) 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed in line with the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For 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 the fair value hierarchy as explained above.

d) Current versus Non-current Classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

- An asset is current when it is:
  - Expected to be realised within twelve months after the reporting period, or within the normal operating cycle of the Company.
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
  - All other assets are classified as non-current.
- A liability is current when:
  - It is expected to be settled in normal operating cycle
  - It is due to be settled within twelve months after the reporting period, or
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
  - All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

e) Use of Estimates and Judgements:

Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis at each reporting date. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are provided in Note 2.

f) Consolidation

These financial statements represent the separate financial statements of the Company. The Ministry of Corporate Affairs (MCA) through its circular dated July 27, 2016 has exempted a company from preparing and filing of consolidated financial statements if its ultimate or intermediate holding company is filing consolidated financial statements.

Further Sub-Para (iv) to Para 4 of Ind AS 110 – Consolidated Financial Statements exempts a company from consolidation if its ultimate parent produces Ind AS complied consolidated financial statement, which are available for public use.

In view of above exemptions, the Company is not required to file the consolidated financial statements.

The Company has complied with Ind AS 27: Separate financial statements whereby investments in subsidiaries, joint ventures and associates are to be valued either

- at cost; or
- in accordance with Ind AS 109.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

The Company has elected to measure its investment in subsidiaries and associates at cost determined in accordance with Ind AS 27 at original cost of investment in subsidiaries and associates.

g) Revenue Recognition:

- **Revenue from Services**

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Income from Operations

Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Space and Shop Rentals: Rentals basically consist of rental revenue earned from letting of spaces for retails and office at the properties. These contracts for rentals are generally of short-term in nature. Revenue is recognised in the period in which services are being rendered.

Other Allied Services: In relation to the laundry income, communication income, health club income, transfers income and other allied services, the revenue has been recognised by reference to the time of service rendered.

Membership Fees: Membership fee income majorly consists of health club and spa membership fees. The performance obligations are satisfied over a period of time. Revenue is recognised at the allocated transaction price on a time-proportion basis.

- **Interest**

Interest income from financial assets is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's gross carrying amount on initial recognition.

- **Dividend**

Dividends are recognised in profit and loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

h) Employee Benefits:

(i) Short-term Obligations

Liabilities for the wages and salaries, including non- monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

(ii) Other long-term Employee Benefit Obligations

The Liabilities for earned leave and sick leave are not expected to be settled wholly with 12 months after the end of the period in which the employee render the related services. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yield at the end of the reporting period having terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in Profit and Loss.

(iii) Post-employment Obligations

- Defined Contribution plan (Provident fund)

  The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss. The contributions as specified under the law are paid to the respective Regional Provident fund commissioner (RPFC) or to the trust set up by the Company. In respect of contribution to RPFC, the Company has no further obligations beyond making the contribution, and hence, such employee benefit plan is classified as Defined Contribution Plan.

  The Company's contribution is recognised as an expense in the Statement of Profit & Loss.

- Defined Benefit plans (Gratuity)

  The Company makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method.

  Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

  - Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
  - Net interest expense or income; and
  - Remeasurement.

  The Company presents the first two components of defined benefit costs in Statement of Profit and Loss in the line item "Employee Benefits Expenses". Curtailment gains and losses are accounted for as past service costs.

  The defined benefit obligation recognised in the Balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

- Other Employee Benefits

  Other benefits, comprising of discretionary Long Service Awards and Leave Travel Allowances, are determined on an undiscounted basis and recognised based on the likely entitlement thereof.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

i) Property, plant and equipment

Freehold land is carried at historical Cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and where applicable accumulated impairment losses. Historical Cost includes expenditure that is directly attributable to acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of Property, Plant and equipment have differential useful life, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and equipment and are recognised within other income/ other expenses in the statement of profit and loss account

The Subsequent cost or cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The cost of day to day servicing and all other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been re-assessed as under based on group's technical evaluation, taking into the account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties, maintenance support, etc.

• Plant and machinery	10 to 20 years
• Electrical installations and equipment	20 years
• Hotel Wooden Furniture	15 years
• End User devices -Computers, Laptops, etc.	6 years
• Minor Additions to Furniture & Fittings/Plant & Machinery	4 years
• Improvements to Buildings	15 years
• Operating Supplies on opening of a new hotel	2 to 3 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values are not more than 5% of the original cost of the assets. The asset's residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Capital work-in-progress represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid.

j) Intangible Assets

(i) Computer Software

Intangible assets acquired separately are measured at cost on initial recognition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Useful life of the intangible assets are as follows

Website Development Cost	5 years
Cost of Customer Reservation System (including licensed software)	6 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

k) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount, an impairment loss is immediately recognised.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss section of the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately.

l) Foreign Currency Translation

- **Functional and Presentation Currency**

  The Financial Statement is presented in Indian Rupee (INR), which is Piem Hotels Limited's functional and presentation currency.

- **Transactions and Balances**

  Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

- **Subsequent Recognition**

  As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported in the functional currency, using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported in functional currency using the exchange rates that existed when the fair value measured. All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

m) Leases

On inception of a contract, Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Company's statement of financial position as a right-of-use asset and a lease liability.

Lease contracts may contain both lease and non-lease components. Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-to-use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Unless Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-to-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term. Right-to-use assets are also adjusted for any re-measurement of lease liabilities.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which Company is reasonably certain to exercise and excludes the effect of early termination options where Company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

In case of early termination of lease contract with mutual consent of both the parties, the carrying amount of right to use assets and lease liabilities are de recognised on the date of termination, and the differential amount is debited / credited to statement of profit and loss.

Company has opted not to apply the lease accounting model to leases of low value assets or leases which have a term of less than 12 months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease payments are presented as follows in the Company's statement of cash flows:

- short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities; and
- payments for the principal and interest element of recognised lease liabilities are presented within cash flows from financing activities.

n) Inventories

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Cost include the cost of purchase including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts, rebates and benefits are deducted in determining the cost of purchase. Net realisable value represents the estimated selling price for the inventories less all estimated costs of completion and costs necessary to make the sale.

o) Taxes

- Current Income Tax

  The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities on the taxable income of the year. The tax rates and tax laws used for computation of current tax includes those that are enacted or substantively enacted, at the reporting date.

Current tax is recognised in the statement of profit and loss except to the extent it relates to an item recognised directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis or to realise the asset and settle the liability simultaneously.

- Deferred Tax

Deferred tax is recognised using the liability method on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of the report period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

- Current and Deferred Tax Charge for the Year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT) is accounted when the Company is subjected to such provisions of the Income Tax Act. Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

p) Accounting for Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised, when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, there will be an outflow of resources and a reliable estimate can be made of the amount of obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). Present value is arrived by using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but only disclosed in the financial statements.

q) Cash and Cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows for the year are classified by operating, investing and financing activities.

r) Earnings per Share

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

s) Segment Reporting

The Company identifies operating segments based on the internal reporting provided to the Management of the Company. Disclosure of segment wise information is not applicable as Hoteliering is the Company's only business segment.

t) Financial Instruments & Risk Management

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.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

(i) Financial Assets

1. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The Classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investment when and only when its business model for managing those assets changes.

2. Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

3. Subsequent Measurement

- Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

    After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- Debt instrument at FVTOCI (Fair Value through Other Comprehensive Income)

  A 'debt instrument' is measured at Fair value through OCI if both the following conditions are met:

  - the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; 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.

  Interest income is recognised in Statement of Profit and Loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to Statement of Profit and Loss.

- Debt instrument at FVTPL(Fair Value through Profit and Loss account)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

  n addition, the Company may elect to classify a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

- Equity investments

  All equity investments, other than those in subsidiaries, joint ventures and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L. Where the Company has elected to present fair value gains and losses on equity investment in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

  For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments.

  Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and 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 recognised 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

  In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

  (a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and bank balance;

  (b) Contract assets and trade receivables under Ind AS 115.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

(ii) Financial Liabilities and Equity

- Classification as debt or equity

  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 recognised at the proceeds received, net of direct issue costs.

  Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

- Initial recognition and measurement

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

- Subsequent measurement

  The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

  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.

- Financial liabilities subsequently measured at amortised cost

  This is the category most relevant to the Company. Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised 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 amortised 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 net carrying amount on initial recognition.

- 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- Derecognition

  The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange 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 derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

u) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs (with 2 decimals) as per the requirement of Sch III, unless otherwise stated.

2. Critical Estimates & Judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities & contingent assets. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying number of assets or liabilities affected in future periods.

Estimates and Assumptions

The 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, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

a) Estimated Useful life of Property, Plant and Equipment & Intangible Assets

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation/amortisation expense in future periods. -Refer Note 3(a) & Note 4.

b) Impairment of non-financial assets

Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost of disposal. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

c) Estimation of current tax expense and deferred tax

Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and the tax charge in the statement of profit or loss.

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 or loss. - Refer Note 20.

d) Estimation of Defined Benefit Obligation

The cost of the defined benefit gratuity plan and compensated absences and the present value of the gratuity obligation 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 is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. - Refer Note 29(ii)

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds having balance maturity period in consistent with the average balance service period of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates.

e) Estimation for Litigation

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made, and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Refer Note 31.

f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

g) Impact of COVID-19 (pandemic)

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 3 (a): Property, Plant and Equipment (Owned, unless otherwise stated)

₹ in lakhs

	Freehold Land Refer Footnote (i)	Buildings Refer Footnote (ii)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Capital Work-in-Progress Refer Footnote (iii)
Cost								
At April 1, 2021	**1,971.78**	**29,074.86**	**23,862.60**	**9,346.31**	**1,091.00**	**375.37**	**65,721.92**	**390.88**
Additions	-	1,486.90	1,045.75	498.47	58.97	118.32	3,208.41	3,598.05
Disposals	-	136.90	251.15	32.21	4.75	-	425.01	3,469.95
As at March 31, 2022	**1,971.78**	**30,424.86**	**24,657.20**	**9,812.57**	**1,145.22**	**493.69**	**68,505.32**	**518.98**
Depreciation								
At April 1, 2021	-	5,311.23	8,338.99	3,550.82	760.82	194.30	18,156.16	-
Charge for the period	-	1,248.62	1,556.66	830.72	138.96	149.81	3,924.77	-
Disposals/Adjustments	-	71.29	172.45	23.00	3.98	-	270.72	-
As at March 31, 2022	**-**	**6,488.56**	**9,723.20**	**4,358.54**	**896.27**	**344.11**	**21,810.68**	**-**
Net Block								
As at March 31, 2021	**1,971.78**	**23,763.63**	**15,523.61**	**5,795.49**	**330.18**	**181.07**	**47,565.76**	**390.88**
As at March 31, 2022	**1,971.78**	**23,936.30**	**14,934.00**	**5,454.03**	**248.95**	**149.58**	**46,694.64**	**518.98**

₹ in lakhs

	Freehold Land Refer Footnote (i)	Buildings Refer Footnote (ii)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Capital Work-in-Progress Refer Footnot (iii)
At April 1, 2020	**1,971.78**	**28,282.86**	**22,911.00**	**9,027.86**	**1,065.49**	**375.37**	**63,634.36**	**729.01**
Additions	-	983.17	1,130.54	367.78	31.00	-	2,512.49	4,226.68
Disposals	-	191.17	178.94	49.33	5.49	-	424.93	4,564.81
As at March 31, 2021	**1,971.78**	**29,074.86**	**23,862.60**	**9,346.31**	**1,091.00**	**375.37**	**65,721.92**	**390.88**
Depreciation								
At April 1, 2020	-	4,071.66	6,729.16	2,755.62	606.50	159.82	14,322.76	-
Charge for the year	-	1,269.61	1,709.55	826.96	159.45	34.48	4,000.05	-
Disposals/Adjustments	-	30.04	99.72	31.76	5.13	-	166.65	-
As at March 31, 2021	**-**	**5,311.23**	**8,338.99**	**3,550.82**	**760.82**	**194.30**	**18,156.16**	**-**
Net Block								
As at March 31, 2020	**1,971.78**	**24,211.20**	**16,181.84**	**6,272.24**	**458.99**	**215.55**	**49,311.60**	**729.01**
As at March 31, 2021	**1,971.78**	**23,763.63**	**15,523.61**	**5,795.49**	**330.18**	**181.07**	**47,565.76**	**390.88**

Footnotes:

(i) Cost of Freehold land includes ₹ 4.32 lakhs pending registration (Previous year – ₹ 4.32 lakhs). Refer Note 39(a) for details

(ii) Gross Block includes

(a) Improvements to buildings constructed on leasehold land - ₹ 25,991.39 lakhs (Previous year - ₹ 24,667.95 lakhs)

(b) Cost of shares of Co-operative Societies in case of Residential Buildings

(iii) Capital Work-in-Progress Ageing Schedule

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

March 31, 2022

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in progress	6.11	10.62	-	-	16.73
Other Capex	207.99	5.75	87.13	201.38	502.25
Projects temporarily suspended	-	-	-	-	-
	214.10	**16.37**	**87.13**	**201.38**	**518.98**

March 31, 2021

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in progress	75.05	1.99	-	-	77.04
Other Capex	18.21	91.16	22.97	181.50	313.85
Projects temporarily suspended	-	-	-	-	-
	93.25	**93.15**	**22.97**	**181.50**	**390.88**

Other Capex represents design fees, routine capex, soft refurbishment, brought outs, etc.

Note 3(b): Right-of-Use Assets

	Land	Building	Total
Cost			
At April 1, 2021	7,067.60	24.37	7,091.97
Addition on acquisition	-	-	-
Additions	-	-	-
Deductions for the year	-	-	-
As at March 31, 2022	**7,067.60**	**24.37**	**7,091.97**
Depreciation			
At April 1, 2021	251.28	0.40	251.68
Charge for the period	125.73	0.39	126.11
Deductions for the year	-	-	-
As at March 31, 2022	**377.01**	**0.78**	**377.79**
Net Block			
As at March 31, 2021	**6,816.32**	**23.97**	**6,840.29**
As at March 31, 2022	**6,690.59**	**23.59**	**6,714.18**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

	Land	Building	Total
Cost			
At April 1, 2020			
Opening Adjustments	7,064.62	2,443.04	9,507.66
Addition on acquisition	-	-	-
Additions	2.98	-	2.98
Deductions for the year (foot note 2)	-	2,418.67	2,418.67
As at March 31, 2021	**7,067.60**	**24.37**	**7,091.97**
Depreciation			
At April 1, 2020			
Opening Adjustments	125.56	72.00	197.56
Charge for the year	125.72	0.39	126.11
Deductions for the year (foot note 2)	-	71.99	71.99
As at March 31, 2021	**251.28**	**0.40**	**251.68**
Net Block			
As at March 31, 2020	**6,939.06**	**2,371.04**	**9,310.10**
As at March 31, 2021	**6,816.32**	**23.97**	**6,840.29**

Footnotes:

1. Company's leased assets mainly comprise land and hotel properties. Leases contain a wide range of different terms and conditions. The term of property leases ranges from 60-99 years (Previous year – 60-99 years). The average lease term remaining is 53 years (Previous year – 54 years).

2. During the previous year, lease term of one of the properties re-assessed considering strategic importance of the property for the Company's business and the resultant impact on remeasurement of lease liabilities adjusted to Right-of-Use Asset balance in accordance with Ind AS 116.

Note 4 : Intangible Assets

₹ in lakhs

	Website Development Cost	Software (Refer Footnote)	Total
Cost			
At April 1, 2021	4.38	515.10	519.48
Additions	-	15.06	15.06
Disposals	-	0.56	0.56
As at March 31, 2022	**4.38**	**529.60**	**533.98**
Amortisation			
At April 1, 2021	4.38	434.75	439.13
Charge for the year	-	39.18	39.18
Disposals/Adjustments	-	0.56	0.56
As at March 31, 2022	**4.38**	**473.37**	**477.75**
Net Block			
At March 31, 2021	-	80.35	80.35
As at March 31, 2022	-	56.23	56.23

₹ in lakhs

	Website Development Cost	Software (Refer Footnote)	Total
Cost			
At April 1, 2020	4.38	506.43	510.81
Additions	-	8.67	8.67
Disposals	-	-	-
At March 31, 2021	**4.38**	**515.10**	**519.48**
Amortisation			
At April 1, 2020	4.38	371.88	376.26
Charge for the year	-	62.87	62.87
Disposals/Adjustments	-	-	-
At March 31, 2021	**4.38**	**434.75**	**439.13**
Net Block			
At March 31, 2020	-	134.55	134.55
At March 31, 2021	-	80.35	80.35

Footnote:

Software includes Customer Reservation System and other licensed software.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 5 (a): Non-Current Investments

₹ in lakhs

	Face Value		March 31, 2022		March 31, 2021	
			Holdings As at	Value	Holdings As at	Value
Fully Paid Unquoted Equity Instruments						
Investments in Subsidiary Companies (At cost)						
Piem International (H. K.) Limited (Wholly Owned)	$	10	8,00,000	2,825.34	8,00,000	2,825.34
Northern India Hotels Limited	₹	10	4,12,083	627.35	4,12,083	627.35
				3,452.69		**3,452.69**
Investments in Associates (At cost)						
Taida Trading and Industries Limited*	₹	100	34,400	34.42	34,400	34.42
TAL Hotels and Resorts Limited	$	1	2,80,108	132.69	2,80,108	132.69
Taj Karnataka Hotels and Resorts Ltd.	₹	10	3,00,000	30.00	3,00,000	30.00
Roots Corporation Limited	₹	10	-	-	65,35,948	5,000.00
Inditravel Limited	₹	10	1,89,002	18.91	1,89,002	18.91
Taj Trade and Transport Company Limited	₹	10	8,86,500	140.38	8,86,500	140.38
				356.40		**5,356.40**
Investment in Other Companies (Refer footnote)						
Damania Airways Ltd. *	₹	10	500	0.15	500	0.15
Smile and Care Products Pvt. Ltd.*	₹	10	49,800	4.98	49,800	4.98
MPOWER Information Systems Pvt Ltd.*	₹	10	30,000	3.00	30,000	3.00
				8.13		**8.13**
Fully Paid quoted Equity Instruments						
Investment in Associates (At cost)						
Beneras Hotels Limited	₹	10	54,063	5.41	54,063	5.41
Oriental Hotels Company Limited	₹	1	36,57,170	596.81	36,57,170	596.81
				602.22		**602.22**
Investment in Other Companies (Fair Value Through OCI)						
Tulip Star Hotels Limited (Refer Foot Note V)	₹	10	35,800	-	35,800	13.78
Titan Company Limited	₹	1	4,00,000	10,144.60	4,00,000	6,229.60
				10,144.60		**6,243.38**
Total Non-current Investments - Gross				**14,564.04**		**15,662.82**
Less : Provision for Diminution in value of Investments				42.55		42.55
Total Non-current Investments - Net				**14,521.49**		**15,620.27**

Footnotes:

(i)	Aggregate amount of Quoted Investments	: Carrying Value	10,746.82	: Carrying Value	6,845.60
		: Market Value	13,564.28	: Market Value	7,767.07
(ii)	Aggregate amount of Unquoted Investments	: Cost	3,817.22	: Cost	8,817.22
(iii)	Aggregate amount of impairment in value of investments		42.55		42.55

(iv) During the year, 65,35,948 shares of Roots Corporation Limited have been sold

(v) As trading suspended since March 22, 2021 of Tulip Star Hotels Limited in BSE Stock Exchange, the Company has considered Fair Value as Nil and entire carrying amount recognised as fair value loss for the year

(vi) During the previous year, 1,00,000 shares of Titan Company Limited have been sold and entire profit of ₹ 1,125.37 lakhs has been transferred directly from OCI to Retained Earnings within Other Equity in Balance Sheet.

*Provision for diminution is created for these investments.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 5 (a): Current Investments

₹ in lakhs

	March 31, 2022		March 31, 2021	
	Units	Amount	Units	Amount
Investments in Mutual Fund Units (Quoted)				
Tata Money Market Fund Regular Fund – Growth	15,037.3170	501.20	-	-
Total Current Investments		**501.20**		**-**
Footnotes :				
(i) Aggregate amount of Investments	: Cost	500.00	: Cost	-
	: NAV	501.20	: NAV	-

Note 5 (b): Other Financial Assets

₹ in lakhs

	March 31, 2022	March 31, 2021
A. Non-Current		
Deposits with Public Bodies and Others at amortised cost		
Public Bodies and Others	308.63	286.83
	308.63	**286.83**
Advance to Employees	17.84	18.75
Deposits with Bank	93.91	90.42
	420.38	**396.00**
B. Current		
Loans and Advances		
(Unsecured, considered good unless stated otherwise)		
Others	11.00	12.60
	11.00	**12.60**
Deposit with public bodies and others	59.64	77.70
Other advances		
Considered good	249.82	396.61
Considered doubtful	4.87	4.87
	254.69	**401.48**
Less: Provision for Advances doubtful of recovery	4.87	4.87
	249.82	**396.61**
Interest receivable		
Others	72.37	44.76
	72.37	**44.76**
On Current Account dues :		
Related Parties	160.79	113.80
Others	26.16	30.53
	186.95	**144.33**
	579.78	**676.00**

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

Note 5 (c): Trade receivables

₹ in lakhs

	March 31, 2022	March 31, 2021
Considered good	1,159.01	774.72
Credit impaired	152.33	179.00
	1,311.34	**953.72**
Less : Provision for Trade Receivables credit impaired (Refer footnote)	152.33	179.00
	152.33	**179.00**
	1,159.01	**774.72**

Footnotes:

i) Provision for Trade Receivables credit impaired

₹ in lakhs

	March 31, 2022	March 31, 2021
Opening Balance	179.00	130.19
Add : Provision during the year	18.22	81.88
	197.22	**212.07**
Less: Bad debts written off against past provisions	-	-
Less: Reversal of provision no longer required	44.89	33.07
Closing Balance	**152.33**	**179.00**

ii) For impairment of trade receivables and significant increase in credit risk refer note 22

iii) Trade Receivables Ageing Schedule

March 31, 2022

Particulars	Unbilled Dues	Less than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	242.92	870.51	43.16	2.42	-	-	1,159.01
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	18.45	18.43	99.73	136.61
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	10.48	5.24	15.72
Total	**242.92**	**870.51**	**43.16**	**20.87**	**28.91**	**104.97**	**1,311.34**

March 31, 2021

Particulars	Unbilled Dues	Less than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	82.28	590.07	102.37	-	-	-	774.72
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	47.81	23.41	92.96	164.18
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	10.48	-	4.34	14.82
Total	**82.28**	**590.07**	**102.37**	**58.29**	**23.41**	**97.30**	**953.72**

Note 5 (d): Cash and bank balances

₹ in lakhs

	March 31, 2022	March 31, 2021
Cash and cash equivalents		
Cash on hand	40.54	30.68
Cheques, Drafts on hands	-	2.10
Balances with bank in current account	511.64	-
	552.18	**32.78**

Footnote:
Refer note 10(c)(B) for overdraft balance in case of current account with banks

Note 5 (d): Bank Balances Other than Cash and Cash Equivalents

₹ in lakhs

	March 31, 2022	March 31, 2021
Call and Short-term deposit accounts	-	200.00
Unclaimed Dividend Account	-	-
Margin money deposits	583.52	579.53
Earmarked balances	48.75	46.04
	632.27	**825.57**
Less: Term Deposit with Bank maturing after 12 months from the balance sheet date and other Earmarked/ Margin Money/ Pledged deposits classified as Non-Current (Note 5(b))	93.91	90.42
	538.36	**735.15**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 6: Other Current assets

₹ in lakhs

	March 31, 2022	March 31, 2021
Prepaid Expenses	381.96	379.96
Indirect tax recoverable	2.71	3.98
Advance to Suppliers	324.28	158.79
Advance to Employees	34.00	16.58
Balance with Statutory Authorities	606.23	648.46
Export Incentive Scrips	445.34	475.62
Surplus in Gratuity Fund (Refer Note 29)	-	26.42
	1,794.52	**1,709.81**

Note 7: Other Non-Current Assets

₹ in lakhs

	March 31, 2022	March 31, 2021
Capital Advances	69.28	244.40
Prepaid Expenses	30.73	30.38
Deposits for tax and other statutory dues	346.07	323.07
Export Incentive Receivable	155.24	243.78
	601.32	**841.63**

Note 8: Inventories (At lower of cost and net realisable value)

₹ in lakhs

	March 31, 2022	March 31, 2021
Food and Beverages	616.03	531.87
Stores and Operating Supplies	285.06	210.61
	901.09	**742.48**

Note 9 (a): Share Capital

₹ in lakhs

	March 31, 2022	March 31, 2021
Authorised Share Capital		
Ordinary Shares		
4,750,000 (Previous year – 4,750,000) Equity Shares of Re. 10/- each	475.00	475.00
	475.00	**475.00**
Preference Shares		
18,000 (Previous year – 18,000) 9.5% First Redeemable Cumulative Preference Shares of ₹100/- each	18.00	18.00
	18.00	**18.00**
Preference Shares		
7,000 (Previous year – 7,000) 3% First Redeemable Cumulative Preference Share of ₹100/- each	7.00	7.00
	7.00	**7.00**
	500.00	**500.00**

₹ in lakhs

	March 31, 2022	March 31, 2021
Issued Share Capital		
3,810,000 (Previous Year – 3,810,000) Equity Shares of Re. 10/- each	381.00	381.00
	381.00	**381.00**
Subscribed and Paid Up		
3,810,000 (Previous Year – 3,810,000) Equity Shares of Re. 10/- each	381.00	381.00
(Refer Footnote (v))	**381.00**	**381.00**

Footnotes:

(i) The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) During the year ended March 31, 2022, Interim dividend at the rate of ₹ 13.30 per share amounting to ₹ 506.73 lakhs paid to equity shareholders.

(iii) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2022		March 31, 2021	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
As at the beginning of the year	38,10,000	381.00	38,10,000	381.00
Add: Shares issued during the year	-	-	-	-
As at the end of the year	**38,10,000**	**381.00**	**38,10,000**	**381.00**

(iv) Share held by Holding Company and Subsidiary of Holding Company

	March 31, 2022		March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
Holding Company				
The Indian Hotels Company Limited (IHCL)	19,64,770	52%	19,64,770	52%

(v) Details of share held by other shareholders holding more than 5% the aggregate shares in the Company

	March 31, 2022		March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity shares of ₹ 10 each fully paid				
Mr. Rajesh R. Nagpal	4,99,429	13%	4,99,429	13%
Mr. Sudhir L. Nagpal	5,09,757	13%	5,09,757	13%
New Vernon Private Limited	2,59,000	7%	2,59,000	7%
Mr. Rajkumar M. Nagpal	2,46,088	6%	2,46,088	6%
Mrs. Subhadra R. Nagpal	1,99,418	5%	1,99,418	5%

(vi) Aggregate number of shares allotted as fully paid pursuant to contracts without payment being received in cash, bonus shares and shares bought back for period of 5 years immediately preceeding Balance sheet date NIL (Previous year – NIL)

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

(vii) Details of share held by Promoters in the Company

	March 31, 2022		March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
The Indian Hotels Company Limited (IHCL)	19,64,770	51.6%	19,64,770	51.6%
Mr. Rajesh R. Nagpal	4,99,429	13.1%	4,99,429	13.1%
Mr. Rajkumar M. Nagpal	2,46,088	6.5%	2,46,088	6.5%
Mrs. Subhadra R. Nagpal	1,99,418	5.2%	1,99,418	5.2%
Master Aryaman R. Nagpal	-	-	26,166	0.7%
Ninotchka Malkani Nagpal	40,487	1.1%	14,321	0.4%
Ms Sansara R. Nagpal	7,101	0.2%	7,101	0.2%
Mr. Sudhir L. Nagpal	5,09,757	13.4%	5,09,757	13.4%
Ms. Shammi Nagpal	1,550	0.0%	1,550	0.0%

The Company has only one class of equity shares having a par value of ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company , after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 9 (b): Other Equity

₹ in lakhs

	March 31, 2022	March 31, 2021
Reserves & Surplus		
Capital Reserve		
Opening and Closing Balance	375.61	375.61
Capital Redemption Reserve		
Opening and Closing Balance	77.00	77.00
Securities Premium		
Opening and Closing Balance	2,011.00	2,011.00
General Reserve		
Opening and Closing Balance	12,834.04	12,834.04
Retained Earnings		
Opening Balance	36,376.95	41,972.57
Add: Current Year profits/ (Loss)	(264.26)	(6,875.77)
Less: Appropriations		
Final Dividend	-	-
Tax on Final Dividend	-	-
Interim Dividend	(506.73)	-
Tax on Interim Dividend	-	-
Transfer to Debenture Redemption Reserve	-	-
DDT Refund (Refer Footnote (b) below)	-	-
Transfer of Profit on OCI Equity Inst. To Retained Earnings (refer footnote (iv) to note 5(a))	-	1,125.37
Adjustment on account of Ind AS 116 Transition	-	-
Transfer to/(from) Revaluation Reserve	-	-
Add: Remeasurement of post employment benefit obligation (net of taxes)	(16.60)	154.78
Closing retained earning	**35,589.36**	**36,376.95**
Reserves and Surplus	**50,887.01**	**51,674.60**
Other Comprehensive Income		

₹ in lakhs

	March 31, 2022	March 31, 2021
OCI – Equity Instruments (Not reclassified to P&L)		
Opening Balance	5,886.46	4,572.09
Less: Profit on Sale of Equity Instruments transferred to Retained Earnings (refer footnote (vi) to note 5(a))	-	(1,125.37)
Add: Change in fair value of equity instruments designated irrevocably as FVTOCI (Net of Taxes)	3,445.20	2,439.74
Closing Balance	**9,331.66**	**5,886.46**
Total	**60,218.67**	**57,561.06**

Footnote:

(a) Description of nature and purpose of each reserve

a) **Capital Reserve:** Capital reserve mainly consists of excess of assets acquired over purchase consideration in case of purchase of hotels in the past.

b) **Capital Redemption Reserve:** Capital Redemption Reserve was created on redemption of Preference shares in earlier years.

c) **Securities Premium:** Securities premium represents the premium charged to the shareholders at the time of issuance of equity shares. The securities premium can be utilised based on the relevant requirements of the Companies Act, 2013.

d) **General Reserve:** General reserve was created from time to time by way of transfer of profits from retained earnings for appropriation purposes based on the provisions of the Companies Act prior to its amendment.

e) **Equity Instruments through Other Comprehensive Income:** This represents the cumulative gains and losses arising on the revaluation of investments in equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such investments are disposed off.

Note 10 (a): Other Financial Liabilities

₹ in lakhs

	March 31, 2022	March 31, 2021
A. Non-Current Financial Liabilities		
Deposits from others		
Unsecured	25.22	13.40
	25.22	**13.40**
	25.22	**13.40**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 10 (a): Other Financial Liabilities

₹ in lakhs

	March 31, 2022	March 31, 2021
B. Current Financial Liabilities		
Payables on Current Account dues:		
Related Parties	0.12	9.74
Others	34.49	15.27
	34.61	**25.01**
Deposits from others		
Unsecured	102.59	101.86
	102.59	**101.86**
Interest accrued but not due on borrowings at amortised costs	9.86	-
Creditors for capital expenditure	763.45	378.31
Unclaimed dividend	-	-
Employee related liabilities	1,214.17	499.80
Others	37.34	43.78
	2,162.02	**1,048.76**

Footnote:

There are no amounts due to be transferred to Investor Education and Protection Fund during the current year as well as previous year.

Note 10 (b): Trade Payables

₹ in lakhs

	March 31, 2022	March 31, 2021
Trade Payables		
Micro and Small Enterprises (Refer Footnote (i) and (ii))	333.30	178.03
	333.30	**178.03**
Other than Micro and Small Enterprises		
Vendor Payables	2,408.98	2,182.04
Accrued expenses and others	1,473.90	1,223.96
	3,882.88	**3,406.00**

Footnotes:

(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management.

(ii) For the disclosures relating to Micro and Small Enterprises refer Note 26.

(iii) For related party balances refer Note 32.

(iv) Trade Payable ageing summary.

March 31, 2022

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment						
	Unbilled Dues	Not Due	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) MSME	-	0.01	333.29	-	-	-	333.30
(ii) Others	1473.90	36.12	2269.59	43.77	47.05	12.45	3,882.88
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
	1473.90	36.13	2602.88	43.77	47.05	12.45	4216.18

March 31, 2021

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment						
	Unbilled Dues	Not Due	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) MSME	-	-	178.03	-	-	-	178.03
(ii) Others	1223.95	37.50	2021.52	80.87	28.46	13.70	3,406.00
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
	1223.95	37.50	2199.55	80.87	28.46	13.70	3584.03

Note 10 (c): Financial Liabilities

₹ in lakhs

	March 31, 2022	March 31, 2021
A) Long-term borrowings		
Term Loan from Banks		
Secured	-	3,600.00
Less: Current Maturites of Long-term Borrowings (shown under other Current Borrowings) (Refer Note (i) below)	-	90.00
	-	**3,510.00**
Long-term maturities of finance lease obligations	7,492.36	7,290.98
	7,492.36	**7,290.98**
B) Current borrowings		
Current maturities of long-term borrowings		
Term loans from Banks	-	90.00
	-	**90.00**
Loans repayable on demand from Bank		
Unsecured	-	64.43
	-	**64.43**
Borrowings from Related Parties	2,509.86	4,000.00
Less: Interest accrued (included in note10 (a))	9.86	-
Total Short-term borrowings	**2,500.00**	**4,064.43**
Total Borrowings	**2,500.00**	**4,154.43**

Footnotes:

(i) Pursuant to amendment to Schedule III Division II of The Companies Act, 2013, current maturity of Long-Term Borrowings has been reclassified from Other financial current liabilities to current borrowings in previous year column

(ii) Term Loan from Bank (Secured) borrowed in the previous year has been fully repaid in the current year

(iii) Term Loan was secured by charge against certain immovable properties and the charge was extinguished on fore-closure of loan as on March 31, 2022

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 10(c): Net Debt Reconciliation

₹ in lakhs

	March 31, 2022	March 31, 2021
Cash and cash equivalents	552.18	32.78
Liquid investments	501.20	-
Current borrowings including interest	(2,500.00)	(4,064.43)
Non-current borrowings (Including current maturity shown under Other Current Financial Liabilities)	-	(3,600.00)
Net (debt)/Cash & Cash Equivalents	**(1,446.62)**	**(7,631.65)**

	Other Assets		Liabilities from financing activities		Total
	Cash and cash equivalents	Liquid Investments	Non-current borrowings	Current borrowings	
Net (debt)/Cash & Cash Equivalents as at April 1, 2020	186.51	2,001.19	-	(4,008.01)	(1,820.31)
Cash Flows (Net)	(153.74)	(2,814.73)	-	-	(2,968.46)
Secured – Bank Borrowings	-	-	(3,600.00)	-	(3,600.00)
Unsecured – Bank Borrowings	-	-	-	(64.43)	(64.43)
Acquisitions – finance leases	-	-	-	-	-
Foreign exchange adjustments	-	-	-	-	-
Interest expense	-	-	(95.75)	(457.26)	(553.01)
Interest paid	-	-	95.75	465.27	561.02
-Fair value adjustments	-	813.54	-	-	813.54
(Net debt)/Cash & Cash Equivalents as at March 31, 2021	**32.78**	**-**	**(3,600.00)**	**(4,064.43)**	**(7,631.65)**
Cash Flows (Net)	519.40	(2,010.32)	-	1,500.00	9.08
Secured – Bank Borrowings	-	-	3,600.00	-	3,600.00
Unsecured – Bank Borrowings	-	-	-	64.43	64.43
Interest expense	-	-	(293.35)	(407.65)	(701.00)
Interest paid	-	-	293.35	407.65	701.00
- Fair value adjustments	-	2,511.52	-	-	2,511.52
(Net debt)/Cash & Cash Equivalents as at March 31, 2022	**552.18**	**501.20**	**-**	**(2,500.00)**	**(1,446.62)**

Note 11: Provisions

₹ in lakhs

	March 31, 2022	March 31, 2021
A) Long-term provisions		
Employee Benefit Obligation (Non-current)		
Leave obligations	542.19	534.24
	542.19	**534.24**
B) Short-term provisions		
Employee Benefit Obligation (Current)		
Leave obligations	103.90	95.84
Gratuity (Refer Note 29)	134.55	-
	238.45	**95.84**
Provision for Contingencies (Refer Note 31)	1,062.47	758.93
	1,062.47	**758.93**
Total Short-term provisions	**1,300.92**	**854.77**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 12: Deferred Tax (Assets)/Liabilities (Net)

₹ in lakhs

	March 31, 2022	March 31, 2021
Deferred Tax Liabilities:		
Property, Plant and equipment & Intangible Assets	2,855.77	2,721.14
Long-term Capital Gain - FVTOCI	776.74	320.72
Others	18.65	12.63
Total (A)	**3,651.15**	**3,054.49**
Deferred Tax Assets:		
DTA on Unabsorbed Losses	4,717.65	2,966.63
DTA-MAT credit entitlement	2,021.85	2,021.85
Provision for Compensated Absences	179.74	175.29
Liabilities/Provisions that are deducted for tax purposes when paid	233.68	327.69
Allowance for Doubtful Debts/Advances	43.93	51.35
Provision for Contingencies – Others	10.32	10.32
Right-of-Use Assets (net of Lease Liabilities)	568.87	667.13
Total (B)	**7,776.05**	**6,220.26**
Net Deferred Tax (Assets)/Liabilities (A-B)	**(4,124.90)**	**(3,165.77)**

Footnote:
Refer Note 20 for detailed disclosures.

Note 13: Other Non-Financial Liabilities

₹ in lakhs

	March 31, 2022	March 31, 2021
Income received in advance	14.69	21.26
Advances collected from customers and others	675.10	526.57
Statutory dues	771.48	429.15
	1,461.27	**976.98**

Note 14: Revenue from Operations

₹ in lakhs

	March 31, 2022	March 31, 2021
Room Income, Food, Restaurants and Banquet Income	25,101.10	14,315.39
Membership fees	4.89	2.13
Others	1,101.70	680.71
Total Revenue	**26,207.69**	**14,998.23**

Note 15: Other Income

₹ in lakhs

	March 31, 2022	March 31, 2021
Interest Income from financial assets at amortised cost		
Deposits with banks	46.81	39.46
Others	5.07	17.27
	51.88	**56.73**
Interest on Income Tax Refunds	0.18	24.45
Total	**52.06**	**81.18**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

₹ in lakhs

	March 31, 2022	March 31, 2021
Dividend Income from non-current investments		
From related parties	-	10.52
From others (FVTOCI)	16.00	18.50
Profit on sale of assets (Net)	28.79	1.71
Profit on sale of Investments (Net) (FVTPL)	10.23	14.36
Gain on termination of Ind AS 116 Lease/waiver of lease rent	100.83	97.27
Others	211.21	178.90
Total	**419.12**	**402.44**

Note 16: Food and Beverages Consumed

₹ in lakhs

	March 31, 2022	March 31, 2021
Opening Stock	531.86	795.90
Add: Purchases	3,613.81	1,824.97
	4,145.67	**2,620.87**
Less: Closing Stock	616.03	531.86
Food and Beverages Consumed	**3,529.64**	**2,089.01**

Note 17: Employee Benefit Expenses and Payment to Contractors

₹ in lakhs

	March 31, 2022	March 31, 2021
Salaries, Wages, Bonus etc.	5,861.95	4,874.63
Company's Contribution to Provident and Other Funds (Refer Note 29)	406.00	445.18
Reimbursement of Expenses on Personnel Deputed to the Company	1,743.85	1,655.16
Payment to Contractors	541.77	513.16
Staff Welfare Expenses	908.61	719.26
Total	**9,462.18**	**8,207.39**

Note 18: Finance costs

₹ in lakhs

	March 31, 2022	March 31, 2021
Interest Expense at effective interest rate on borrowings	701.00	553.01
	701.00	**553.01**
On Tax Demands	0.02	-
Interest cost on Lease Liabilities	737.05	718.31
Total	**1,438.07**	**1,271.32**

Note 19: Other Operating and General Expenses

₹ in lakhs

	March 31, 2022	March 31, 2021
(i) Operating expenses consist of the following :		
Linen and Room Supplies	433.92	259.29
Catering Supplies	350.37	244.81
Other Supplies	87.23	62.13
Fuel, Power and Light	2,681.73	2,066.32
Repairs to Buildings	377.25	229.44

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

₹ in lakhs

	March 31, 2022	March 31, 2021
Repairs to Machinery	735.38	518.79
Repairs to Others	114.11	58.76
Linen and Uniform Washing and Laundry Expenses	342.59	230.40
Payment to Orchestra Staff, Artistes and Others	388.41	358.34
Guest Transportation	192.95	121.22
Travel Agents' Commission	411.85	226.15
Sales Distribution Expenses	78.47	29.31
Discount to Collecting Agents	211.81	113.79
Other Operating Expenses	522.75	244.23
Total	**6,928.82**	**4,762.98**
(ii) General expenses consist of the following :		
Rent	220.20	256.30
Licence Fees	757.14	395.30
Rates and Taxes	781.29	661.76
Insurance	205.72	196.56
Advertising and Publicity	1,003.58	638.89
Printing and Stationery	117.41	70.79
Passage and Travelling	59.24	6.29
Provision for Doubtful Debts	(26.67)	49.90
Expenditure on Corporate Social Responsibility (Refer Note 37)	-	22.15
Management Fees	1,381.27	826.27
Reservation and Information system	243.38	147.31
Brand Common Cost	243.38	147.31
Professional fees	210.38	150.98
Outsourced Support Services	284.71	288.02
Exchange Loss (Net)	0.03	2.63
Loss on Sale/Scrapping of Fixed Assets (Net)	130.11	236.21
Payment made to Statutory Auditors		
i. As Auditors	49.45	49.45
ii. As Tax Auditors	6.90	6.90
iii. For Other Services	6.55	4.45
iv. For Reimbursement of expenses	0.79	1.42
Directors Sitting Fees and Commission	10.80	21.30
Other Expenses	681.73	321.63
Total	**6,367.39**	**4,501.81**
	13,296.21	**9,264.79**

Note 20: Income Tax Expense

₹ in lakhs

	March 31, 2022	March 31, 2021
(a) Income tax expense		
Deferred Tax		
In respect of the current year	(1,408.75)	(2,663.86)
In respect of earlier years	-	(25.60)
Adjustment to Deferred Tax attributable to change in Tax Rates	-	(55.64)
Total deferred tax expense/(benefit)	**(1,408.75)**	**(2,745.10)**
Income tax expense	**(1,408.75)**	**(2,745.10)**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

(b) Reconciliation of Income tax provisions to the amount computed by applying statutory income tax rate to the Profit before tax is summarised below; the accounting profit multiplied by India's tax rate

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Profit before tax from continuing operations (a)	(1,673.01)	(9,620.87)
Income tax rate as applicable (b)	27.82%	27.82%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	(465.43)	(2,676.53)
Permanent tax differences due to:		
Effect of income that is exempt from taxation (like dividend income)	-	-
Income considered as capital in nature under tax and tax provisions	(978.25)	-
Effect of expenses that are not deductible in determining taxable profit	48.13	6.59
Effect on deferred tax balances due to the change in income tax rate	-	(55.64)
Recognition of previously unrecognised deferred taxes	-	(25.60)
Income subject to lower rate of income tax	-	-
Others	(13.20)	6.08
Income tax expense recognised in profit or loss (relating to continuing operations)	**(1,408.75)**	**(2,745.10)**
(c) Income tax recognised in other comprehensive income:		
Current Tax		
Tax impact on profit on sale of investment in equity shares at fair value through Other Comprehensive Income	-	-
Deferred tax		
(a) Arising on income and expenses recognised in other comprehensive income:		
Net fair value gain on investments in equity shares at fair value through Other Comprehensive Income	456.02	257.45
Remeasurement of defined benefit obligation	(6.40)	59.66
	449.62	**317.11**
(b) Arising on income and expenses reclassified from equity to profit or loss:		
Relating to financial assets measured at fair value through other comprehensive income	-	-
Total income tax recognised in other comprehensive income	**449.62**	**317.11**
(c) Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	449.62	317.11
Items that may be reclassified to profit or loss	-	-
	449.62	**317.11**

(d) Following is the analysis of Deferred Tax Assets/(Liabilities) presented in the Balance Sheet

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Deferred Tax assets	7,776.05	6,220.26
Deferred Tax liabilities	(3,651.15)	(3,054.49)
Net Deferred tax Assets	**4,124.90**	**3,165.77**

Significant components of Net Deferred Tax Assets and Liabilities

March 31, 2022

₹ in lakhs

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Amalgamation/ Other Adjustment	Closing balance
Deferred tax liabilities/assets in relation to:					
Property, Plant and equipment & Intangible Assets	(2,721.15)	(134.62)	-	-	(2,855.77)
Right of use assets net of lease liabilities	667.13	63.44	-	(161.71)	568.87
Unrealised gain on equity shares carried at fair value through OCI	(320.71)	-	(456.02)	-	(776.73)
Provision for Employee Benefits	175.29	(1.94)	6.40	-	179.74
Unused tax losses (Business loss & unabsorbed depreciation)	2,966.63	1,589.31	-	161.71	4,717.65
MAT Credit Entitlement	2,021.85	-	-	-	2,021.85
Provision for Doubtful Debts	51.35	(7.42)	-	-	43.93
Others	325.38	(100.02)	-	-	225.36
Net Deferred Tax Assets	**3,165.77**	**1,408.75**	**(449.62)**	**-**	**4,124.90**

Significant component of Net Deferred Tax Assets and Liabilities

March 31, 2021

₹ in lakhs

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Amalgamation/ Other Adjustment	Closing balance
Deferred tax liabilities/assets in relation to:					
Property, Plant and equipment & Intangible Assets	(2,721.05)	(0.10)	-	-	(2,721.15)
Right of use assets net of lease liabilities	467.39	199.74	-	-	667.13
Unrealised gain on equity shares carried at fair value through OCI	(37.65)	-	(283.06)	-	(320.71)
Provision for Employee Benefits	374.33	(140.94)	(58.10)	-	175.29
Unused tax losses (Business loss & unabsorbed depreciation)	489.93	2,476.70	-	-	2,966.63
MAT Credit Entitlement	2,021.85	-	-	-	2,021.85
Provision for Doubtful Debts	39.62	11.73	-	-	51.35
Others	103.36	197.96	24.06	-	325.38
Net Deferred Tax Assets	**737.78**	**2,745.09**	**(317.10)**	**-**	**3,165.77**

A deferred tax asset of ₹ 1,751.03 lakhs has been recognised by the Company for the unused tax losses in the current year. These losses essentially represent business losses and unabsorbed depreciation.

The recoverability of the deferred tax assets has been assessed based on:

1. Internal budgets, profit forecasts prepared by management, after duly considering the potential impact of COVID-19 in the future business of the Company.
2. Applying tax principles to those forecasts; and
3. Following the methodology required by Ind AS 12 - Income Taxes.

Based on the assessments as above, the management determines that ₹ 4,717.65 lakhs deferred tax assets on unused tax losses of ₹ 16,957.80 lakhs (comprising carried forward tax business loss of ₹ 5,981.53 lakhs and unabsorbed depreciation tax loss of ₹ 10,976.27 lakhs), should reverse well within the statutory time limit. Under tax law, unabsorbed depreciation tax losses do not expire, and business losses expires in 8 years. These losses can be fully set-off against future taxable profits,

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

and accordingly based on the reasonable certainty that sufficient future taxable income would be generated considering the size of the Company, its growth trajectory and past performance history during normal times, appropriate amount of deferred tax asset has been created during the year. The management will continue to monitor and review these assets based on the profit forecasts in future.

Note 21: Financial Instruments

Fair value hierarchy pertaining to financial instruments measured at fair value on recurring basis

₹ in lakhs

As of March 31, 2022:	Level 1	Level 2	Level 3	Total
Financial Assets:				
Equity shares	10,144.60	-	-	**10,144.60**
Liquid Funds	501.20	-	-	**501.20**
Total	**10,645.80**	**-**	**-**	**10,645.80**

₹ in lakhs

As of March 31, 2021:	Level 1	Level 2	Level 3	Total
Financial Assets:				
Equity shares	6,243.38	-	-	**6,243.38**
Liquid Funds	-	-	-	**-**
Total	**6,243.38**	**-**	**-**	**6,243.38**

Footnotes:

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

(ii) The carrying amounts of the borrowings that are not measured at fair value are reasonable approximation of fair value, as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying value of financial instruments by categories is as follows:

As on 31.03.2022

₹ in lakhs

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial Assets:				
Equity Investment in External Companies	-	10,144.60	-	10,144.60
Liquid Funds	501.20	-	-	501.20
Trade Receivables	-	-	1,159.01	1,159.01
Cash and cash equivalents	-	-	552.18	552.18
Bank Balances other than cash & cash equivalents	-	-	538.36	538.36
Other financial assets	-	-	1,000.16	1,000.16
Total – Financial Assets	**501.20**	**10,144.60**	**3,249.71**	**13,895.51**
Financial Liabilities:				
Lease Liabilities	-	-	7,507.57	7,507.57
Borrowings	-	-	2,500.00	2,500.00
Trade Payables including capital creditors	-	-	4,937.62	4,937.62
Deposits	-	-	127.81	127.81
Other financial liabilities	-	-	1,295.99	1,295.99
Total – Financial Liabilities	**-**	**-**	**16,368.99**	**16,368.99**

As on 31.03.2021

₹ in lakhs

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial assets:				
Equity Investment in External Companies	-	6,243.38	-	6,243.38
Debt Funds	-	-	-	-
Trade Receivables	-	-	774.72	774.72
Cash and cash equivalents	-	-	32.78	32.78
Bank Balances other than cash & cash equivalents	-	-	735.15	735.15
Other financial assets	-	-	1,072.00	1,072.00
Total – Financial Assets	**-**	**6,243.38**	**2,614.65**	**8,858.03**
Financial liabilities:				
Lease Liabilities	-	-	7,304.80	7,304.80
Borrowings	-	-	7,664.43	7,664.43
Trade Payables including capital creditors	-	-	3,962.34	3,962.34
Deposits	-	-	115.26	115.26
Other financial liabilities	-	-	568.60	568.60
Total – Financial Liabilities	**-**	**-**	**19,615.43**	**19,615.43**

Note: The above excludes investments in subsidiaries and associates amounting to ₹ 4,411.31 lakhs (PY ₹ 9,411.31 lakhs).

Note 22: Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, comprise, lease liabilities, borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's management is supported by finance team that advises on financial risks and the appropriate financial risk governance framework for the Company. The finance team provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and price risk. However, currency risk is not significant for the Company since the Company has only Indian Rupee Borrowings and receivables & payables are generally denominated in Indian Rupee.

Interest Rate Risk

The total borrowing at variable rate was ₹ Nil as at March 31, 2022 (Previous year – ₹ 3,600 lakhs). The carrying value of the long-term debt approximates fair value since the current interest rate approximates the market rate.

Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through OCI. If the equity prices of quoted investments are 3% higher/lower, the Other Comprehensive Income for the year ended March 31, 2022 would increase/decrease by ₹ 304.34 lakhs (for the year ended March 31, 2021 : increase/decrease by ₹ 187.30 lakhs).

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Credit Risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

The Company's policy is to place cash and cash equivalents and short-term deposits with reputable banks and financial institutions.

Trade Receivables
The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before entering into contract. Credit limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority.

Particulars	March 31, 2022	March 31, 2021
No. of Customers who owed more than 5% of the Total receivables	-	-
Contribution of Customers in owing more than 5% of Total receivables	-	-

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 while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

i) Financing Arrangements
The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Expiring within one year:		
Cash credit and Bank overdraft	4,100	2,036
Expiring beyond one year	-	-
Total	**4,100**	**2,036**

The bank overdraft facilities may be drawn at any time by the Company.

The breakup of the borrowings into fixed and floating interest rates is as follows:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed interest rate	2,500	4,000
Floating interest rate	-	3,600
Total	**2,500**	**7,600**

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

ii) Maturities of Financial Liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in lakhs

Particulars	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due from 6th year onwards	Total
Year ended March 31, 2022					
Lease Liabilities	822.27	870.67	2,665.25	72,814.89	77,173.08
Borrowings	2,500.00	-	-	-	2,500.00
Other financial liabilities	2,162.02	25.22	-	-	2,187.24
Trade and other payables	4,216.18	-	-	-	4,216.18
	9,700.47	**895.89**	**2,665.25**	**72,814.89**	**86,076.40**
Year ended March 31, 2021					
Lease Liabilities	822.27	822.27	2,612.01	73,738.80	77,995.35
Borrowings	4,154.43	405.00	2,205.00	900.00	7,664.43
Other financial liabilities	1,048.76	13.40	-	-	1,062.16
Trade and other payables	3,584.03	-	-	-	3,584.03
	9,609.49	**1,240.67**	**4,817.01**	**74,638.80**	**90,305.97**

iii) Capital Risk Management

The Company manages its capital to ensure that it will be able to continue as a going concern. The structure is managed to maintain an investment grade credit rating, to provide ongoing returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by Equity. Net debt is calculated as total borrowings (including 'current and non-current term loans' as shown in the balance sheet) less cash and cash equivalents and current investments.

₹ in lakhs

Particulars	Note	March 31, 2022	Note	March 31, 2021
Borrowings	10(c)	-	10(c)	3,600.00
Less: Cash and cash equivalents	5(d)	552.18	5(d)	32.78
Less: Current Investments		501.20		-
Net Debt		(1,053.38)		3,567.22
Equity	9(a) & 9(b)	60,599.67	9(a) & 9(b)	57,942.06
Gearing Ratio		**-**	**-**	**0.06**

Note: As no Term Loan is outstanding as on March 31, 2022, gearing ratio is not applicable for the current year.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 23: Contingent Liabilities

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Contingent liabilities		
(a) Claims against the Company not acknowledged as debt		
Minimum amount to be paid to Punjab Urban Development Authority (PUDA) for Amritsar as per Revenue sharing Agreement. (Note)	400.00	400.00
Employee termination / resignation cases	2.84	2.84
Demand raised by Tahsildar towards evacuation not approved	94.75	94.75
Total	**497.59**	**497.59**
(b) Guarantees		
Guarantee given to PUDA	1,220.00	1,220.00
Guarantee given to Local Authorities	45.00	45.00
Guarantee given for Foreign cars	7.11	7.11
Total	**1,272.11**	**1,272.11**
(c) Other money for which the Company is contingently liable		
Income Tax	324.22	-
Luxury Tax	11.55	11.55
Entertainment Tax	1.11	1.11
Sales Tax/VAT	110.74	62.25
Property Tax	87.65	87.65
Service Tax & Excise Duty	639.88	639.88
Customs Duty	139.09	-
Others (Water & Sewerage Tax)	88.00	88.00
Total	**1,402.24**	**890.44**

Note:

The Punjab Urban Development Authority (PUDA) has contested the order passed by the Appellate Authority - Punjab Infrastructure Regulatory Authority (PIRA) granting an extension of one year in the completion date of the Amritsar Project at the High Court. The Company will be liable to pay the concession fee for the aforesaid period in case the above claim is upheld by the High Court.

Details of amounts paid under protest and accounted under 'Deposits for tax and other statutory dues' & 'Margin Money Deposit'

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Property Tax	311.14	293.84
VAT	16.96	14.35
Service Tax	-	-
Entertainment Tax	0.10	0.10
Total	**328.20**	**308.39**

Note 24: Contingent Asset

The Company has instituted a suit against a Bank for recovery of rent amounting to ₹ 19.85 lakhs, as they continued to occupy the area leased to them at a hotel, even after the expiry of the lease agreement. The amount of refund receivable (if any) can be determined only on the conclusion of litigation.

Contingent assets are not recognised in the financial statements.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 25: Capital Commitments

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Tangible assets	151.61	1,463.80
Intangible assets	1.71	-
Total	**153.32**	**1,463.80**

Note 26: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year*	390.61	178.03
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

* includes amount recognised under creditor for capital expenditure in current financial liabilities

Note 27: Ind AS 116 Related Disclosures

The Company has taken land and immovable properties on lease which are generally long-term in nature with varying terms, escalation clauses and renewal rights expiring within forty-six to sixty-one years. On renewal, the terms of the leases are renegotiated.

Total lease liabilities are analysed as follows:

₹ in lakhs

Denominated in the following currencies:	31 Mar 2022	31 Mar 2021
Indian Rupees	7,507.57	7,304.80
Other Currencies	-	-
Current	15.21	13.81
Non-Current	7,492.36	7,290.99
Total	**7,507.57**	**7,304.80**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Amounts recognised in profit or loss
The following amounts were recognised as expense in the year:

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of right-of-use Assets	126.11	126.11
Expense relating to variable lease payments	757.14	395.30
Expense relating to short-term leases and low-value assets	220.20	256.30
Interest on lease liabilities	737.05	718.31
Gain on Lease modifications/waiver of lease rent	(100.83)	(97.27)
Total recognised in Statement of Profit & Loss	**1,739.67**	**1,398.75**

Variable lease payments are payable under certain of Company's hotel leases and arise where Company is committed to making additional lease payments that are contingent on the performance of the hotels.

Amounts recognised in the cash flow statement:

₹ in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Minimum lease payments/Fixed rentals	534.27	50.27

Exposure to Future Cash Flows:
The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

₹ in lakhs

Maturity analysis:	March 31, 2022	March 31, 2021
Less than 1 year	822.27	822.27
Between 1 and 2 years	870.67	822.27
Between 2 and 5 years	2,665.25	2,612.01
More than 5 years	72,814.89	73,738.80
Total	**77,173.08**	**77,995.35**

In addition, in certain circumstances the Company is committed to making additional lease payments that are contingent on the performance viz. gross operating profits, revenues etc. of the hotels that are being leased for which no lease liability has been recognised as it is contingent in nature.

Note 28: Lease Rental Income

Details of Leasing Arrangements
The Company has given on lease certain residential flats to its parent company. These arrangements are in the nature of cancellable lease and are generally renewable by mutual consent or mutual agreeable terms.

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Cost	163.18	58.26
Accumulated Depreciation	37.13	18.96
Net Book Value	**126.05**	**39.30**
Current Period Depreciation	**18.16**	**3.16**
Lease Rent Received	**44.64**	**36.00**

Note 29: Employee Benefits

(i) Provident Fund

The Company has recognised the following as defined contribution plan under the head "Company's Contribution to Provident Fund and Other Funds" (net of expenses):

₹ in lakhs

Particulars	March 31, 2021	March 31, 2021
Provident Fund	285.21	310.51
Superannuation Fund	3.16	3.13

The Company operates Provident Fund Scheme through a Trust – 'Taj Residency Employees Provident Fund Trust' ('the Plan'), set up by the Company and for certain categories contributions are made to State Plan. The Plan guarantees minimum interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of the services by the employee. In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumptions provided below, there is no shortfall as at March 31, 2022.

The Company contributed ₹ Nil towards provident fund to the Plan during the year ended March 31, 2022.

In light of the Supreme Court judgement dated February 28, 2019 regarding the definition of wages for calculation of Provident fund contribution, the Company as advised, on a prudent basis, has provided for the liability prospectively from date of judgement.

(ii) Gratuity Benefits

The Company provides for gratuity a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement, death, incapacitation, termination of employment, of amounts that are based on salaries and tenure of the employees.

The above defined benefit plan typically expose the Company to actuarial risks such as: **investment risk, interest rate risk, longevity risk and salary risk.**

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to prevailing government security yields. If the return on plan asset is below this rate, it will create a plan deficit. The current plan has a relatively balanced mix of investments in equity, government securities, bonds and other debt instruments. Due to the long-term nature of the plan liabilities, the Trustees of the Fund consider it appropriate that a reasonable portion of the plan assets should be invested in equity securities to leverage the return generated by the Fund.
Interest Risk	A decrease in the G-Sec yield will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Actuarial Valuation was done in respect of the aforesaid defined benefit plan using the following assumptions:

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Discount rate	6.80%	6.80%
Salary escalation: -		
Staff	5.00%	5.00%
Executive	4.00%	4.00%

Note: Mortality has been assumed as per published notes under the Indian Assured Lives Mortality (2012-14) table

Amount Recognised in the Balance Sheet

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Liability at the end of the year	2,466.35	2,375.77
Fair value of plan assets at the end of the year	2,331.81	2,402.19
Amount recognised in the Balance Sheet [(asset)/Liability]	**134.54**	**(26.42)**

Reconciliation of Defined Benefit Obligation:

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Opening Defined Benefit Obligation	2,375.77	2,351.25
Current service cost	143.85	143.53
Past Service Cost	0.00	0.00
Interest cost	149.10	143.43
Remeasurements due to actuarial loss/(gain) arising from		
• Changes in financial assumptions	0.00	(24.86)
• Changes in demographic assumptions	0.00	0.00
• Experience adjustments	64.88	(60.93)
Benefits Paid	(267.24)	(176.65)
Liabilities assumed/(settled)	0.00	0.00
Closing Defined Benefit Obligation	**2,466.35**	**2,375.77**

Reconciliation of Plan Assets

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Fair value of Plan Assets at the beginning of the year	2,402.19	2,227.01
Expected Return on Plan Assets	154.97	139.15
Actuarial (loss)/gain on Plan Assets	41.88	128.65
Contribution by Employer	0.00	84.03
Benefits paid	(267.24)	(176.65)
Assets acquired/(settled)	0.00	0.00
Fair value of Plan Assets at the end of the year	**2,331.81**	**2,402.19**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Expenses recognised in the Statement of Profit and Loss

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Current service cost	143.85	143.53
Past Service Cost	0.00	0.00
Interest cost	(5.88)	4.27
Expense/(Reversal) recognised in the Statement of Profit and Loss	**137.97**	**147.80**

Amount recorded in Other Comprehensive Income

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Opening Amount recognised in OCI	(151.24)	63.19
Remeasurements in the period due to		
• Changes in Financial Assumption	0.00	(24.85)
• Change in Demographic Assumption	0.00	0.00
• Experience Adjustments	64.88	(60.93)
• Actual Return on Plan assets less interest on Plan Assets	(41.88)	(128.65)
Closing amount recognised in OCI	**(128.24)**	**(151.24)**

Balance Sheet Reconciliation

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Opening net liability/(asset)	(26.42)	124.24
Expense/(Reversal) as above	137.97	147.80
Amount recognised outside Profit & loss account	23.00	(214.43)
Employers contributions	0.00	(84.03)
Amount recognised in Balance Sheet (asset)/Liability	134.54	(26.42)
Expected Employer's Contributions next year	120.00	120.00

The discount rate is based on the government bond yields for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Sensitivity Analysis (for each defined benefit plan)

	March 31, 2022		March 31, 2021	
	Discount rate	Salary Escalation rate	Discount rate	Salary Escalation rate
	(%)	(%)	(%)	(%)
Impact of increase in 50 bps on DBO	-3.40	3.67	-3.35	3.62
Impact of decrease in 50 bps on DBO	3.61	-3.48	3.56	-3.43

Disaggregation of Plan Assets

₹ in lakhs

Particulars	March 31, 2022			
	Quoted	Unquoted	Total	%
Insurer managed funds	-	2,229.22	2,229.22	96%
Government Debt Instruments	-	-	-	-
Others	62.51	40.08	102.59	4%
Total	**62.51**	**2,269.30**	**2,331.81**	**100%**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

₹ in lakhs

Particulars	March 31, 2021			
	Quoted	Unquoted	Total	%
Insurer managed funds	-	2,253.01	2,253.01	94%
Government Debt Instruments	43.83	-	43.83	2%
Others	62.51	42.84	105.35	4%
Total	**106.34**	**2,295.85**	**2,402.19**	**100%**

Maturity Profile- Benefits

	Amount
Expected benefits for year 1	405.55
Expected benefits for year 2	253.97
Expected benefits for year 3	305.60
Expected benefits for year 4	181.59
Expected benefits for year 5	171.45
Expected benefits for year 6	199.66
Expected benefits for year 7	201.02
Expected benefits for year 8	181.32
Expected benefits for year 9	239.88
Expected benefits for year 10 and above	2,249.84

The weighted average duration of these payments is 7.01 years.

CODE ON SOCIAL SECURITY, 2020:

The Indian Parliament has approved the Code on Social security 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the code on Social Security 2020, on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the code becomes effective and the related rules to determine the financial impact are published.

Note 30: IND AS 115 'Revenue from Contracts with Customers'

₹ in lakhs

Sr. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1	**Contract with Customers**		
	Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
	Revenue from operations		
	Revenue from contract with customers		
	a) Room Income, Food & Beverages and Banquets	25,101.10	14,315.39
	b) Membership fees	4.89	2.13
		25,105.99	**14,317.52**
	Other operating revenue		
	a) Export Incentive	0.00	0.00
	b) Others	1,101.70	680.70

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

₹ in lakhs

Sr. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Total Income from operations	**26,207.69**	**14,998.23**
2	**Disaggregate Revenue**		
	The following table presents Company's revenue disaggregated by type of revenue stream		
	Revenue based on product and services		
	Revenue from contract with customers		
	a) Room Income	10,166.90	5,642.90
	b) Food & Beverages and Banquets	14,934.20	8,672.50
	c) Membership fees	4.89	2.13
	Other operating revenue		
	a) Export Incentive	0.00	0.00
	b) Others	1,101.70	680.70
3	**Contract balances**		
	Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/ restaurant/Banquets. Revenue is recognised once the performance obligation is net i.e. on room stay/sale of food and beverage/provision of banquet services.		
	At April	613.75	755.33
	At March	784.62	613.75
	(The amounts reported herein are inclusive of GST.)		

Footnote:

Considering the nature of business of the Company, the above contract liabilities are generally materialised as revenue within the same operating cycle.

Note 31: Details of Provisions

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

₹ in lakhs

Particulars	As at April 1, 2021	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2022
Provision for other contingencies					
Entertainment Tax	**166.00**	**0.00**	**0.00**	**0.00**	**166.00**
	(166.00)	(0.00)	0.00	0.00	(166.00)
Sales Tax	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
	(0.00)	(0.00)	(0.00)	0.00	(0.00)
Property Tax	**543.62**	**43.24**	**0.00**	**29.60**	**557.26**
	(483.76)	(59.86)	(0.00)	0.00	(543.62)
Customs Duty	**0.00**	**289.89**	**0.00**	**0.00**	**289.89**
	(0.00)	(0.00)	(0.00)	0.00	(0.00)
Others	**49.31**	**00.00**	**0.00**	**0.00**	**49.31**
	(49.31)	(0.00)	(0.00)	0.00	(49.31)
Total	**758.93**	**333.13**	**0.00**	**29.60**	**1,062.46**
	(699.07)	**(59.86)**	**(0.00)**	**0.00**	**(758.93)**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

₹ in lakhs

Particulars	As at April 1, 2021	Provisions during the year	Debtors written off against past provision	Provision written back	As at March 31, 2022
Provision for doubtful debts	**179.00**	**18.22**	**-**	**44.89**	**152.33**
	130.19	81.88	-	33.07	179.00

₹ in lakhs

Particulars	Provisions during the year	Provision written back	Debts written off in the past recovered	Net Expense
Provision for doubtful debts charged to P&L	**18.22**	**44.89**	**-**	**(26.67)**
	82.97	33.07	-	49.90

₹ in lakhs

Particulars	As at April 1, 2021	Provisions during the year	Advances written off against past provision	Provision written back	As at March 31, 2022
Provision for doubtful advances	**4.87**	**-**	**-**	**-**	**4.87**
	4.87	-	-	-	4.87

Note 32: Related Party Transactions

The following table provides the list of related parties and total amount of transactions that have been entered into with related parties for the relevant financial year.

i. **Holding Company**
The Indian Hotels Company Limited (IHCL)

ii. **Company having Significant Influence**
Tata Sons Pvt. Ltd. (including its subsidiaries & joint ventures)

iii. **Subsidiary Companies**
Northern India Hotels Limited

Piem International (H.K.) Limited (PIHK)

BAHC 5 Pte Ltd (Subsidiary of PIHK)

iv. **Associate Companies**
Taida Trading and Industries Limited

Taj Enterprises Limited

Taj Trade and Transport Company Limited

Inditravel Limited

Roots Corporation Limited

Benares Hotels Limited

Oriental Hotels Limited

Taj Karnataka Hotels and Resorts Limited.

TAL Hotels and Resorts Limited

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

v. Fellow Subsidiaries/Joint Ventures (to the extent of transactions carried during the year)

United Hotels Limited

Taj SATS Air Catering Limited

Idea Ice & Cold Storage Company Limited

Taj GVK Hotels & Resorts Limited

Taj Kerala Hotels & Resorts Limited

Taj Safaris Limited

vi. Key Management Personnel

Mr. Puneet Chhatwal – Chairman & Managing Director

Mr. Sudhir L. Nagpal - Jt. Managing Director

Mr. Rajesh R. Nagpal - Jt. Managing Director

Mr. Rajkumar M. Nagpal - Executive Director

vii. Relatives of Key Management Personnel

(Parties with whom transactions were conducted during the year)

Ms. N. M. Nagpal

Ms. Beryl. F. Nagpal

Ms. Subhadra. R. Nagpal

Ms. Sansara. R. Nagpal

viii. Firms/Companies in which Key Management personnel are Interested

MPOWER Information Systems Pvt Limited

ix. Others

Taj Residency Employees Provident Fund Trust (Bangalore Unit)

Piem Hotel Employees Gratuity Trust

Taj Residency Hotel Employees Gratuity Trust

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

Terms and Conditions of transactions with Related Parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

₹ in lakhs

Particulars	Company having significant influence*		Holding Company		Subsidiaries		Associates		Fellow Subsidiaries/ Joint Ventures	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Purchase of Goods & Services and Sharing of Expenses (Footnote 1)	317.78	291.50	1,084.10	615.10	-	-	3.76	2.07	22.65	18.28
Sale of Goods & Services	337.90	116.36	24.27	35.74	0.63	-	0.42	2.31	1.17	0.00
Interest Expense/(Income)	301.68	410.18	-	-	-	-	-	-	-	-
Lease Rent Income	-	-	44.64	36.00	-	-	-	-	-	-
Lease Rent Expense	17.10	-	36.00	36.00	-	-	-	-	-	-
Shop Rent Received	-	-	-	-	-	-	6.00	-	-	-
Dividend Paid	-	-	261.31	-	-	-	-	-	-	-
Inter Corporate Deposits Borrowed	-	1,500.00	-	-	-	-	-	-	-	-
Inter Corporate Deposits Refunded	1,500.00	1,500.00	-	-	-	-	-	-	-	-
Consultation/License Fees	-	-	1,325.68	804.31	69.16	47.15	-	-	58.03	-
Loyalty Expenses (Net of Redemption Credit)	-	-	(246.34)	(245.71)	-	-	-	-	-	-
Deputed Staff Salary expenses	-	-	1,523.61	1434.20	-	-	91.27	93.97	44.25	48.88
Deputed Staff Salary recoveries	20.46	17.25	559.35	525.48	-	-	153.03		31.54	
Commission/Remuneration (Refer Footnote 2)	-	-	-	-	-	-	-	-	-	-
Deputed Staff Recoverable	-	-	62.38	64.37	-	-	21.26	17.20	21.60	14.19
Inter Companies Receivable/ (Payables) – Related Party	-	-	146.84	102.01	-	-	(0.12)	(5.77)	18.06	7.83
Unsecured Residential Deposit Taken/(Given)	5.00	5.00	48.00	48.00	-	-	-	-	-	-
Trade Payables	57.27	93.12	903.61	957.52	19.78	24.94	9.70	9.99	37.29	13.68
Trade Receivables	76.26	74.55	-	-	-	-	-	-	0.17	-
Sales of Investment/Shares	-	-	8,516.34	-	-	-	-	-	-	-
ICD Outstanding	2,500.00	4,000.00	-	-	-	-	-	-	-	-

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

₹ in lakhs

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Firm in which Key Management Personnel are Interested		Others	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Purchase of Goods & Services and Sharing of Expenses (Footnote 1)	-	-	-	-	-	-	-	-
Sale of Services	-	-	-	-	-	-	-	-
Interest Expense/(Income)	-	-	-	-	-	-	-	-
Lease Rent Income	-	-	-	-	-	-	-	-
Lease Rent Expense	-	-	-	-	-	-	-	-
Shop Rent Received	-	-	-	-	-	-	-	-
Dividend Paid	166.95	-	32.85	-	-	-	-	-
Inter Corporate Deposits Borrowed	-	-	-	-	-	-	-	-
Inter Corporate Deposits Refunded	-	-	-	-	-	-	-	-
Consultation/License Fees	-	-	-	-	-	-	-	-
Loyalty Expenses (Net of Redemption Credit)	-	-	-	-	-	-	-	-
Deputed Staff Salary expenses	-	-	-	-	-	-	-	-
Deputed Staff Salary recoveries	-	-	-	-	-	-	-	-
Commission/Remuneration (Refer Footnote 2)	378.73	419.69	-	3.55	-	-	-	-
Deputed Staff Recoverable	-	-	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-	-	-
Trade Receivables	-	-	-	-	-	-	-	-
Contribution to Trust	-	-	-	-	-	-	159.21	117.62
Net Balance at year end-Receivable/(Payables)	-	-	-	-	-	-	(134.54)	26.42

* Including its subsidiaries and joint ventures.

Footnotes:
1. Purchase of Goods and Services includes Advertisement, Reservation and Information system expenses and Brand Common Cost.
2. Commission to Executive Directors is considered on payment basis.
3. Current account transactions and reimbursement transactions have not been considered for the purpose of above reporting.

Compensation of Key Management Personnel of the Company

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Short-Term Employee Benefits	247.49	215.95
Other Long-term Benefits*	280.00	116.67
Post-employment Benefits	14.57	14.57
Total	**542.06**	**347.19**

* The amounts disclosed in the table are the amounts recognised as an expense during the reporting period pertaining to commission & incentive to key management personnel.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Statement of Material Transactions

₹ in lakhs

Particulars	2021 – 22	2020 – 21
Holding Companies		
The Indian Hotels Company Ltd. (IHCL)		
- Purchase of Goods & Services	1,084.10	615.10
- Sale of Goods & Services	24.27	35.74
- Sale of Investments	8,516.34	-
- Dividend Paid	261.31	-
- Lease Rent Income	44.64	36.00
- Lease Rent paid	36.00	36.00
- Consultation/Licence Fees	1,325.68	804.31
- Deputed Staff Salary paid	1,523.61	1434.2
- Deputed Staff Salary recoveries	559.35	525.48
- Inter Companies Receivables/(Payables)	146.84	102.01
- Deputed Staff Receivable	62.38	64.37
- Trade Payable	903.61	957.52
- Residential Deposit	48.00	48.00
Company having significant influence and its subsidiaries & joint ventures		
Tata Sons Private Limited		
- Sale of Goods & Services	52.55	40.79
- Deputed Staff salary Receivable	20.46	17.25
- Trade Receivable	11.27	36.88
Tata Consultancy Services Limited		
- Purchase of Goods & Services	188.60	236.58
- Sale of Goods & Services	31.26	5.87
- Trade Payables	44.35	72.33
- Trade Receivable	15.82	6.37
Taj Air Limited		
- Inter Corporate Deposits Borrowed	-	1,500.00
- Inter Corporate Deposits Refunded	1,500.00	1,500.00
- Sale of Goods & Services	-	-
- Interest Expenses	280.80	410.18
- Borrowings	2,500.00	4,000.00
Tata Communications Limited		
- Purchase of Goods & Services	14.74	23.35
- Sale of Goods & Services	2.50	-
- Trade Payables	3.63	11.57
- Trade Receivables	0.56	-
Tata AIA Life Insurance		
- Sale of Goods & Services	23.57	10.08
- Trade Receivable	3.75	9.95

₹ in lakhs

Particulars	2021 – 22	2020 – 21
Tata Play Limited		
- Purchase of Goods & Services	14.69	9.00
- Sale of Goods & Services	0.82	0.09
- Trade Payables	6.10	7.69
- Trade Receivable	0.13	-
Tata SIA Airlines Limited		
- Sale of Goods & Services	109.66	27.5
- Trade Receivables	18.03	12.33
Tata Digital Limited		
- Sale of Goods & Services	54.17	17.85
- Trade Receivables	13.8	4.87
Supermarket Grocery Supplies Private Limited		
- Purchase of Goods & Services	74.76	-
Associates		
Oriental Hotels Limited		
- Purchase of Goods & Services	-	-
- Sale of Goods & Services	-	-
- Deputed Staff Salary Paid	22.29	35.71
- Inter companies Receivables/(Payables)	0.12	-
- Trade Payables	1.55	12.46
- Deputed Staff recoverable	12.05	10.83
Subsidiaries		
a) Northern India Hotels Limited		
- Consultation/Licence Fees	69.16	47.15
- Interest Paid	-	-
- Miscellaneous Income	-	-
Key Management Personnel		
a) Mr. Rajkumar M. Nagpal		
- Commission/Remuneration	83.28	94.91
- Dividend Paid	32.73	-
b) Mr. Sudhir L. Nagpal		
- Commission/Remuneration	169.98	173.66
- Dividend Paid	67.80	-
c) Mr. Rajesh R. Nagpal		
- Commission/Remuneration	125.47	151.11
- Dividend Paid	66.42	-

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 33: List of Investments in Subsidiaries and Associates are given below:

a) Subsidiaries Companies

₹ in lakhs

	Principal place of business/country of incorporation	March 31, 2022		March 31, 2021	
		Held directly by Company	Direct holding (%)	Held directly by Company	Direct holding (%)
Domestic					
Northern India Hotels Limited	India	627.35	94.16%	627.35	94.16%
International					
Piem International (H.K) Limited (wholly-owned)	Hong Kong	2825.34	100.00%	2825.34	100.00%

b) Associates

₹ in lakhs

	Principal place of business/country of incorporation	March 31, 2022		March 31, 2021	
		Held directly by Company	Direct holding (%)	Held directly by Company	Direct holding (%)
Domestic					
Taida Trading and Industries Limited	India	34.42	25.41%	34.42	25.41%
Taj Karnataka Hotels and Resorts Ltd.	India	30.00	10.60%	30.00	10.60%
Roots Corporation Limited	India	-	-	5000.00	7.00%
Inditravel Limited	India	18.91	26.25%	18.91	26.25%
Taj Trade and Transport Company Limited	India	140.38	25.56%	140.38	25.56%
International					
TAL Hotels and Resorts Limited	Hong Kong	132.69	1.60%	132.69	1.60%

Note 34: Exceptional Item

Exceptional item of ₹ 3,516.34 lakhs for the year ended March 31, 2022 represents profit arising out of sale of shares of Roots Corporation Limited to the Holding Company.

Note 35: Earnings per Share

Earnings Per Share is calculated in accordance with IND AS 33 – 'Earnings Per Share'

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Profit/(Loss) after tax	(264.26)	(6875.77)
Number of Ordinary Shares	38.10	38.10
Weighted Average Number of Ordinary Shares:		
Considered in calculation of Basic EPS & Diluted EPS	38.10	38.10
Face Value per Ordinary Share in ₹	10	10
Earning Per Share:		
Basic/Diluted in ₹	(6.94)	(180.47)

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 36: Events Occurring after the Reporting Period

There are no events occurring after the reporting period to be reported.

Note 37: Offsetting Financial Assets and Financial Liabilities

There are no financial liabilities and assets that are off set during the financial years 31.03.2022 and 31.03.2021.

Note 38: Corporate Social Responsibility:

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Amount required to be spent as per Section 135 of the Act	-	22.15
Amount Spent during the year on:		
(i) Construction/Acquisition of an asset	-	-
(ii) On purpose other than (i) above	-	22.15

Note 39: Additional Regulatory Information as mandated by SCH III (Division II) of Companies Act, 2013 vide MCA notification dated March 24, 2021 (to the extent applicable)

a) Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross Carrying Value	Title Deeds/Allotment held in name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Piece of Land at Agra	Free hold Land	4.32 lakhs	Zorawar Singh, Nathu Singh, Shri Mohan Singh, Ramesh Chand, Dauji Ram	No	1988	Due to non-availability of all signatories at the same time, registration formalities are pending.
Land in Lucknow	ROU Assets	818.54 lakhs	Indian Hotels Company Limited	Yes (Promoter)	2003	Endorsement by the local development authority in its records of the assignment of lease by the holding company in favour of the Company is pending since 2003.
Land in Indore	ROU Assets	2.98 lakhs	PIEM Holdings Limited	NA	2002	Allotment is in the name of erstwhile subsidiary which got amalgamated with the Company with effect from 2002.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

b) Financial Ratios:

Ratio	Numerator	Denominator	Current Year	Previous Year	% of Variance
Current Ratio	Current Assets	Current Liabilities excluding current maturities of long-term borrowings	0.52 time	0.44 time	18%
Debt Equity Ratio	Non-Current Borrowings + Current Borrowings	Total Equity	0.04 time	0.13 time	-69%
Debt Service Coverage Ratio*	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt	0.08 time	-3.98 times	-102%
Return of Equity Ratio	Profit/(Loss) after tax	Average Total Equity	0%	-11%	-100%
Inventory Turnover Ratio*	NA	NA	NA	NA	NA
Trade Receivables Turnover Ratio	Revenue from operations	Average Trade Receivables	27.11 times	12.32 times	120%
Trade Payables Turnover Ratio	Total expenses – Depreciation – Interest – Payroll Cost	Average Trade Payables	4.34 times	2.98 times	46%
Net Capital Turnover Ratio	Net Sales	Average Working Capital	-4.56 times	-2.88 times	58%
Net Profit Ratio	Profit/(Loss) after tax	Total Income	-1%	-45%	-98%
Return on Capital Employed	Earnings before interest and tax	Average Equity + Average Debt + Average Lease Liabilities	0%	-11%	-100%
Return on Investment#	NA	NA	NA	NA	NA

Footnotes:

I) Figures in brackets represent previous year amounts.

Ii) The ratios have improved in the current year vis a vis last year mainly on account of relaxation in lockdown and lifting of restrictions by the Government of India for hospitality sector.

Iii) *- Pursuant to Sale of Investment in Roots Corporation Limited, the sales proceeds have been utilised for foreclosure of Term loan availed. Accordingly entire principal amount outstanding as at previous year end have been considered as part of principal amount repaid during the year.

iv) # - As the Company is primarily engaged in hospitality sector (Service Industry), Inventory turnover ratio and Return on Investment ratio are not applicable to the Company.

Note 40: Going Concern

Negative Working Capital

As at the year end, the Company's current liabilities have exceeded its current assets by ₹ 5,629.45 lakhs primarily on account of short-term borrowings of ₹ 2,500.00 lakhs and provision for contingencies of ₹ 1062.47 lakhs. Management is confident of its ability to generate cash inflows from operations and also raise long-term funds to meet its obligations on due date.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Impact of COVID-19

The business has been impacted during the year on account of COVID-19. During the first three months of the year, the Company witnessed softer revenues due to the second wave of COVID-19 and consequent lockdowns in several states across the country. Also there was a third wave in the month of January 2022, resulting in restrictions in some states, which also adversely impacted the revenues. However, with increased vaccinations and consequent reduction in number of cases and easing of all restrictions, the Company has witnessed recovery in both leisure and business segments in all the other months. The Company has considered internal and external sources of information and based on current estimates, expects to recover the carrying amount of these assets. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

The management has secured additional financing for the next 12 months to prevent disruption of the operating cash flows and to enable the Company meets its debts and obligations as they fall due. Accordingly, the financial statements of the Company have been prepared on a going concern basis.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

Ramanarayanan J
Partner (220369)
UDIN: 22220369AHHKBJ9228

Mumbai, April 18, 2022

For and on behalf of the Board

Puneet Chhatwal
(Chairman & Managing Director)
DIN No. 7624616

Sudhir L. Nagpal
(Jt. Managing Director)
DIN No. 00044762

Rajesh R. Nagpal
(Jt. Managing Director)
DIN No. 00032123

Ms. Farzana Sam Billimoria
Company Secretary

Mumbai, April 18, 2022

Independent Auditor's Report

To the Members of ROOTS CORPORATION LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Roots Corporation Limited (the "Company"), which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

Managements and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, 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) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring

Independent Auditor's Report (Contd.)

the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditor's Report (Contd.)

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.

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 of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

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

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

    a) The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its financial statements – Refer Note 25 to the financial statements.

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

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

    d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm’s Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694
UDIN: 22117694AHKJXV8444

Mumbai
April 19, 2022

Balance Sheet

as at March 31, 2022

	Note	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Assets			
Non-Current Assets			
Property, Plant and Equipment	3	32,645.13	34,777.10
Capital Work-in-Progress	3	258.48	343.91
Right to Use Assets	28	26,000.71	26,441.43
Intangible Assets	3	367.06	438.60
Financial Assets			
Security Deposits	4 (a)	1,113.57	1,080.09
Advance Income Tax (net)	5	806.72	692.44
Other Non-Current Assets	6 (a)	1,299.26	833.00
		62,490.93	64,606.57
Current Assets			
Inventories	7	239.31	215.93
Financial Assets			
Trade Receivables	8	1,542.58	1,806.31
Cash and Cash Equivalents	9	367.78	193.82
Other Financial Assets	4 (b)	365.99	402.23
Other Current Assets	6 (b)	1,331.64	1,529.01
		3,847.30	**4,147.30**
Total Assets		**66,338.23**	**68,753.87**
Equity and Liabilities			
Equity			
Equity Share capital	10	9,403.37	9,403.37
Other Equity	11	1,761.68	5,132.64
Total Equity		**11,165.05**	**14,536.01**
Non-Current liabilities			
Financial Liabilities			
Borrowings	12 (a)	8,969.58	3,294.11
Lease Liabilities	28	35,674.98	35,004.70
Other Financial Liabilities	13 (a)	2.72	233.87
Provisions	14 (a)	318.53	313.52
Other Non-Current Liabilities	16 (a)	1,077.99	1,593.00
		46,043.80	**40,439.20**
Current Liabilities			
Financial Liabilities			
Borrowings	12 (b)	1,727.72	6,443.59
Lease Liabilities	28	810.99	810.39
Trade Payables			
Dues of small enterprises and micro enterprises	15	32.29	19.88
Dues of creditors other than small enterprises and micro enterprises	15	4,288.70	4,175.34
Other Financial Liabilities	13 (b)	848.30	1,006.50
Provisions	14 (b)	44.60	42.78
Other Current Liabilities	16 (b)	1,376.78	1,280.18
		9,129.38	**13,778.66**
Total Liabilities		**66,338.23**	**68,753.87**
Significant Accounting Policies	2		
The accompanying notes form an Integral part of the financial statements	3 - 40		

As per our report of even dated attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694

Mumbai, April 19, 2022

For and on behalf of the Board of Directors of Roots Corporation Limited
CIN: U55100MH2003PLC143639

Puneet Chhatwal
Chairman
DIN: 07624616
Mumbai, April 19, 2022

Deepika Rao
Managing Director & CEO
DIN: 08136962
Mumbai, April 19, 2022

Sanjay Arora
Head – Finance
Mumbai, April 19, 2022

Swetha Dabhi
Company Secretary
Mumbai, April 19, 2022

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

	Note	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Income			
Revenue from operations	17	17,087.77	12,552.08
Other income	18	859.36	934.24
Total income		**17,947.13**	**13,486.32**
Expenses			
Food and beverages consumed	19	728.07	345.06
Employee benefit expense and payment to contractors	20	3,324.61	3,036.71
Finance costs	21	4,642.07	4,600.72
Depreciation and amortisation expenses	3b	3,793.99	3,807.86
Other operating and general expenses	22	9,561.35	9,013.69
Total Expenses		**22,050.09**	**20,804.05**
(Loss) before exceptional items and tax		**(4,102.96)**	**(7,317.72)**
Exceptional items	23	712.49	2,379.48
(Loss) before tax		**(3,390.47)**	**(4,938.24)**
Tax expense			
Current tax	24	-	-
Deferred tax	24	-	-
Total tax expense		**-**	**-**
(Loss) after tax		**(3,390.47)**	**(4,938.24)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligation		19.51	13.53
Add/(Less) Income tax credit/(expense)		-	-
Net other comprehensive income not to be reclassified subsequently to profit or loss		**19.51**	**13.53**
Other comprehensive income for the year, net of tax		**19.51**	**13.53**
Total comprehensive Income for the year		**(3,370.96)**	**(4,924.71)**
Earnings per share:			
Basic and Diluted – (₹)	34	(3.61)	(5.25)
Face value per equity share – (₹)		10.00	10.00
Significant Accounting Policies	2		
The accompanying notes form an integral part of the financial statements	3 - 40		

As per our report of even dated attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694

Mumbai, April 19, 2022

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Sanjay Arora
Head – Finance
Mumbai, April 19, 2022

Swetha Dabhi
Company Secretary
Mumbai, April 19, 2022

Statement of Changes in Equity
for the year ended March 31, 2022

₹ lakhs

Particulars	Equity Share Capital Subscribed	Reserve & Surplus		Total	Total Equity
		Securities Premium Account	Retained Earnings		
Balance as at April 1, 2020	9,403.37	31,912.37	(21,855.02)	10,057.35	19,460.72
(Loss) for the year ended March 31, 2021	-	-	(4,938.24)	(4,938.24)	(4,938.24)
Other Comprehensive Income for the year ended March 31, 2021, net of taxes	-	-	13.53	13.53	13.53
Total Comprehensive Income for the year ended March 31, 2021	**-**	**-**	**(4,924.71)**	**(4,924.71)**	**(4,924.71)**
Balance as at March 31, 2021	**9,403.37**	**31,912.37**	**(26,779.73)**	**5,132.64**	**14,536.01**
(Loss) for the year ended March 31, 2022	-	-	(3,390.47)	(3,390.47)	(3,390.47)
Other Comprehensive Income for the yearended March 31, 2022, net of taxes	-	-	19.51	19.51	19.51
Total Comprehensive Income for the year ended March 31, 2022	**-**	**-**	**(3,370.96)**	**(3,370.96)**	**(3,370.96)**
Balance as at year ended March 31, 2022	**9,403.37**	**31,912.37**	**(30,150.69)**	**1,761.68**	**11,165.05**

Significant Accounting Policies (Refer Note 2)

The accompanying notes form an integral part of the financial statements (Refer Notes 3- 40)

As per our report of even dated attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694

Mumbai, April 19, 2022

For and on behalf of the Board of Directors of Roots Corporation Limited
CIN: U55100MH2003PLC143639

Puneet Chhatwal
Chairman
DIN: 07624616
Mumbai, April 19, 2022

Deepika Rao
Managing Director & CEO
DIN: 08136962
Mumbai, April 19, 2022

Sanjay Arora
Head – Finance
Mumbai, April 19, 2022

Swetha Dabhi
Company Secretary
Mumbai, April 19, 2022

Statement of Cash Flows
for the year ended March 31, 2022

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Cash Flow from Operating Activities		
(Loss) Before Tax	(3,390.47)	(4,938.24)
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortisation expenses on Property, plant and equipment	2,235.20	2,108.15
Amortisation expenses on Right-of-Use assets	1,558.79	1,699.71
Notional Interest as per Ind AS 115 on Advance from Customer	(82.95)	-
Loss on Sale/Discard of Property, Plant and Equipment	29.02	33.04
Profit on Sale/Discard of Property, Plant and Equipment	(712.49)	(2,379.48)
Interest expense other than interest on lease liability	1,050.89	995.32
Interest on lease liability	3,591.18	3,605.40
Interest income	(170.23)	(171.56)
Gain on investments carried at fair value through statement of profit and loss	(7.93)	(12.45)
Provision for Employee Benefits	66.04	57.77
Allowance for Doubtful Debts and advances	-	14.94
Provision for doubtful trade and other receivables	(31.75)	101.11
Lease Waivers booked under miscellaneous income	(468.47)	(711.18)
Liabilities/provisions no longer required written back	(0.41)	(0.51)
	7,056.89	**5,340.25**
Cash operating profit generated before working capital changes	3,666.42	402.01
Adjustments for (increase)/decrease in operating assets:		
Inventories	(23.38)	(2.98)
Trade receivables	377.22	514.27
Financial assets	(39.34)	154.13
Other Assets	(118.52)	(287.45)
	195.98	**377.97**
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	125.77	912.80
Financial Liabilities	(452.23)	(152.73)
Other Liabilities	(489.58)	(33.62)
Provisions	(35.85)	(26.69)
	(851.89)	**699.76**
Cash Generated from Operating Activities	3,010.52	1,479.74
Income taxes (paid)/received	(114.28)	479.27
Net Cash Generated from Operating Activities (A)	**2,896.24**	**1,959.00**
Cash Flow from Investing Activities		
Payment for purchase of property, plant and equipment	(921.93)	(1,249.59)
Proceeds from disposal of property, plant and equipment	1,595.21	3,084.40
Purchase of current Investments	(3,148.58)	(3,907.00)
Sale of current Investments	3,156.51	4,020.88
Interest Received	82.23	96.60
Balances with Bank matured	-	800.00
Net Cash Generated/(Used) In Investing Activities (B)	**763.44**	**2,845.29**

Statement of Cash Flows (Contd.)
for the year ended March 31, 2022

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Cash Flow from Financing Activities		
Proceeds from long-term borrowings	9,460.00	-
Repayment of long-term borrowings	(6,750.00)	(2,450.00)
Proceeds from short-term borrowings	1,163.13	1,758.17
Repayment of short-term borrowings	(2,906.68)	-
Payment of Lease Liability (Including Interest)	(3,528.84)	(3,092.77)
Interest on borrowings and working capital	(923.32)	(959.87)
Net Cash Generated/(Used) In Financing Activities (C)	**(3,485.71)**	**(4,744.47)**
Net Increase/(Decrease) In Cash and cash equivalents (A + B + C)	**173.96**	**59.83**
Cash and Cash Equivalents – Opening	193.82	133.99
Cash and Cash Equivalents – Closing	367.78	193.82
Significant Accounting Policies (Refer Note 2)		
The accompanying notes form an integral part of the financial statements (Refer Notes 3 - 40)		
The above cash flow has been prepared under the ''Indirect Method" as set out in the Indian Accounting Standard (Ind AS) 7		
"Statement of Cash Flows" prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.		

As per our report of even dated attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694

Mumbai, April 19, 2022

For and on behalf of the Board of Directors of Roots Corporation Limited
CIN: U55100MH2003PLC143639

Puneet Chhatwal
Chairman
DIN: 07624616
Mumbai, April 19, 2022

Deepika Rao
Managing Director & CEO
DIN: 08136962
Mumbai, April 19, 2022

Sanjay Arora
Head – Finance
Mumbai, April 19, 2022

Swetha Dabhi
Company Secretary
Mumbai, April 19, 2022

Note 1: Corporate Information

Roots Corporation Ltd. (RCL) is in the business of developing, managing and operating GINGER hotels, a revolutionary concept in hospitality and has pioneered Lean Luxe and Lean Luxury space. The GINGER experience today offers a re-imagined new world of fusion of work and play together where local mergers with global and where contrasts come together to create unique yet relatable seamless experiences. Currently the Company has 57 hotels including 15 hotels on management contracts and 6 Facilities Management units across various geographical locations in India. GINGER energises enterprising Indians in their journeys with a hospitality experience that provides comfort and convenience.

The Company has its registered office at Corporate Support Centre, Godrej and Boyce Complex, Gate No. 8, Vikhroli (East), Mumbai – 400 079.

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorised for issue on April 19, 2022.

Note 2: Basis of Preparation, Critical Accounting Estimates and Judgements

Significant Accounting Policies and Recent Accounting Pronouncements

(a) Statement of Compliance:

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 as amended from time to time.

(b) Basis of Preparation:

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. All assets and liabilities are classified as current and non-current as per company's normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

(c) Critical Accounting Estimates and Judgements:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- **Useful Lives of Property, Plant and Equipment and Intangible Assets:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and Intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

- **Impairment testing:** Property, plant and equipment, Right-of-Use assets and intangible assets that are subject to depreciation/ amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- **Income Taxes:** Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the statement of profit or loss.

  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 or Loss.

- **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made, and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

- **Defined Benefit Plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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 is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

- **Leases:**

  Critical Judgements in Determining the Lease Term: Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

- **Critical Judgements in Determining the Discount Rate:** The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Estimation Uncertainty Relating to the Global Health Pandemic on COVID-19**:

  The Company has taken into account the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of COVID-19 may be different from that estimated as at the date of approval of these standalone financial results and the Company will continue to closely monitor any material changes to future economic conditions.

(d) Revenue Recognition:

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Income from Operations

Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold, and banquet services have been provided as per the contract with the customer.

Space and Shop Rentals: Rentals basically consist of rental revenue earned from letting of spaces for retails and office at the properties. These contracts for rentals are generally of short-term in nature. Revenue is recognised in the period in which services are being rendered. The rentals are recognised under accrual basis.

Other Allied Services: In relation to laundry income, communication income, airport transfers income and other allied services, the revenue has been recognised by reference to the time of service rendered.

Management and Operating fees: Management fees earned from hotels managed by the Company are usually under long-term contracts with the hotel owner. Under Management and Operating Agreements, the Company's performance obligation is to provide hotel management services and a license to use the Company's trademark and other intellectual property.

Management and incentive fee are earned as a percentage of revenue and profit and are recognised when earned in accordance with the terms of the contract based on the underlying revenue, when collectability is certain and when the performance criteria are met. Both are treated as variable consideration.

Revenue from contracts with customers: In determining the transaction price, the Company adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the Company with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

Contract Balances

a) Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract Liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

(e) Employee Benefits (other than for persons engaged through contractors):

i. **Provident Fund:** The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The Company contributes to the Recognised Employee's Provident Fund Scheme paid/payable during the year. The Company does not have any legal or informal obligation to pay additional sum.

ii. **Gratuity (Unfunded)**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

iii. **Compensated Absences**

The Company has a scheme for compensated absences for employees, the liability for which is determined based on an independent actuarial valuation using the projected unit credit method, carried out at the Balance Sheet date.

(f) Property, Plant and Equipment:

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs (refer note no. 2(5) below). Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Depreciation is charged to Profit or Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

Class of Assets		Estimated Useful Life
1.	Plant and machinery	4 to 20 years
2.	Electrical installations and equipment	20 years
3.	Hotel Wooden Furniture	15 years
4.	End User devices - Computers, Laptops, etc.	6 years

In respect of buildings constructed on leasehold land, depreciation is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated based on their estimated useful lives or the expected lease period whichever is lower.

Freehold land is not depreciated.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Proportionate depreciation is charged for the addition and disposal made during the year.

Capital work-in-progress represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid.

For transition to Ind AS, the Company has elected to continue with carrying value of all of its tangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(g) Intangible Assets:

Intangible assets include cost of acquired software and designs, and cost incurred for development of the Company's website and certain contract acquisition costs. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use.

Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development.

Intangible assets with finite lives are amortised over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation periods are reviewed, and impairment evaluations are carried out at least once a year. The estimated useful life used for amortising intangible assets are as under:

Class of Assets	Estimated Useful Life
Software and Licences	6 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use of disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

For transition to Ind AS, the Company has elected to continue with carrying value of all of its intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(h) Impairment of Assets:

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

(i) Leases:

Effective April 1, 2019 the Company has applied Ind AS 116 which replaces Ind AS 17 Leases.

On inception of a contract, the Company (as a lessee) assesses whether it contains a lease. A contract is, or contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and no lease components based on their relative standalone prices and applies the lease accounting model only to lease components.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs incurred, lease payments made at or before the commencement date, any asset restoration obligation, and less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are also adjusted for any re-measurement of lease liabilities. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option and any lease modification.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments are presented as follows in the Company's statement of cash flows:

- short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from operating activities; and
- payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

The Company has adopted Modified Retrospective Approach.

Discounting factor is calculated based on the start date of the lease term.

For computing the present value of Minimum Lease Payments, the following interest rates should be considered:

Interest rate implicit in the lease: The rate implicit in the lease would be considered readily determinable when all the material inputs used to calculate the rate are readily determinable. It may not be possible to determine the fair value of the underlying lease asset, residual value etc. for so many properties and therefore, it is recommended to use 'incremental borrowing rate' as discount rate.

Incremental borrowing rate: In order to determine discount rate as above, one should use the rate that is "determinable, reasonable, and consistent with the financing that would have been used in the particular circumstances". The lessee (RCL) may need to determine its incremental borrowing rate through discussions with bankers, or other lenders or by reference to obligations of a similar term issued by others with a credit rating like that of the lessee (RCL).

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Most of the leases are long-term with the tenor ranging from 5 to 99 years. The borrowing rate for a tenor of more than 5 years may not be readily available. Therefore, in order to determine the discount rate, the Company has taken 10 year/ 15 year/ 20-year G-Sec rates and adjusted with Company's risk/Assets Risk.

Company as a Lessor
At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income based on terms of lease agreed with the lessee. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

COVID-19-related Rent Concessions
Rent concessions occurring as a direct consequence of COVID-19 are not accounted as lease modification as per the practical expedient to Ind AS 116. The Company has applied the practical expedient retrospectively to all eligible rent concession and the waiver of lease payments has been accounted as "Other Income" in the statement of profit & loss. The Company has benefited from waiver of lease payments of ₹468.47 lakhs on certain hotel properties/office premises. The Company has derecognised the part of lease liability that has been extinguished by the forgiveness of lease payments.

(j) Non-Current Assets Held for Sale:
Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable and expected to be completed within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

(k) Inventories:
Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Cost includes the fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

(l) Government Grants:
Government grants are recognised in the period to which they relate when there is reasonable assurance that the grant will be received and that the Company will comply with the attached conditions.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants which are essentially in the nature of reimbursements are netted of against the related expenses.

(m) Transactions in Foreign Currencies:
Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies and outstanding at the Balance Sheet date are translated at the exchange rates prevailing at the year end. Non-monetary items denominated in foreign currencies are carried at the exchange rate in force at the dates of the transactions. Exchange differences arising on foreign currency transactions are recognised as income or expense in the year in which they arise.

(n) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current Tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax:

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax (“MAT”) credit forming part of Deferred tax assets is recognised as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(o) Goods & Service Tax Input Credit:

Goods & Service Tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing/utilising the credits.

(p) Share Issue Expenses:

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52(2) of the Companies Act, 2013, to the extent balance is available for utilisation in the Securities Premium Account.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

(q) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date to reflect the current best estimates.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

(r) Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit and Loss using the effective interest method.

(s) Cash and Cash Equivalent (for the purpose of cash flow statements):

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(t) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

(u) Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(v) Exceptional items:

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These items are identified by virtue of either their size or nature or incidence. Exceptional items include, but are not restricted to:

(i) Gains and losses on the disposal of assets

(ii) Loss on impairment of assets

(w) Financial Instruments:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. In case of financial assets subsequently measured at fair value through profit or loss, such transaction costs are not included. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent Measurement:

Debt instruments

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium and fees or costs that are an integral part of the transaction. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets
In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

(b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition subject to certain class of trade receivables where the loss allowances is based on assumptions about risk of default and judgements which are based on the past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

Financial Liabilities
Classification
The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or Losses on Liabilities held for Trading are Recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

New Standards or Other Amendments issued but not yet Effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, relevant amendment has been disclosed as below:

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

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

The amendments specify that 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 amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in 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 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

None of these amendments is expected to have any material impact on the financial statements of the Company.

Note 3: Property, Plant and Equipment and Intangible Assets & Capital Work-in-Progress

₹ lakhs

Particulars		Gross Block				Accumulated Depreciation and Impairment				Net Block	
		As at April 1, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 1, 2021	Charge for the year	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
TANGIBLE ASSETS											
1 Freehold Land	CY	731.29	-	(254.03)	477.25	-	-	-	-	477.25	731.29
Freehold Land (Refer Note 3)	PY	866.14	-	(134.85)	731.29	-	-	-	-	731.29	866.14
2 Buildings											
(a) Hotel Building	CY	19,386.41	217.99	(567.48)	19,036.91	2,120.27	521.55	(74.54)	2,567.28	16,469.63	17,266.14
(Refer notes 1, 2, & 28)	PY	17,138.82	2,749.58	(501.99)	19,386.41	1,710.21	507.26	(97.20)	2,120.27	17,266.14	15,428.61
(b) Improvements to	CY	11,701.86	66.99	-	11,768.85	3,483.06	596.24	-	4,079.30	7,689.55	8,218.80
leasehold buildings (Refer Note 28)	PY	11,651.78	51.32	(1.24)	11,701.86	2,889.38	593.83	(0.15)	3,483.06	8,218.80	8,762.40
Total Buildings	CY	**31,088.27**	**284.97**	**(567.48)**	**30,805.76**	**5,603.32**	**1,117.80**	**(74.54)**	**6,646.58**	**24,159.18**	**25,484.94**
	PY	**28,790.60**	**2,800.90**	**(503.23)**	**31,088.27**	**4,599.59**	**1,101.09**	**(97.35)**	**5,603.32**	**25,484.94**	**24,191.01**
3 Plant, Machinery and	CY	10,875.96	461.30	(296.82)	11,040.44	4,079.98	783.31	(166.38)	4,696.91	6,343.54	6,795.98
Data Processing Equipments (Refer Note 28)	PY	10,232.21	937.74	(293.99)	10,875.96	3,438.29	790.04	(148.35)	4,079.98	6,795.98	6,793.92
4 Furniture and Fixtures	CY	2,805.68	137.19	(68.25)	2,874.61	1,041.38	202.47	(33.94)	1,209.91	1,664.70	1,764.30
(Refer Note 28)	PY	2,564.78	318.49	(77.59)	2,805.68	866.81	216.81	(42.24)	1,041.38	1,764.30	1,697.97
5 Office Equipment	CY	4.73	-	(0.26)	4.47	4.14	0.12	(0.24)	4.02	0.45	0.59
(Refer Note 28)	PY	4.94	-	(0.21)	4.73	3.95	0.22	(0.03)	4.14	0.59	0.99
Sub-Total	CY	**45,505.92**	**883.46**	**(1186.84)**	**45,202.54**	**10,728.83**	**2,103.69**	**(275.10)**	**12,557.42**	**32,645.12**	**34,777.10**
	PY	**42,458.67**	**4,057.13**	**(1009.87)**	**45,505.93**	**8,908.64**	**2,108.16**	**(287.96)**	**10,728.84**	**34,777.10**	**33,550.03**
INTANGIBLE ASSETS											
Computer Software	CY	1,234.65	56.72	-	1,291.37	796.05	128.26	-	924.31	367.06	438.60
	PY	1,225.63	9.46	(0.44)	1,234.65	660.70	135.74	(0.39)	796.05	438.60	564.93
Sub-Total	CY	**1,234.65**	**56.72**	**-**	**1,291.37**	**796.05**	**128.26**	**-**	**924.31**	**367.06**	**438.60**
	PY	**1,225.63**	**9.46**	**(0.44)**	**1,234.65**	**660.70**	**135.74**	**(0.39)**	**796.05**	**438.60**	**564.93**
Total	CY	**46,740.57**	**940.19**	**(1186.84)**	**46,493.92**	**11,524.88**	**2,231.96**	**(275.10)**	**13,481.74**	**33,012.18**	**35,215.70**
	PY	**43,684.30**	**4,066.59**	**(1010.31)**	**46,740.58**	**9,569.34**	**2,243.90**	**(288.35)**	**11,524.89**	**35,215.70**	**34,114.96**
CAPITAL WORK-IN-	CY	343.91	854.75	(940.19)	258.48	-	-	-	-	258.48	343.91
PROGRESS (Refer Note 4)	PY	3,138.90	1,525.01	(4320.00)	343.91	-	-	-	-	343.91	3,138.90

Notes:

1 Net Block of Building Includes ₹ 15,194.00 Lakhs (Previous year ₹ 15,464.35 Lakhs) constructed on Leasehold Land

2 Mysore immovable and movable property of value Rs. 875.51 Lakhs sold(Refer note 25)

3 Opening Gross Block includes impairment provision for Ludhiana property of ₹ 520 Lakhs.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

4. **Capital work-in-progress ageing is given below:**

	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in progress	15.19	6.42	-	236.87	258.48
	77.61	*11.77*	*14.50*	*3.16*	*107.04*
Projects temporarily suspended	-	-	-	-	-
	-	-	-	*236.87*	*236.87*
	15.19	**6.42**	**-**	**236.87**	**258.48**
	77.61	*11.77*	*14.50*	*240.03*	*343.91*

Capital work-in-progress temporarily suspended ageing as given below:

	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
Paradip (Refer Note 7)	-	-	-	-	-
	-	-	-	*236.87*	*236.87*
	-	**-**	**-**	**-**	**-**
	-	-	-	*236.87*	*236.87*

* Figures in italic are for previous year.

5 There are no intangible assets under development.

6 All the title deeds are held in the name of the Company except which are disclosed in Note 39 (c).

7 The company has entered into a term sheet for transfer of Leasehold rights of land with developer and development of fully fitted lease of Ginger Hotel Paradip for 60 years

Note 3b: Depreciation and amortisation expenses

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Depreciation on Property, Plant and Equipment	2,103.69	2,108.17
Depreciation of Right-of-use Assets	1,558.79	1,563.97
Amortisation on Intangible Assets	128.26	135.74
	3,790.75	**3,807.88**

Note 4 : Financial Assets

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
(a) Non-Current Financial Assets		
Other than related parties		
Long-term security deposits		
Hotel Properties	791.36	754.75
Public bodies and Others	322.21	325.34
	1,113.57	**1,080.09**
(b) Current Financial Assets		
Other than related parties		
Loans to employees	10.68	16.24
Interest Accrued on Deposits	0.99	8.72
Other Receivables	-	9.58
	11.67	**34.54**
Cost reimbursement receivable from Managed Properties (Refer Note 31)	412.90	391.90
Less: Provision for Credit Impaired financial asset	(58.58)	(24.21)
	354.32	**367.69**
	365.99	**402.23**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 5: Advance Income Tax (net)

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Income Tax Assets (net)		
(Net of Provision for Tax ₹ Nil, Previous year ₹ Nil)	806.72	692.44
	806.72	**692.44**

Note 6: Other Assets

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
(a) Other Non-Current Assets		
Other than related parties		
Prepaid Expenses	403.65	404.93
Advance to Suppliers	141.43	115.40
Capital Advances	215.31	64.94
Contract Fulfillment costs (Refer Note 37 (b))	374.43	-
Balance with Government authorities	164.44	247.73
	1,299.26	**833.00**
(b) Other Current Assets		
Other than related parties		
Prepaid Expenses	216.56	147.45
Balance with Government authorities	841.23	723.92
Contract Fulfillment costs (Refer Note 37 (b))	13.02	-
Advance to Suppliers	245.08	644.36
Advances to employees	15.75	13.28
	1,331.64	**1,529.01**

Note: The Company has not granted any Loans or advances to Promotors, Directors, KMP and related parties.

Note 7: Inventories (At lower of cost and net realisable value)

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Stores and Operating Supplies	202.91	191.55
Stock Food and Beverage	36.40	24.38
	239.31	**215.93**

Note: Amount recognised in profit and loss account ₹728.07 lakhs (Previous year – ₹345.06 lakhs) (refer note 19)

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 8: Trade Receivables

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Unsecured		
Considered good	1,542.58	1,806.31
Credit impaired	461.42	632.84
	2,004.00	**2,439.15**
Less: Allowance for trade receivables credit impaired	(461.42)	(632.84)
	1,542.58	**1,806.31**

Footnotes:

i) Allowance for Trade receivable credit impaired

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Opening Balance	632.84	521.18
Add: Allowance during the year	(66.12)	111.66
	566.72	**632.84**
Less: Bad Debts written off against past provision	(105.30)	-
Closing Balance	**461.42**	**632.84**

ii) Trade receivables ageing schedule given below:

	Outstanding for following periods from due date of payment						
	Unbilled Dues	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
a. Undisputed Trade receivables – considered good	349.46	758.24	137.00	114.55	138.22	45.12	1,542.58
	229.00	*926.74*	*306.44*	*251.86*	*50.42*	*41.85*	*1,806.31*
b. Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
c. Undisputed Trade Receivables – credit impaired	-	-	-	*105.77*	*107.59*	*248.05*	*461.42*
	-	-	-	*248.42*	*216.70*	*167.67*	*632.79*
d. Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
e. Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
f. Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	**349.46**	**758.24**	**137.00**	**220.33**	**245.81**	**293.17**	**2,004.00**
	229.00	***926.74***	***306.44***	***500.28***	***267.11***	***209.52***	***2,439.10***
Less : Allowance for credit impaired	-	-	-	(105.77)	(107.59)	(248.05)	(461.42)
	-	-	-	*(248.42)*	*(216.70)*	*(167.67)*	*(632.79)*
Net Trade Receivables	**349.46**	**758.24**	**137.00**	**114.55**	**138.22**	**45.12**	**1,542.58**
	229.00	***926.74***	***306.44***	***251.86***	***50.42***	***41.85***	***1,806.31***

* Figures in italic are for previous year.

iii) For related party balances refer Note 31.

(iv) 'Trade Receivables include debts due from Directors - ₹ Nil (Previous year - ₹ Nil) in the ordinary course of business.

Note 9: Cash and Cash Equivalents

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Cash on hand	0.71	9.90
Cash in Transit	4.88	-
Balances with bank in current account	362.19	183.92
	367.78	**193.82**

Note 10 : Equity Share Capital

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Authorised Share Capital		
Equity Shares		
10,00,00,000 Equity Shares of ₹10/- each	10,000.00	10,000.00
Preference Shares		
1,50,00,000 Preference Shares of ₹100/- each	15,000.00	15,000.00
	25,000.00	**25,000.00**
Issued, subscribed and fully paid-up		
Equity Shares		
9,40,33,729 (Previous year – 9,40,33,729) Equity shares of ₹10/- each fully paid-up	9,403.37	9,403.37
	9,403.37	**9,403.37**

Footnotes:

(i) The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) On December 4, 2018, the Company allotted 8,066,409 Equity Shares of face value of ₹10 each for cash, at a price of ₹90 per equity share (including a premium of ₹80 per share), aggregating to ₹7,260 lakhs to the existing shareholders on a "rights" basis in the ratio of 1 Equity Share for every 33 equity shares held by equity shareholders.

(iii) Reconciliation of the shares outstanding at the beginning and at the end of the year:

	March 31, 2022		March 31, 2021	
	No. of shares	₹ lakhs	No. of shares	₹ lakhs
As at the beginning of the year	9,40,33,729	9,403.37	9,40,33,729	9,403.37
As at the end of the year	**9,40,33,729**	**9,403.37**	**9,40,33,729**	**9,403.37**

(iv) Shareholders holding more than 5% shares in the Company:

	March 31, 2022		March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity shares of ₹10/- each fully paid				
The Indian Hotels Company Limited, Holding Company	9,14,19,350	97.2	5,65,67,994	60.2
Omega TC Holdings Pte Limited	-	-	2,60,23,954	27.7
Piem Hotels Limited	-	-	65,35,948	7.0

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(v) Disclosure of Shareholding of Promoters:

	March 31, 2022		March 31, 2021		Change in % of holding
	No. of shares		No. of shares		
	No. of shares	% of Holding	No. of shares	% of Holding	
Equity shares of ₹ 10 each fully paid					
The Indian Hotels Company Limited, Holding Company	9,14,19,350	97.2	5,65,67,994	60.2	62%

(vi) 914,19,350 (Previous year – 5,65,67,994) number of equity shares are held by The Indian Hotels Company Limited, the holding company.

Note 11: Other Equity

		March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
(a)	**Securities Premium Account**		
	Opening and Closing Balance	31,912.37	31,912.37
(b)	**Retained Earnings**		
	Opening Balance	(26,779.73)	(21,855.02)
	Add: Current year loss	(3,390.47)	(4,938.24)
	Add: Other Comprehrensive Income – Defined Benefit Obligations	19.51	13.53
	Closing Balance	**(30,150.69)**	**(26,779.73)**
	Total	**1,761.68**	**5,132.64**

Note:

Nature and purpose of reserves

Securities Premium Reserve comprises of premium on issue of shares and is utilised in accordance with the provisons of the Companies Act, 2013.

Retained Earnings represent accumulated losses.

Note 12: Borrowings

		March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
(a)	**Long-term borrowings**		
	Term Loan from Banks		
	Secured (Refer footnote i , ii and iv)	3,969.58	3,294.11
	Inter Company Deposits (Refer footnote vii)	5,000.00	-
		8,969.58	**3,294.11**
(b)	**Short-term borrowings**		
	Secured- Current maturities of Long term borrowings (refer footnote iii, v and vi)	472.70	3,445.02
	Loan Repayable on demand from bank (refer footnote iii)	255.02	1,998.57
	Secured - Loan Repayable on demand from bank (refer footnote v)	1,000.00	1,000.00
		1,727.72	**6,443.58**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Footnotes:

(i) The Company had obtained a secured loan facility from Kotak Bank for ₹ 7,500 lakhs which carries variable interest rate of 6 month MCLR + 30bps effective interest as at March 31, 2022 7.95% (Previous year 8.05%) payable at monthly rests. Outstanding loan as at March 31, 2022 ₹ NIL (Previous Year March 31, 2021 ₹ 2,250 lakhs).

The Company had created a charge by way of hypothecation and mortgage of 2 hotel properties namely Ginger Nashik, Ginger Bhubaneshwar.

The Company had obtained a secured loan facility from Kotak Bank for ₹ 915 lakhs under ECLGS 2.0 Scheme which carries variable interest rate of 1 Year MCLR + 60bps effective interest as at March 31, 2022 7.95% (Previous year Nil) payable at monthly rests. Principal amount is repayable in 48 monthly installments upto April 2026. The repayment schedule will start from May 2022. Outstanding loan as at March 31, 2022 is ₹ 915 lakhs (Previous year Nil)

The Company had obtained a secured loan facility from Kotak Bank for ₹ 915 lakhs under ECLGS 3.0 Scheme which carries variable interest rate of 1 Year MCLR + 25bps effective interest as at March 31, 2022 7.95% (Previous year Nil) payable at monthly rests. Principal amount is repayable in 48 monthly installments upto June 2027. The repayment schedule will start from July 2023. Outstanding loan as at March 31, 2022 is ₹ 915 lakhs (Previous year Nil)

Second charged has been created on existing properties as per guidelines of ECLGS Scheme.

(ii) The Company had obtained loan of ₹5,000 lakhs from HDFC Bank Ltd., which carries variable interest rate of 1 year MCLR + 5bps effective interest as at March 31, 2022 7.65% (Previous year – 7.65%) payable at monthly rest . Principal amount payable in 2 equal quarterly installments of ₹100 lakhs and 16 quarterly installments of ₹300 lakhs each. The repayment schedule started from July 2020. Outstanding loan as at March 31, 2022 ₹NIL (Previous year – ₹4,500 lakhs).

The Company had created a charge by way of hypothecation and mortgage of 2 hotel properties namely Ginger Mangalore and Ginger Trivandrum.

The Company had obtained loan of ₹1,000 lakhs from HDFC Bank Ltd., under ECLGS 2.0 Scheme which carries variable interest rate of 1 year MCLR + 5bps effective interest as at March 31, 2022 7.10% (Previous year – Nil) payable at monthly rest . Principal amount payable in 48 equal monthly installments. The repayment schedule will start from June 2022. Outstanding loan as at March 31, 2022 ₹1,000 lakhs (Previous year – Nil).

The Company had obtained loan of ₹1,000 lakhs from HDFC Bank Ltd., under ECLGS 3.0 Scheme which carries variable interest rate of 1 year MCLR + 5bps effective interest as at March 31, 2022 7.10% (Previous year – Nil) payable at monthly rest. Principal amount payable in 48 equal monthly installments. The repayment schedule will start from Dec 2023. Outstanding loan as at March 31, 2022 ₹1,000 lakhs (Previous year – Nil).

Second charged has been created on existing properties as per guidelines of ECLGS Scheme.

(iii) The Company had obtained sanction of ₹2,000 lakhs Overdraft Facility (Previous year – ₹2,000 lakhs) from Axis Bank Ltd., secured against current assets carries variable interest rate of 1 month MCLR + 0.4bps. The outstanding balance as at March 31, 2022 ₹91.89 lakhs (Previous year – ₹1,943 lakhs).

The Company has obtained sanction of ₹750 lakhs Overdraft Facility (Previous year – ₹ Nil) from Kotak Bank Ltd., secured against current assets carries variable interest rate of 6 month MCLR + 0.5bps. The outstanding balance as at March 31, 2022 ₹168 lakhs (Previous year – ₹ Nil).

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

(iv) The Company had obtained loan of ₹315 lakhs from AXIS Bank Ltd., under ECLGS 2.0 Scheme which carries variable interest rate of 1 year MCLR + 0.25bps effective interest as at March 31, 2022 7.60% (Previous year – Nil) payable at monthly rest . Principal amount payable in 48 equal monthly installments. The repayment schedule will start from June 2022. Outstanding loan as at March 31, 2022 ₹315 lakhs (Previous year – Nil).

The Company had obtained loan of ₹315 lakhs from AXIS Bank Ltd., under ECLGS 3.0 Scheme which carries variable interest rate of 1 year MCLR + 5bps effective interest as at March 31, 2022 7.60% (Previous year – Nil). Principal amount payable in 48 equal monthly installments. The repayment schedule will start from June 2023. Outstanding loan as at March 31, 2022 ₹315 lakhs (Previous year – Nil).

Second charged has been created on existing properties as per guidelines of ECLGS Scheme.

(v) The Company had obtained a secured short-term loan facility from Axis Bank for ₹1,000 lakhs which carries variable interest rate of 6 month MCLR + 0.5bps effective interest as at March 31, 2022 7.80% (Previous year – 8.20%) payable at monthly rests. Principal amount is repayable at the end of the tenure. Outstanding loan as at March 31, 2022 ₹1,000 lakhs (Previous year ₹1,000 lakhs).

The Company has created a charge by way of hypothecation and mortgage one hotel property namely Ginger Agartala and first charge on current assets.

Company is required to furnish financial information as per sanction letters with;

(a) Axis Bank
(b) Kotak Bank
(C) HDFC Bank

Company has furnished all information within timeline.

(vii) The Company has taken ICD of ₹5,000 lakhs from The Indian Hotels Company Ltd., at interest rate of 8% repayable after 3 years (Previous year – Nil).

Footnotes:
Disclosure of changes in liabilities arising from financing activities (read with cash flow statement).

This section sets out an analysis of net debt and the movement in net debt for each of the periods presented below.

		March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
(a)	**Financial liability statement**		
	Net debt		
	Cash and cash equivalents	367.78	193.82
	Total Liquid investment (a)	**367.78**	**193.82**
	Long-term borrowings (including current maturities shown under Other Current financial liabilities)	9,446.66	3,294.11
	Short-term borrowings	1,255.02	6,443.58
	Gross Debt (b)	**10,701.68**	**9,737.70**
(b)	**Net Debt ((b) – (a))**	10,333.90	9,543.88
	Other financial liabilities		
	Interest accrued but not due/Unclaimed interest	27.30	47.42
	Total Other financial liabilities	**27.30**	**47.42**
	Grand Total	**10,361.20**	**9,591.30**

₹ lakhs

	Liquid Assets			Liabilities from Financing activities			
	Cash and cash equivalents	Other balances with Banks	Current Investments	Gross Debt	Net Debt	Interest accrued but not due/Unclaimed interest	Total
	(a)	b)	(c)	(d)	(e) = (d)-(a)-(b)-(c)	(f)	(g) = (e) + (f)
Net Debt as at March 31, 2020	133.99	800.00	101.42	10,424.52	9,389.11	69.45	9,458.56
Cash flows	59.83	(800.00)	(113.87)	(691.83)	162.21	-	162.21
Interest expense	-	-	-	-	-	942.85	942.85
Interest paid	-	-	-	-	-	(964.88)	(964.88)
Added to Borrowings	-	-	-	-	-	-	-
Amortisation cost				5.01	5.01	-	5.01
Fair value adjustments	-	-	12.45	-	(12.45)	-	(12.45)
Net Debt as at March 31, 2021	**193.82**	**-**	**-**	**9,737.70**	**9,543.88**	**47.42**	**9,591.30**

₹ lakhs

	Liquid Assets			Liabilities from Financing activities			
	Cash and cash equivalents	Other balances with Banks	Current Investments	Gross Debt	Net Debt	Interest accrued but not due/Unclaimed interest	Total
	(a)	b)	(c)	(d)	(e) = (d)-(a)-(b)-(c)	(f)	(g) = (e) + (f)
Net Debt as at March 31, 2021	193.82	-	-	9,737.70	9,543.88	47.42	9,591.30
Cash flows	173.96	-	(7.93)	970.83	804.80	-	804.80
Foreign exchange adjustments	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	**896.36**	**896.36**
Interest paid	-	-	-	-	-	(916.48)	(916.48)
Added to Borrowings	-	-	-	-	-	-	-
Amortisation cost				(6.84)	(6.84)	-	(6.84)
Fair value adjustments	-	-	7.93	-	(7.93)	-	(7.93)
Net Debt as at March 31, 2022	**367.78**	**-**	**-**	**10,701.68**	**10,333.90**	**27.30**	**10,361.20**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 13: Other Financial Liabilities

		March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
a)	**Other Non Current financial liabilities**		
	Contractor's Retention Money	2.72	233.87
		2.72	**233.87**
(b)	**Other Current financial liabilities**		
	Interest accrued but not due on borrowings on term loan	27.30	47.42
	Creditors for capital expenditure	301.94	218.94
	Contractor's Retention Money	199.29	56.46
	Security Deposits	42.99	333.86
	Other Payables (Outsourced Food and Beverage Partners)	111.25	291.22
	Employee related liabilities	165.53	58.60
		848.30	**1,006.50**

Note 14: Provisions

		March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
a)	**Non-Current provisions**		
	Employee Benefit Obligation		
	Compensated absences	125.10	122.72
	Gratuity (Refer Note 30)	193.43	190.80
		318.53	**313.52**
(b)	**Current provisions**		
	Employee Benefit Obligation		
	Compensated absences	22.29	21.68
	Gratuity (Refer Note 30)	22.31	21.10
		44.60	**42.78**

Note 15: Trade Payables

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Dues of small enterprises and micro enterprises (Refer Footnote (i) and (ii))	32.29	19.88
	32.29	**19.88**
Dues of creditors other than small enterprises and micro enterprises:		
Vendor Payables	2,427.08	2,641.07
Accrued expenses and others	1,861.62	1,534.27
	4,288.70	**4,175.34**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Trade Payables ageing schedule given below:

	Outstanding for following periods from due date of payment					
	Unbilled & Not Due	**Less than 1 year**	**1 – 2 years**	**2 – 3 years**	**More than 3 years**	**Total**
(i) MSME	-	32.12	0.17	-	-	32.29
	-	*18.98*	*0.90*	-	-	*19.88*
(ii) Others	1,912.42	2,319.45	23.12	9.20	24.50	4,288.70
	1,534.27	*2,313.00*	*257.33*	*44.02*	*26.73*	*4,175.34*
(iii) Disputed dues - MSME	-	-	-	-	-	-
	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	-	-	-	-	-	-
	1,912.42	**2,351.58**	**23.29**	**9.20**	**24.50**	**4,320.99**
	1,534.27	***2,331.97***	***258.23***	***44.02***	***26.73***	***4,195.22***

* Figures in italic are for previous year.

Footnotes:

(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management.

(ii) The disclosures relating to Micro and Small Enterprises are as under:

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
(a) The principal amount remaining unpaid to supplier as at the end of the accounting year	32.13	19.82
(b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	0.16	0.06
(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) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

(iii) For related party balances refer Note 31.

Note 16: Other Liabilities

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
(a) Non-Current		
Advances collected from customers	1,077.99	1,593.00
	1,077.99	**1,593.00**
(b) Current Liabilities		
Advances collected from customers	999.59	970.11
Statutory Dues		
Tax Deducted at Source	146.66	104.00
Cess Payable	165.07	152.56
Goods & Services Tax	36.68	28.73
Payable for Provident funds and others	28.78	24.78
	1,376.78	**1,280.18**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 17: Revenue from Operations

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Room Income, Food, Restaurants Income	15,170.63	10,876.60
Rental Income	264.61	281.42
Management and operating fees	1,446.36	1,230.73
Other Operating Income	206.17	163.33
	17,087.77	**12,552.08**

Note 18: Other Income

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Interest Income from financial assets at amortised cost		
Deposits with banks	74.50	95.44
Amortisation of Interest on security deposits and other deposits	95.73	76.12
	170.23	**171.56**
Gain on investments carried at fair value through statement of profit and loss	7.93	12.45
Others		
Credit liabilities no longer required written back	0.41	0.51
Miscellaneous Income		
Insurance Claim	165.64	-
Lease Waiver due to Force Majeur Clause	468.47	711.18
Other Miscellaneous Income	14.93	38.54
Reversal of Provision for doubtful trade and other receivables	31.75	-
	859.36	**934.24**

Note 19: Food and Beverages Consumed

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Opening Stock	24.38	15.03
Add: Purchases	740.09	354.41
	764.47	**249.94**
Less: Closing Stock	36.40	24.38
	728.07	**345.06**

Note 20: Employee Benefit Expenses

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Salaries, Wages, Bonus & Contact wages (Refer Notes 29 and 30)	2,783.00	2,588.72
Company's Contribution to Provident and Other Funds (Refer Notes 29 and 30)	152.53	160.92
Retiring Gratuity (Refer Note 30)	54.07	52.12
Staff Welfare Expenses	335.01	234.95
	3,324.61	**3,036.71**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 21: Finance costs

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Interest Expense at effective interest rate on borrowings which are measured at amortised cost (Refer Note 37)	692.72	750.62
Interest Expense on working capital	203.64	192.23
Interest cost on lease liability (Ind AS 116) (Refer Note 28)	3,591.18	3,605.40
Interest Expense on advances from customer	154.53	124.95
Less : Interest Capitalised	-	(72.48)
	4,642.07	**4,600.72**

Note 22: Other Operating and General Expenses

		March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
(i)	**Operating expenses consist of the following :**		
	Linen and Room Supplies	307.32	287.01
	Housekeeping Charges	806.24	832.19
	Maintenance Charges	385.48	413.99
	Power and Fuel (Net)	1,415.72	1,366.65
	Water Charges	89.73	88.71
	Repairs to Buildings	158.48	118.69
	Repairs to Machinery	418.46	402.27
	Repairs to Others	207.56	225.40
	Security Charges	479.92	508.72
	Linen, Uniform Washing and Laundry Expenses	226.68	199.96
	Guest Hotel Expenses	371.52	317.65
	Travel Agent's Commission	842.34	724.96
	Collecting Agent's Commission	74.82	40.17
	Other Operating Expenses	306.07	111.04
		6,090.34	**5,637.41**
(ii)	**General expenses consist of the following :**		
	Rent (Refer Note 28)	565.66	414.75
	License Fees (Refer Note 28)	359.93	307.08
	Rates and Taxes	447.36	569.95
	Insurance	128.51	121.98
	Advertising and Publicity	168.06	161.25
	Printing and Stationery	62.68	47.60
	Passage and Travelling	82.99	56.28
	Provision for doubtful trade and other receivables	-	101.11
	Legal and Professional Fees	828.26	826.72
	Telephone and Communications Expenses	490.05	491.93
	Director Sitting Fees	21.00	10.80
	Bad Debts	-	14.94
	Loss on Sale/Discard of Property, Plant and Equipment	29.02	33.04
	Other Miscellaneous Expenses	230.33	162.06
	Payment to Auditors		
	i. As Auditor	48.12	48.00
	ii. For Taxation Audit	6.00	6.00
	iii. For other Services	1.52	1.32
	iv. For Reimbursement of Expenses	1.52	1.47
		3,471.01	**3,376.28**
		9,561.35	**9,013.69**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 23: Exceptional Items

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Exceptional Items comprises the following:		
Gain on sale of Bangalore Whitefield property (refer note 36)	-	2,379.48
Gain on sale of Mysore property (refer note 36)	712.49	-
	712.49	**2,379.48**

Note 24: Tax Disclosures:

The following is the analysis of deferred Tax assets/(liabilities) presented in the balance sheet:

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Deferred Tax Assets	5,795.41	6,015.64
Deferred Tax Liabilities	(5,795.41)	(6,015.64)
Net Deferred Tax Asset	-	-

Notes:

a) As per the Indian Accounting Standard 12, "Income taxes", the Company would have net deferred tax assets of ₹5,795.41 lakhs (March 31, 2021 ₹6,015.64 lakhs). However, in absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised, net deferred tax assets of ₹6,326.43 lakhs (March 31, 2021 ₹6,121.75 lakhs) are not recognised.

b) The Company has not disclosed tax reconciliations as it does not have tax profits due to carried forward losses on account of specified business and unabsorbed depreciation.

c) Significant components of net deferred tax assets and liabilities for the year

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Deferred Tax Assets/(liabilities)		
Tax Losses Carried Forward	9,140.06	8,608.38
Provision for Employee Benefits	94.41	92.64
Provision for Doubtful Debts & Deposits	161.20	170.83
Impact of Ind AS	2,726.17	3,265.54
Property, Plant & Equipment's & Intangible Assets	(5,795.41)	(6,015.64)
Net Deferred Tax (not recognised)	**6,326.43**	**6,121.75**

d) Tax losses for which no deferred tax asset was recognised expire as follows.

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Indefinite	35,154.06	33,109.13

The Company has not adopted the benefit of lower tax regime of Income Tax Under Section 115BAA of the Income Tax Act 1961 as it has brought forward unabsorbed depreciation and losses from specified business.

Note 25: Contingent Liabilities (to the extent not provided for):

There are matters in appellate, judicial and arbitration proceedings (including those described below) arising during conduct of the Company's business. Some of these proceedings in respect of matters under litigation are in early stages, and in some other cases, the claims are indeterminate.

(a) On Account of Matters in Dispute:

(i) Amounts in respect of claims (excluding interest and penalties) asserted by various revenue authorities on the Company, in respect of taxes, etc. which are in dispute, are as under:

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Dues not acknowledged as Debts		
Property Tax **	166.46	166.46
	166.46	**166.46**

**₹50 lakhs paid under protest to New Delhi Municipal Council.

(ii) In respect of Income Tax matters, the Company's appeals are pending, and the said amounts have been paid/ adjusted and will be recovered as refund if the matters are decided in favour of the Company.

(b) On Account of Guarantees given:

No guarantees have been given in the current financial year.

(c) On Account of Lease Agreement:

In respect of one of the erstwhile hotel's building taken on lease by the Company at Ludhiana, basis representations and assurances given, the possession of the hotel after execution of Agreement to Lease (ATL) was taken by the Company. The Company is of the opinion that the person claiming ownership is false as the ownership of an immovable property can alone be transferred by a registered document after payment of proper stamp duty and registration charges and not on the basis of sole unregistered agreement to sale of the hotel. The Company has filed a suit against the lessor to claim Rs.937.02 lakhs as the amount invested in the hotel along with interest due to their false and fraudulent misrepresentation and non-fulfilment of contractual obligations. The respondent sought an arbitration against company and counter claimed rent of Rs. 4370.07 lakhs (after adjusting security deposit of Rs 28.50 lakhs) for the alleged unexpired period of lease. Based upon the legal advice, the Company believes these claims to be untenable and has obtained a stay order from Hon'ble Supreme Court against the arbitration proceedings.

(d) Others:

Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimate above, including where:

(i) plaintiffs/parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;

(ii) the proceedings are in early stages;

(iii) there is uncertainty as to the outcome of pending appeals or motions or negotiations;

(iv) there are significant factual issues to be resolved; and/or there are novel legal issues presented.

The Company's management does not believe, based on currently available information, that the outcomes of the above matters will have a material adverse effect on the Company's financial statements, though the outcomes could be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period. It is not practicable for the Company to estimate the timings of cash flows, if any, in respect of the above.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 26: Capital Commitments:

Commitment includes the amount of purchase order (Net of Advance) issued to parties for completion of assets. Estimated value of contracts remaining to be executed on capital account not provided for is ₹555.14 lakhs (Previous year – ₹86.26 lakhs).

Note 27: Measurement of Financial Assets and Liabilities:

All financial assets and liabilities are subsequently carried at amortised costs and the fair value of financial assets and liabilities approximate their respective amortised costs.

₹ lakhs

	Level	Total Carrying Cost	
		As at March 31, 2022	As at March 31, 2021
Financial Assets (Not Measured at fair value)			
Not Measured at fair value			
Trade receivables		1,542.57	1,806.31
Cash and cash equivalents		367.78	193.82
Other financial assets		365.99	402.23
Security Deposits		1,113.57	1,080.09
Financial Labilities (Not Measured at fair value)			
Borrowings	Level 3	10,697.31	9,737.70
Other financial liabilities		851.01	1,240.37
Lease Liabilities		36,485.97	35,815.09
Trade payables		4,320.99	4,195.22

Note 28: Lease Ind AS 116:

Exposure to Future Cash Flows:

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could be different from expectations:

Maturity Analysis

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Not later than one year	4,221.97	3,996.33
Later than one year but not later than five years	16,918.97	16,066.88
Later than five years	1,05,680.58	1,03,228.32
	1,26,821.52	**1,23,291.54**

In addition, in certain circumstances the Company is committed to making additional lease payments that are contingent on the performance of the hotels that are being leased.

Analysed as:	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Non-Current	35,674.98	35,004.70
Current	810.99	810.39
Total	**36,485.97**	**35,815.09**

The Current Portion of the lease liability is excluding the interest component on the lease liability. Actual Lease Payments (including notional interest as per Ind AS 116) would be ₹4,101.97 lakhs (Previous year – ₹3,996.33 lakhs). Also, refer to the Maturity Analysis of the Lease Payments.

Right to Use Assets Schedule

₹ lakhs

	Leased Land	Owned Building on Leased Land	Property – Leased	Total
Gross Block at Cost				
At April 1, 2021	3,910.91	19,730.31	5,854.81	29,496.03
Additions	-	-	1,118.07	1,118.07
As at March 31, 2022	**3,910.91**	**19,730.31**	**6,972.88**	**30,614.10**
Depreciation				
At April 1, 2021	179.09	1,877.46	998.05	3,054.60
Charge for the year	89.30	931.53	537.96	1,558.79
As at March 31, 2022	**268.39**	**2,808.99**	**1,536.01**	**4,613.39**
Net Block				
As at March 31, 2022	**3,642.52**	**16,921.32**	**5,436.87**	**26,000.71**

The total cash outflow for leases is ₹4,094.50 lakhs (Previous year – ₹3,507.52 lakhs) for the year ended March 31, 2022, including cash outflow of variable leases, short-term leases and leases of low-value assets of ₹565.66 lakhs (Previous year – ₹414.75 lakhs). Interest on lease liabilities is ₹3,591.18 lakhs (Previous year – ₹3,605.40 lakhs) for the year ended March 31, 2022.

The net impact due to Ind AS 116 in the current year is ₹1,008.08 lakhs (Previous year – ₹1,215.01 lakhs) in the statement of Profit and Loss account.

Note 29: Capitalisation/Reimbursement of Expenses from Salaries and Wages:

Following expenses are disclosed in the Statement of Profit and Loss, at net of amounts capitalised for projects and recoveries made under management contract:

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Salaries and Wages	2,925.22	2,684.91
Less: Salary Capitalised	-	2.44
Less: Recoveries made under Management contracts	142.22	93.76
Salaries and Wages (Net)	**2,783.00**	**2,588.72**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 30: Employee Benefits:

(a) The Company has recognised the following expenses as defined contribution plan under the head "Company's Contribution to Provident Fund and Other Funds" (net of recoveries):

	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Provident Fund *	137.00	144.52
Total	**137.00**	**144.52**

* In light of the Supreme Court judgement dated February 28, 2019 regarding the definition of wages for calculation of Provident fund contribution, the Company as advised, on a prudent basis, has provided for the liability prospectively from date of judgement.

The Company operates post retirement defined benefit plans – Gratuity (Unfunded)

(b) Defined Benefit Plans – As per Actuarial Valuation on March 31, 2022: -

(i) Amount to be recognised in Balance Sheet and movement in net liability

₹ lakhs

Particulars	Gratuity	
	Un Funded	
	As at March 31, 2022	As at March 31, 2021
Present Value of Unfunded Obligations	215.74	211.90
Net (Asset)/Liability	**215.74**	**211.90**

(ii) Expenses Recognised in the Statement of Profit & Loss

₹ lakhs

Particulars	Gratuity	
	Un Funded	
	As at March 31, 2022	As at March 31, 2021
Current Service Cost *	40.33	40.11
Interest Cost	13.74	12.01
Total	**54.07**	**52.12**

*On account of inter group transfer of employees during the year. Amount received from parent Company amounting to ₹Nil is accounted in March 31, 2022 (₹2.11 lakhs is accounted in March 31, 2021).

(iii) Expenses Recognised in Other Comprehensive Income (OCI)-

₹ lakhs

Particulars	Gratuity	
	Un Funded	
	As at March 31, 2022	As at March 31, 2021
Opening amount recognised in OCI outside Profit and Loss	(10.09)	3.44
Remeasurements due to actuarial loss/(gain) arising from:		
Changes in financial assumptions	-	(0.97)
Experience adjustments	(19.51)	(12.56)
Total	**(29.60)**	**(10.09)**

(iv) Reconciliation of Defined Benefit Obligation

₹ lakhs

Particulars	Gratuity	
	Un Funded	
	As at March 31, 2022	As at March 31, 2021
Opening Defined Benefit Obligation	211.90	197.68
Current Service Cost	40.33	40.11
Interest Cost	13.74	12.01
Experience adjustments	(19.51)	(11.27)
Benefits Paid	(26.48)	(26.48)
Impact of Liability assumed or (settled)*	4.24	1.65
Closing Defined Benefit Obligation	**215.74**	**211.90**

*On account of inter group transfer of employees during the year.

(v) Actuarial Assumptions

Particulars	Gratuity	
	Un Funded	
	As at March 31, 2022	As at March 31, 2021
Discount rate (p.a.) in %	6.80%	6.80%
Salary Escalation Rate (p.a.) in %	5.00%	5.00%
Mortality Post-Retirement	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

1. **Discount Rate:**
   The discount rate is based on the prevailing market yields of Indian government securities as at March 17, 2022 for the estimated term of the obligations.

2. **Salary Escalation Rate:**
   The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factor.

(vi) Sensitivity Analysis

Particulars	Gratuity			
	Unfunded			
	Discount Rate		Salary Escalation	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Impact of increase in 50 bps on DBO	(3.24)%	(3.39)%	3.44%	3.62%
Impact of decrease in 50 bps on DBO	3.44%	3.61%	(3.27)%	(3.44)%

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(vii) Expected Future Benefit Payments

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Within one year	22.31	21.10
Between one and five years	117.73	106.94
After five years	236.24	253.63
Weighted average duration of the Defined Benefit Obligation (in years)	6.67	7.00

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors. The above information has been certified by the actuary and has been relied upon by the Auditors.

Code on Social Security 2020:
The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 31: Related Party Disclosures:

(a) The names of related parties of the Company are as under:

i. Holding Company

Name of the Company	Country of Incorporation
The Indian Hotels Company Limited	India

ii. Company having significant influence over Holding Company

Name of the Company	Country of Incorporation
Tata Sons Limited (including its Subsidiaries and Joint Ventures)	India

iii. Subsidiaries, Associates and Joint Ventures of Holding Company

Name of the Subsidiary	Country of Incorporation
PIEM Hotels Limited	India
Northern India Hotels Ltd.	India
Taj Enterprises Limited	India
Ideal Ice Limited	India

Name of the Joint Ventures	Country of Incorporation
Taj SATS Air Catering Limited	India
Taj GVK Hotels & Resorts Limited	India

Name of the Associate	Country of Incorporation
Taj Madras Flight Kitchen Pvt Limited	India

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

iv. Subsidiaries, Associates and Joint Ventures of Company having Significant Influence over Holding Company

Name of the Company's	Country of Incorporation
Tata AIA Life Insurance Company Limited	India
Tata AIG General Insurance Company Limited	India
Infiniti Retail Limited	India
Tata Consulting Engineers Limited	India
Tata Advanced Systems Limited	India
Tata Capital Limited	India
Tata Capital Financial Services Limited	India
Tata Capital Housing Finance Limited	India
Tata Realty and Infrastructure Limited	India
Tata Consultancy Services Limited	India
Tata Play Limited	India
Tata Autocomp Systems Limited	India
Tata International Limited	India
Tata Teleservices Limited	India
Tata Communications Limited	India
Tata Communications Transformation Services Limited	India
Tata Digital Limited	India
Tata Autocomp Hendrickson Suspensions Private Limited	India
Tata Electronics Private Limited	India
Tata Business Hub Limited	India
Air India Limited	India

v. Key Management Personnel

Particulars	Relation
Ms. Deepika Rao	Managing Director & CEO

(b) Details of related party transactions during the year and outstanding balances

Sr. No.	Description	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
I	**The Indian Hotels Company Limited**		
1	Operating Fees	288.88	227.34
2	Rent Expense	1.63	-
3	Room Revenue	7.78	8.79
4	Operating Expense	10.86	7.49
5	Superannuation	8.47	6.23
6	Reimbursement of Expenses	152.31	165.00
7	Interest Expense	1.10	-
8	ICD's Received	5,000.00	-
9	Interest Payable	1.10	-
10	Balance payables	330.09	174.34
11	Balance receivable	2.31	2.30
12	ICD's Outstanding	5,000.00	-

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Sr. No.	Description	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
II	**TAJ SATS Air Catering Limited**		
1	Room Revenue	2.24	0.41
2	Gratuity Expense	3.41	-
3	Balance Receivable	1.24	-
4	Balance Payable	3.41	0.60
III	**Northern India Hotels Limited**		
1	ICD's Received	-	1,300.00
2	Interest Paid	-	60.63
3	ICD's Paid	-	1,300.00
IV	**Ideal Ice Ltd.**		
1	Qmin Operating Fee	0.60	-
2	Balance Payable	0.60	-
V	**Tata Consultancy Services Limited**		
1	Room Revenue	1,823.35	905.03
2	Management and operating fees	1,197.37	1,074.71
3	Operating Expense	552.50	297.46
4	Balance Receivable	97.54	173.37
5	Balance Payable	224.73	188.53
VI	**Tata AIA Life Insurance Company Limited**		
1	Room Revenue	2.88	0.50
2	Balance Receivable	1.92	4.73
VII	**Tata AIG General Insurance Company Limited**		
1	Room Revenue	0.14	-
3	Balance Receivable	0.42	4.16
VIII	**Infiniti Retail Limited**		
1	Room Revenue	23.32	4.9
2	Balance Receivable	20.46	5.82
IX	**Tata Advanced Systems Limited**		
1	Room Revenue	9.72	19.28
2	Balance Receivable	1.41	13.26
X	**Tata Capital Housing Finance Limited**		
1	Room Revenue	0.20	0.08
2	Balance Receivable	0.20	0.28
XI	**Tata Consulting Engineers Limited**		
1	Balance Receivable	0.27	0.32
XII	**Tata Capital Limited**		
1	Room Revenue	-	0.01
2	Balance Receivable	0.02	0.05
XIII	**Tata Capital Financial Services Limited**		
1	Room Revenue	-	0.08
2	Balance Receivable	0.15	0.28
XIV	**Tata Realty and Infrastructure Limited**		
1	Room Revenue	-	0.01
2	Balance Receivable	0.27	0.27
XV	**Tata Play Limited**		
1	Room Revenue	4.48	2.93
2	Operating Expense	32.81	61.53
3	Balance Receivable	0.58	1.20
4	Balance Payable	11.11	14.50
XVI	**Tata Autocomp Systems Limited**		
1	Room Revenue	0.46	-
2	Balance Receivable	0.49	0.03

Sr. No.	Description	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
XVII	**Tata International Limited**		
1	Room Revenue	0.12	0.11
2	Operating Expense	2.64	3.15
3	Balance Receivable	0.11	1.36
4	Balance Payable	1.34	0.83
XVIII	**Tata Teleservices Limited**		
1	Operating Expense	46.79	49.01
2	Balance Receivable	0.5	0.4
3	Balance Payable	-	4.79
XIX	**Tata Communications Limited**		
1	Room Revenue	1.56	-
2	Operating Expense	81.11	60.48
3	Balance Receivable	2.46	3.80
4	Balance Payable	5.99	5.44
XX	**Tata Communications Transformation Services Limited**		
1	Room Revenue	18.92	12.03
2	Balance Receivable	3.79	1.74
XXI	**Tata Digital Limited**		
1	Room Revenue	1.18	-
2	Balance Receivable	0.03	-
XXII	**Tata Autocomp Hendrickson Suspensions Private Limited**		
1	Room Revenue	0.11	-
2	Balance Receivable	0.27	0.61
XXIII	**Tata Electronics Private Limited**		
1	Room Revenue	0.30	-
2	Balance Receivable	0.06	-
XXIV	**Air India Limited**		
1	Room Revenue	42.05	-
2	Balance Receivable	17.23	-
XXV	**Tata Business Hub Limited**		
1	Room Revenue	0.07	-
2	Balance Receivable	0.07	-
XXVI	**PIEM Hotels Limited**		
1	Room Revenue	0.04	-
2	Balance Receivable	0.05	-
XXVII	**Taj Enterprises Limited**		
1	Room Revenue	0.10	-
2	Balance Receivable	0.10	-
XXVIII	**Taj GVK Hotels & Resorts Limited**		
1	Room Revenue	0.50	-
2	Balance Receivable	-	-
XXIX	**Ms. Deepika Rao**		
1	Managerial Remuneration (Refer Footnote)	104.91	92.09

Footnotes:

Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company as a whole.

The Holding company given letter of support to the company for the year ended 31 March 2021

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 32: Foreign Currency Transactions:

(a) Earnings in Foreign Exchange from sale of rooms/food & beverages based on actual receipts amount to ₹383.19 lakhs (Previous year – ₹80.73 lakhs).

(b) Expenditure in Foreign Exchange towards Travel, Architectural services, and commission amount to ₹171.64 lakhs (Previous year – ₹100.05 lakhs).

Note 33: Segment Information:

The Company's only business being hospitality services, disclosure of segment-wise information is not applicable under Ind AS 108 – 'Operating Segments' (Ind AS-108). There is no geographical segment to be reported since all the operations are undertaken in India.

Note 34: Earnings Per Share (EPS):

Earnings Per Share is calculated in accordance with Ind AS 33 – 'Earnings Per Share'

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
(Loss) after tax (₹ lakhs)	(3,390.47)	(4,938.24)
Weighted Average no. of equity shares (Nos.)	9,40,33,729	9,40,33,729
Earnings per share – Basic/Diluted (Amount ₹)	(3.61)	(5.25)
Face Value per Equity Share (Amount ₹)	10	10

Note 35: Financial Risk Management:

Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risk faced by the Company's, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk

a) Credit Risk

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the Company.

Please refer footnote (i) of Note 8 of the financials for Credit risk for trade receivable.

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 while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities, 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

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments.

₹ lakhs

March 31, 2022	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Term Loan	477.00	825.00	2,868.00	290.00	4,460.00
Overdraft Facility	1,255.02	-	-	-	1,255.02
Inter Corporate Deposit	-	-	5000.00	-	5,000.00
Future Interest Payments *	880.51	809.00	890.03	11.25	2,590.79
Lease Liabilities	4,221.97	4,168.43	12,750.54	1,05,680.58	1,26,821.52
Trade and other payables	4,320.99	-	-	-	4,320.99
Other Financial Liabilities	820.99	2.72	-	-	823.71
Total Financial Liabilities	**11,856.48**	**5,661.15**	**21,048.57**	**1,05,120.83**	**1,43,687.03**

₹ lakhs

March 31, 2021	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Term Loan	4,450.00	1,200.00	2,100.00	-	7,750.00
Overdraft Facility	1,998.57	-	-	-	1,998.57
Future Interest Payments *	406.40	204.16	132.23	-	742.79
Lease Liabilities	3,996.33	3,981.97	12,084.91	1,03,228.32	1,23,291.53
Trade and other payables	4,195.22	-	-	-	4,195.22
Other Financial Liabilities	959.08	233.87	-	-	1,192.95
Total Financial Liabilities	**16,005.60**	**5,620.00**	**14,317.14**	**1,03,228.32**	**1,39,171.06**

* All interests are on floating interest rate.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

ii) Financing Arrangements
The Company had access to undrawn overdraft facility of ₹2,540.10 lakhs (Previous year – ₹1.43 lakhs) as on March 31, 2022.

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Expiring Within One Year		
Bank Overdraft	2,540.10	1.43
Total	**2,540.10**	**1.43**

iii) Capital Risk Management
The Company manages its capital to ensure that it will be able to continue as a going concern. The structure is managed to maintain an investment grade credit rating, to provide ongoing returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility.

Consistent with others in the industry, the Company monitors capital based on the gearing ratio. This ratio is calculated as net debt divided by Equity. Net debt is calculated as total borrowings (including 'current and non-current term loans' as shown in the balance sheet excluding overdraft) less cash and cash equivalents.

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Borrowings	10,460.00	7,750.00
Less: Cash & Cash equivalents	367.78	193.82
Net Borrowings	10,092.20	7,556.18
Equity	11,165.05	14,536.01
Gearing Ratio	0.90	0.51

c) Market Risk
Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices 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 optimising the return.

i) Foreign Currency Risk
The unhedged foreign currency exposure payable is as under:

₹ lakhs

	Currency	March 31, 2022 Foreign Currency	March 31, 2022 INR	March 31, 2021 Foreign Currency	March 31, 2021 INR
Trade Payable	USD	47,630.96	36.11	23,710	17.43
Trade Payable	EUR	18,361.07	15.54	452	0.39
Net Exposure	USD	47,630.96	36.11	23,710	17.43
	EUR	18,361.07	15.54	452	0.39

Sensitivity
For the year ended March 31, 2022 and March 31, 2021 every 3% depreciation/appreciation in the exchange rate between the Indian rupee and US dollar, shall not have material impact on the Company's profit before tax.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

ii) **Interest Rate Risk**

Where applicable the Company adopts a policy to hedge the interest rate movement in order to mitigate the risk with regards to floating rate linked loans based on the market outlook on interest rates.

d) Risk Towards Global Pandemic COVID-19

Trade receivables of ₹1,542.57 lakhs (Previous year – ₹1,806.31 lakhs) as at March 31, 2022 forms a significant part of the financial assets carried at amortised cost. The Debtors do not have any concentrated risk and the Company does expect to recover these outstanding in due course. Further, adequate credit loss provision has been created based on the policy of the Company. The Company has specifically evaluated the potential impact with respect to customers in Airline and Travel Agents segments which could have an immediate impact though the outstanding is not significant. Further, we expect that there could be some delay in payments from debtors, over and above the credit cycle. Basis our internal assessment and the stringent provisioning policy of the Company, the management assessment for the allowance for doubtful trade receivables of ₹461.42 lakhs (Previous year – ₹632.84 lakhs) as at March 31, 2022 is considered adequate.

The Company has not disclosed the fair value of financial instruments because their carrying amounts are reasonable approximation of fair value. The Company does not have the exposure to equity securities.

Note 36: Property Sale

During the year, the Company's property in Mysore comprising land and hotel building was sold on May 6, 2021 for a consideration of ₹1,600.00 lakhs. The written down value of the above assets along with direct expenses aggregated to ₹887.51 lakhs, accordingly a gain of ₹712.49 lakhs has been recognised in the Statement of Profit and Loss in the year 2021-22.

During the previous year, the Company's property in Bangalore comprising land and hotel building was sold on 6 January 2021 for a consideration of ₹ 3,150.00 Lakhs. The written down value of the above assets along with direct expenses aggregated to ₹ 770.52 Lakhs, accordingly a gain of ₹ 2,379.48 Lakhs has been recognised in the Statement of Profit and Loss in the year 2020-21.

Note 37: Revenue from Contracts with Customers

i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its Statement of Profit and Loss:

Revenue from Operations	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Revenue from Contract with Customers		
Room Income, Food, Restaurants Income	15,170.63	10,876.60
Rental Income	264.61	281.42
Management and operating fees	1,446.36	1,230.73
Other Operating Revenue	206.17	163.33
Total Revenue from Operations	**17,087.77**	**12,552.08**

ii) Contract Balances

a) The contract liabilities primarily relate the advance consideration received from customers for which revenue is recognised when the performance obligation is over/services delivered.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Advance Collections are recognised when payment is received before the related performance obligation is satisfied under the terms of the agreement with the customer. This includes advances received from the customer towards rooms/restaurant revenues. Revenue is recognised once the performance obligation is met i.e. on room stay/sale of food and beverages in line with the requirements of Ind AS 115 Revenue from Contract with Customers (Ind AS 115).

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Contract Liabilities		
Advances collected from customers *	999.59	970.11

* Considering the nature of business of the Company, the advance collections from customer and Income received in advance are generally materialised as revenue within the same operating cycle.

b) Contract Fulfillment costs are recognised as asset as per Ind AS 115 in the respect of Ginger Bangalore White Field as the Company expects to recover these costs on the basis of agreement. The Company charges this cost over the period of Agreement.

Particulars	March 31, 2022 ₹ lakhs	March 31, 2021 ₹ lakhs
Gross Contract fulfilment cost	390.69	-
Less: Charged to Profit and Loss	3.24	-
Net Contract fulfilment cost	387.45	-

iii) Advance received from the Customer for the more than 1 year

The Company had received an advance for a hotel in Kalinganagar from Tata Steel Limited (TSL) of ₹1,800.00 lakhs which is required to be offset over 60 months from the month in which operation of hotel commences as per the terms stipulated in the agreement. Based on management's assessment, there is significant financing component in the advance amount, hence the Company has recognised the interest expense for the same. The Company have recognised the interest cost in the statement of Profit and Loss with corresponding adjustment to revenue over a period. The outstanding amount as on March 31, 2022 is ₹1,273.55 lakhs.

The Company has capitalised the interest expense on ₹1,800.00 lakhs at the rate of prevailing market rate of interest for the similar period, in this case Company has taken loan from HDFC bank for the similar period at the interest rate of 8.70% per annum so Company has taken the prevailing market rate of interest as 8.70% on the transaction of advance. So, impact of Ind AS 115 on net worth of the Company is as follows in the current year.

Particulars	As at March 31, 2022	As at March 31, 2021
Interest Expense Ind AS 115	154.52	124.95
Less: Revenue Ind AS 115	(82.95)	(23.53)
Total Impact on Net Worth	**71.57**	**101.42**

Note 38: Going Concern

Negative Working Capital:
As at the year end, the Company's current liabilities have exceeded its current assets by ₹5,282.08 lakhs. Management is confident of its ability to generate adequate cash inflows from operations and utilise long-term funds available to meet its obligations on due date.

Going Concern
The business has been impacted during the year on account of COVID-19. During the first three months of the year, the Company witnessed softer revenues due to the second wave of COVID-19 and consequent lockdowns in several states across the country. Also, there was a third wave in the month of January 2022, resulting in restrictions in some states, which also adversely impacted the revenues.

This year the Company have seen quite an improvement in Business over the previous year, as this year the Company had lesser impact of COVID-19 with lesser restrictions. This year Revenue has grown 33% over previous year, this is in spite of second wave and third wave, which shows company's resilience to grow in spite of adversity. The Company continue to improve the financial performance and have quickly rebounded in business after various phases on COVID-19. Keeping in view the existing trend the Company will be having much better growth and profit margins and accordingly the future cash flow projections will have adequate cash surplus.

The impact of COVID-19 may be different from that estimated as at the date of approval of this financial statement and the Company will continue to closely monitor any material changes to future economic conditions. The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. Further the Company has also received Inter Corporate Deposits from its holding company to the tune of ₹5,000 lakhs which has been utilised in reducing the external debts of equal amount by prepaying the debts. The Company has now repaid both the term loans during the year. The Holding Company also has a plan to infuse Capital in coming financial year. This will further strengthen the cash position of the Company and will help in repaying all the external debts. The Company will have adequate funds at its disposal for the next 12 months to prevent any disruption of the operating cash flows and to enable the Company meet its debts and obligations as they fall due. Accordingly, the financial statements of the Company have been prepared on a going concern basis

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 39: Ratios and Explanations

a. Ratios:

Sr. No.	Ratio	in times/%	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021
a)	Current Ratio	in times	Current Assets	Current Liabilities excluding current maturities of long-term borrowings	0.44	0.40
b)	Debt – Equity	in times	Non-Current Borrowings + Current Borrowings	Total Equity	0.96	0.67
c)	Debt service coverage	in times	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt)]	0.02	0.03
d)	Return on Equity	in %	Profit/(Loss) after tax	Average Total Equity	(26)%	(29)%
e)	Inventory Turnover*		NA	NA	NA	NA
f)	Trade Receivable Turnover	in times	Revenue from Operations	Average Trade Receivables	10.21	5.90
g)	Trade Payable Turnover	in times	Total expenses – Depreciation – Interest – Payroll Cost	Average Trade Payables	3.61	3.75
h)	Net Capital Turnover (Working Capital Turnover)	in times	Net Sales	*Working Capital i.e. (Avg. Current Assets – Avg. Current Liabilities)	(2.40)	(1.91)
i)	Net Profit Ratio	in %	Profit/(Loss) after Tax	Total Income	(19)%	(37)%
j)	Return on capital employed	in %	EBIT	Avg Equity + Avg. Debt + Avg. Leases	2%	(1)%
k)	Return on Investment*	in %	NA	NA	NA	NA

* The Company has not presented the following ratios due to the reasons given below:

a. Inventory turnover ratio: since the Company holds inventory for consumption in the service of food and beverages and the proportion of such inventory is insignificant to Total Assets

b. Return on investments: since the Company does not holds any funds/investment.

Explanations to variance in Ratios:

1. Debt Equity Ratio has increased due to decrease in equity on account of loss for the year.
2. Debt Service Coverage have changed more than 25% as compared to previous year due to principal payments of long term (including prepayment) during the year which was higher than last year.
3. Trade receivables turnover ratio increased due to better efficiency in collections
4. Net capital turnover ratio increased with improved net sales with increase in volume of business activity during the year.
5. Net Profit Ratio, return on equity and return on Capital employed improved with improvement in operating margins and business volumes during the year.

b) Transaction with Struck off Companies:

The Company has reviewed transactions and balances to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions or balances with struck off companies.

c) Title deeds of leased assets not held in the name of the Company:

The title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date except in respect of:

Description of property	Gross carrying value (in Lakhs)	Held in the name of	Period held- indicate range, where appropriate	Reason for not being held in the name of the company
Commercial Building - Chennai Vadapalani	575.85	Dr. Sankar T.S.R. Mohanselvan	10 years	The building is in the possession of the Company where the lease deed is yet to be registered in the name of the Company
Commercial building - Cochi Kalamassery	1,076.05	Canton Residency Private Limited	03 days	The operations of the hotel started on 28 March 2022 and the registration of lease deed is in process. However there exists an agreement to lease with lessor.

d) With reference to Schedule 16 - Borrowings of financial statements for the year ended March 31, 2022, all charges created/ satisfied during FY 2021-22 have been registered with the Ministry of Corporate Affairs within statutory due date.

e) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds, that have been to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f) The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

Note 40: Regrouping/Reclassification

Previous period figures have been regrouped/reclassified wherever necessary, to conform to current period's classification and in order to comply with the requirements of the amended schedule III to the Companies Act, 2013 effective April 1, 2021.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694

Mumbai, April 19, 2022

For and on behalf of the Board of Directors
of Roots Corporation Limited
CIN: U55100MH2003PLC143639

Puneet Chhatwal
Chairman
DIN: 07624616
Date: April 19, 2022

Deepika Rao
Managing Director & CEO
DIN: 08136962
Date: April 19, 2022

Sanjay Arora
Head – Finance
Date: April 19, 2022

Swetha Dabhi
Company Secretary
Membership No. ACS 43312
Date: April 19, 2022

Independent Auditor's Report

To the Members of TAJ SATS AIR CATERING LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Taj SATS Air Catering Limited (the "Company"), which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, , the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, 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) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditor’s Report (Contd.)

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.

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 of India in terms of Section 143 (11) of the Act, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

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

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

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

   a) The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its financial statements - Refer Note 27 to the financial statements.

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

   c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

   d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W / W-100022

Viren Soni
Partner
Membership No. 117694
ICAI UDIN : 22117694AHIBTO5837

Place: Mumbai
Date: April 18, 2022

Annexure A

to the Independent Auditors' Report - 31 March 2022

(Referred to in our report of even date)

With reference to the Annexure A referred to in the Independent Auditor's Report to the Members of Taj SATS Air Catering Limited ("the Company") on the financial statements for the year ended 31 March 2022, we report the following:

(i) (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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the company. Also indicate if in dispute
Freehold land located at Mumbai having effective plot area of 11888.43sft	₹ 26.58 lakhs	The Indian Hotels Company Limited	No	From 2001	The title deeds are in the name of The Indian Hotels Company Limited from whom the asset was transferred to the Company based on Business Transfer Agreement dated October 1, 2001.
Freehold land and building at Amritsar wherein land measuring 3 Kanal 16 Marla	Freehold Land aggregating ₹ 194.72 lakhs Building aggregating ₹ 341.53 lakhs	Taj SATS Air Catering Limited	No	From 2006	There is a dispute on the land title based on the claim made by the Gram panchayat. The Company has filed an Appeal before the Joint Commissioner (Development), Mohali, Punjab The Jt. Commissioner Development granted "Stay" in the matter and hearings are in progress. However, due to transfer of the Jt. Commissioner and the new Jt. Commissioner is re-hearing the matter again. In respect of such dispute the Company has represented that the title deed is in its name for the aforesaid immovable properties and it will be able to defend any counter claims to such property.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

Annexure A (Contd.)

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. The Company does not have any stock lying with third parties and goods-in-transit at the year end. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly statements filed by the Company with such banks are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the goods sold and services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into Goods and Services Tax.

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' State Insurance, Income-Tax, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Tax collected at source, Tax deducted at source, Provident fund and Employees' State Insurance. As explained to us, the Company does not have any dues on account of duty of Customs.

Annexure A (Contd.)

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, Provident fund, Employees' State Insurance, Income-Tax, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due date	Date of payment
Provident Fund Act	Provident Fund	4,963	August 2019	15 September 2019	Not Paid

(b) According to the information and explanations given to us, statutory dues relating to Goods and Service Tax, Value Added Tax, Sales Tax, Duty of Excise, Income-Tax, or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of Dues	Amount Demanded (₹ in Lakhs)	Amount not deposited under dispute (₹ in Lakhs)	Period to which the amount Relates	Forum where Dispute is pending
West Bengal Sales tax Act, 1994	Commercial Tax	1	1	2002-03	Deputy Commissioner of Commercial Taxes
West Bengal Sales tax Act, 1994	Commercial Tax	83	83	2006-07	The West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Sales tax Act, 1994	Commercial Tax	8	8	2011-12	The West Bengal Commercial Taxes Appellate and Revisional Board
Maharashtra Value Added Tax	Value Added Tax	72	46	2009-10	Joint Commissioner of Sales Tax
Maharashtra Value Added Tax	Value Added Tax	44	36	2012-13	Deputy Commissioner of Sales Tax-Mumbai
Finance Act 1994	Service Tax	1,251	1,186	2004-05 to 2010-11, 2011-12, 2012-13,2013-14,2014-15, 2015-16, 2016-17 and 2017-18 (upto June 2017)	Office of Commissioner of Service Tax
Finance Act 1994	Service Tax	7,631	7,631	1 July 2012 to 31 March 2016, 1 April 2016 to 30 June 2017	Office of Commissioner of Service Tax
Maharashtra Value Added Tax Act	Value Added Tax	31	29	2016-17	Deputy Commissioner of State Tax
Value Added Tax Act, 2005	Value added tax	77	77	2015-16	Deputy Commissioner of Sales Tax- Mumbai
DVAT Act, 2004	Value added tax	21	21	2005-2016	Office of the Addl Commissioner of DVAT, Delhi
Value Added Tax Act, 2005	Value added tax	13	13	2017-18	Joint Commissioner of Sales Tax
Central Excise Act 1944	Excise Duty	411	380	2004-05, 2005-06 and 2006-07	Central Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act 1944	Excise Duty, penalty and Interest	78	62	2003-04 to 2008-09	Central Excise and Service Tax Appellate Tribunal (CESTAT)
Tamil Nadu VAT 2006	Value Added Tax	9	-	2002-03 to 2003-04	Appellate Deputy Commissioner

Annexure A (Contd.)

Name of the Statute	Nature of Dues	Amount Demanded (₹ in Lakhs)	Amount not deposited under dispute (₹ in Lakhs)	Period to which the amount Relates	Forum where Dispute is pending
Tamil Nadu VAT 2006	Value Added Tax	476	231	2010-11 to 2011-12	Appellate Deputy Commissioner
Finance Act, 1994	Service Tax	84	80	2004-05 to 2012-13	Central Excise and Service Tax Appellate Tribunal (CESTAT)
Income Tax Act, 1961	Income Tax	4	4	2005-06	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	62	31	2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	32	32	2009-10	Assistant Commissioner of Income Tax

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks during the year. Further, the Company did not have any outstanding loans or borrowings from any other lender during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company does not have any term loans. Accordingly, clause 3(ix)(c) is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act. Further, the Company ceases to hold investment in a subsidiary pursuant to receipt of merger order from National Company Law Tribunal dated 31 December 2021. Refer note 29 to financial statements.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary (as defined under the Companies Act, 2013).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

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

Annexure A (Contd.)

to the Independent Auditors' Report on the Financial Statements of Taj SATS Air Catering Limited for the year ended March 31, 2022.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(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 transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act, are not applicable to the Company.

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

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

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

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

Annexure A (Contd.)

to the Independent Auditors' Report on the Financial Statements of Taj SATS Air Catering Limited for the year ended March 31, 2022.

(xvii) The Company has incurred cash losses of ₹ 3,232 lakhs in the current financial year and ₹ 5,910 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W / W-100022

Viren Soni
Partner
Membership No. 117694
ICAI UDIN : 22117694AHIBTO5837

Place: Mumbai
Date: April 18, 2022

Annexure B

to the Independent Auditors' Report on the Financial Statements of Taj SATS Air Catering Limited for the year ended March 31, 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of **Taj SATS Air Catering Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial

Annexure A (Contd.)

to the Independent Auditors' Report on the Financial Statements of Taj SATS Air Catering Limited for the year ended March 31, 2022.

statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W / W-100022

Viren Soni
Partner
Membership No. 117694
ICAI UDIN : 22117694AHIBTO5837

Place: Mumbai
Date: April 18, 2022

Balance Sheet
as at March 31, 2022

₹ (in lakhs)

	Note	As at March 31, 2022	As at March 31, 2021 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	9,597	10,575
Capital work-in-progress	3(d)	152	7
Right-of-use asset	3(a)	890	1,013
Goodwill	3(b)	8,374	8,374
Other Intangible assets	3(c)	267	359
		19,280	**20,328**
Financial Assets			
*Investments	9 (a)	0	0
Other financial assets	5(a)	1,579	1,116
Deferred tax assets (net)	6(a)	1,365	147
Advance income tax (net)		1,739	1,613
Other non-current assets	7(a)	352	192
		5,035	**3,068**
Current assets			
Inventories	8	685	536
Financial assets			
Investments	9 (b)	-	2,235
Trade receivables	10	5,291	4,947
Cash and cash equivalents	11	455	299
Bank balances other than cash and cash equivalents	12	310	320
Loans	4	19	27
Other financial assets	5(b)	187	158
Other current assets	7(b)	453	514
		7,400	**9,036**
Total assets		**31,715**	**32,432**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	1,740	1,740
Other equity	14	17,449	21,265
Total Equity		**19,189**	**23,005**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities		686	841
Other financial liabilities	15(a)	99	99
Provisions	16 (a)	1,266	1,389
		2,051	**2,329**
Current Liabilities			
Financial liabilities			
Borrowings		1,023	-
Lease Liabilities		586	717
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	17	618	171
(ii) total outstanding dues of creditors other than micro enterprises and smal enterprises	17	3,236	3,202
Other financial liabilities	15(b)	2,799	1,698
Provisions	16(b)	262	237
Other current liabilities	18	1,713	688
Current tax liabilities (Net)		238	385
		10,475	**7,098**
Total equity & liabilities		**31,715**	**32,432**

*All the values representing "0" in the financial statements are below ₹ 50,000.

The accompanying notes form an integral part of the financial statements: Refer Note 2 - 42

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694

Mumbai, April 18, 2022

For and on behalf of the Board of Directors

Taj SATS Air Catering Limited
CIN: U55204MH2001PLC133177

Puneet Chhatwal
(Chairman)
DIN: 07624616

Mehernosh Kapadia
Vice Chairman
DIN: 00050530

Giridhar Sanjeevi
Director
DIN: 06648008

Manish Gupta
Chief Executive Officer

Sudeep Pal
Chief Financial Officer

Bakhtawar K. Irani
Company Secretary
Membership No. A17753

Statement of Profit and Loss

for the year ended March 31, 2022

₹ (in lakhs)

	Note	March 31, 2022	March 31, 2021 (Restated)
INCOME			
Revenue from operations	19	28,588	14,910
Other income	20	264	341
Total Income		**28,852**	**15,251**
EXPENSES			
Food and beverages consumed	21	9,165	4,417
Employee benefits expenses and payment to contractors	22	13,830	11,027
Finance costs	23	151	152
Depreciation and amortisation expenses	3 (a), 3(c)	1,706	1,659
Other operating and general expenses	24	9,195	5,999
Total Expenses		**34,047**	**23,254**
(Loss) before tax		(5,195)	(8,003)
Tax expenses			
Current tax (earlier years) - Refer Note 34		21	(77)
Deferred tax		(1,218)	(1,945)
Total tax expense		**(1,197)**	**(2,022)**
(Loss) after tax (A)		**(3,998)**	**(5,981)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligation		182	462
Other comprehensive income for the year, net of tax (B)		**182**	**462**
Total comprehensive income for the year (A+B)		**(3,816)**	**(5,519)**
Earning per share			
Basic and diluted (₹)	36	(22.98)	(34.37)
Face value per ordinary share (₹)		10	10

The accompanying notes form an integral part of the financial statements: Refer Note 2 - 42

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694

Mumbai, 18 April 2022

For and on behalf of the Board of Directors

Taj SATS Air Catering Limited
CIN: U55204MH2001PLC133177

Puneet Chhatwal
(Chairman)
DIN: 07624616

Mehernosh Kapadia
Vice Chairman
DIN: 00050530

Giridhar Sanjeevi
Director
DIN: 06648008

Manish Gupta
Chief Executive Officer

Sudeep Pal
Chief Financial Officer

Bakhtawar K. Irani
Company Secretary
Membership No. A17753

Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity Share Capital

₹ (in lakhs)

Balance as at April 1, 2021	Changes in equity share capital during the period	Restated balance at April 1, 2021	Changes in equity share capital during the period	Balance as at March 31, 2022
1,740	-	1,740	-	1,740

₹ (in lakhs)

Balance as at April 1, 2020	Changes in equity share capital during the period	Restated balance at April 1, 2020	Changes in equity share capital during the period	Balance as at March 31, 2021
1,740	-	1,740	-	1,740

B. Other Equity

₹ (in lakhs)

Particulars	Reserves and Surplus				Total Equity
	Securities Premium Account	General Reserve	Retained Earnings	Other Comprehensive Income	
Balance as at April 1, 2020 (Restated)	10,388	1,560	15,049	(213)	26,784
(Loss) for the year	-	-	(5,981)	-	(5,981)
Other Comprehensive Income				462	462
	-	**-**	**(5,981)**	**462**	**(5,519)**
Balance as at March 31, 2021 (Restated)	**10,388**	**1,560**	**9,068**	**249**	**21,265**
Balance as at April 1, 2021	**10,388**	**1,560**	**9,068**	**249**	**21,265**
Restated balance at April 1, 2021	10,388	1,560	9,068	249	21,265
(Loss) for the year	-	-	(3,998)	-	(3,998)
Other Comprehensive Income	-	-		182	182
	-	**-**	**(3,998)**	**182**	**(3,816)**
Balance as at March 31, 2022	**10,388**	**1,560**	**5,070**	**431**	**17,449**

The accompanying notes form an integral part of the financial statements: Refer Note 2 - 42

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694

Mumbai, 18 April 2022

For and on behalf of the Board of Directors

Taj SATS Air Catering Limited
CIN: U55204MH2001PLC133177

Puneet Chhatwal
(Chairman)
DIN: 07624616

Mehernosh Kapadia
Vice Chairman
DIN: 00050530

Giridhar Sanjeevi
Director
DIN: 06648008

Manish Gupta
Chief Executive Officer

Sudeep Pal
Chief Financial Officer

Bakhtawar K. Irani
Company Secretary
Membership No. A17753

Cash Flow Statement
for the year ended March 31, 2022

₹ (in lakhs)

		March 31, 2022	March 31, 2021 (Restated)
A.	**Cash flow from operating activities:**		
	(Loss) before tax	(5,195)	(8,003)
	Adjustments for:		
	Depreciation and amortisation expenses	1,706	1,659
	Loss/(Profit) on investments carried at fair value through statement of profit and loss	-	(5)
	(Profit) on sale of Current Investments	(33)	(78)
	(Profit) on sale/disposal of Property, Plant and Equipment (net)	(29)	(8)
	Provision for doubtful debts	110	109
	Provision for other receivables	71	-
	Doubtful advances written off	1	2
	Provision for Employee Benefits	84	338
	Property, plant and equipment written off	13	11
	Dividend income from current investments	(23)	(64)
	Interest income	(45)	(127)
	Interest income on financial assets carried at amortised cost	(9)	(8)
	Finance costs	151	152
	Operating profit before working capital changes	**(3,198)**	**(6,022)**
	Adjustments in:		
	Trade receivables	(454)	2,805
	Other financial assets	(493)	(129)
	Inventories	(149)	53
	Other assets	40	257
	Loans	8	5
	Adjustments in:		
	Trade payables	481	(810)
	Other financial liabilities	1,054	(260)
	Other liabilities	1,025	244
		1,512	**2,165**
	Cash generated from operations	(1,686)	(3,857)
	Net income tax paid (net of refunds)	(294)	588
	Net cash from operating activities (A)	**(1,980)**	**(3,269)**
B.	**Cash flow from investing activities:**		
	Purchase of property, plant and equipment and other intangibles (including advances for capital expenditure)	(810)	(377)
	Proceeds from sale/disposal of property, plant and equipment	66	23
	Purchase of current investments in Mutual funds	(23)	(864)
	Redemption proceeds of current investments in Mutual funds	2,290	5,337
	Earmarked balances with bank	10	50
	Dividend income from current investments	23	64
	Interest received	46	127

Cash Flow Statement
for the year ended March 31, 2022

₹ (in lakhs)

	March 31, 2022	March 31, 2021 (Restated)
Net cash used in investing activities (B)	**1,602**	**4,360**
C. Cash flow from financing activities:		
Payment of Lease Liabilities	(338)	(273)
Interest on payment of Lease Liabilities	(105)	(102)
Finance costs	(46)	(50)
Net cash used in financing activities (C)	**(489)**	**(425)**
Net decrease in cash and cash equivalents (A + B +C)	**(867)**	**666**
Cash and cash equivalents at the beginning of the year	**299**	**(367)**
Cash and cash equivalents at the end of the year	**(568)**	**299**

Notes:

1 The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS - 7) statement of cash flow.

2 Figures in brackets are outflow/deduction.

3 Cash and cash equivalents comprises of

₹ in lakhs

	March 31, 2022	March 31, 2021 (Restated)
Balances with Banks		
- Current Account	13	10
- Cash on hand	442	289
Cash and cash equivalents (Note No. 11)	**455**	**299**
Less: Borrowings (Refer Note (i) below)	(1,023)	-
Cash and cash equivalent in cash flow statement	**(568)**	**299**

Note (i) The management considered Borrowings as a integral part of its cash management and accordingly considered as a part of cash and cash equivalent.

The accompanying notes form an integral part of the financial statements: Refer Note 2 - 42

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694

Mumbai, 18 April 2022

For and on behalf of the Board of Directors

Taj SATS Air Catering Limited
CIN: U55204MH2001PLC133177

Puneet Chhatwal
(Chairman)
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Vice Chairman
DIN: 00050530

Giridhar Sanjeevi
Director
DIN: 06648008

Manish Gupta
Chief Executive Officer

Sudeep Pal
Chief Financial Officer

Bakhtawar K. Irani
Company Secretary
Membership No. A17753

Notes to the Financial Statements
for the year ended March 31, 2022

1. Corporate Information

Taj SATS Air Catering Limited (the "Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The Company is jointly promoted by The Indian Hotels Company Ltd. ("IHCL") and SATS Ltd., where IHCL owns 51% and SATS owns 49% of the Company's shares.

Taj SATS Air Catering Limited (the "Company") is engaged in the business of in-flight catering services, institutional catering of food and beverages and other allied services to airlines and various other institutions, corporate houses, hospitals, cafeterias, etc. The Company has manufacturing/production facilities at various locations including Mumbai, Delhi, Kolkata, Bangalore, Goa and Chennai.

The Company has its registered office at Mandlik House, Mandlik Road, Mumbai -400 001.

This financial statements for the year ended March 31, 2022 were approved by the Company's Board of Directors on April 18, 2022.

2. Significant Accounting Policies

The financial statements have been prepared on the following basis:

(a) Statement of compliance:
These financial statements for the year ended March 31, 2022 have been prepared in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

(b) Basis of preparation and presentation of the financial statements:
These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. All assets and liabilities are classified as current and non-current as per Company's normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date. All amounts disclosed in the financial statements and notes to accounts have been rounded off to the nearest lakhs, unless otherwise stated.

The financial statements are presented in Indian rupees (₹), the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

The statement of cash flows have been prepared under indirect method, whereby profit or loss 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 items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

All the values representing "0" in the financial statements are below ₹ 50,000.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

(c) Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosure of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- **Useful life of property, plant and equipment and intangible assets:** The carrying value of property, plant and equipment and intangible asset is calculated on the basis of estimates of depreciation periods derived from the expected technical and useful life of the asset concerned, and residual values. The expected technical and useful life of the asset concerned and its estimated residual value may change under the influence of technological developments, market circumstances and changes in the use of the asset.
- **Impairment of Goodwill:** For goodwill, an annual impairment test is carried out to identify if there are any changes or events that could lead to an impairment of the goodwill. Determining whether goodwill is impaired requires an estimation of the value-in-use and the cash-generating units to which the goodwill has been allocated. The value-in-use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the present value of the future cash flows are less than expected, a material impairment loss may arise.
- **Contingencies and Commitments:** From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.
- **Leases:** Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Critical judgements in determining the discount rate: The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Income Taxes:** Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the statement of profit or loss.

  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.

- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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 is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

- **Estimation uncertainty relating to global health pandemic on COVID-19 – Refer Note 25**.

(d) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and taxes (other than those refundable), expenses directly related to the location of assets and making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate shall also include costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

Depreciation of these assets commences when the assets are ready for their intended use. Depreciation is charged to the statement of profit and loss so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on assets capitalised or disposed off during thr financial year is chrged off on the pro-rata basis.

In respect of depreciation on buildings on leased properties, it is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated balance useful lives.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Depreciation on tangible property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of Assets	Estimated Useful Life
Building	30 years
Plant and Equipment	15 to 20 years
Furniture and Fixtures	15 years
Data processing equipment	6 years
Office equipment	12-15 years
Vehicles	8 - 16 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Capital work-in-progress represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid, less any recognised impairment loss.

(e) Intangible Assets

Intangible assets include cost of acquired software and designs, and cost incurred for development of the Company's website. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use.

Intangible assets are amortised on a straight-line basis over the estimated useful lives. The amortisation period and the amortisation method are reviewed at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or loss arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss in the year of disposal.

The capitalised cost of SAP software (including licenses) is amortised over 10 years from the date of capitalisation (3 years remaining as on the balance sheet date) on a straight line basis considering its estimated useful life , the cost of other software licenses is amortised over 6 years from the date of capitalisation and the cost of website development is amortised over 4 years from the date of capitalisation (1 year remaining as on the balance sheet date) on a straight line basis considering its estimated useful life.

Business rights which represent the rights to construct, manage and operate flight catering kitchen in accordance with the agreement entered with the airport authority, are stated at cost of acquisition, less accumulated amortisation. The cost of business rights is amortised over the period of 15 years (1 year remaining as on the balance sheet date) during which period the benefits are expected to accrue to the Company as per agreement.

Goodwill on business acquisition

Goodwill arising on the acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating unit that is expected to benefit from the synergies of the combination. A cash generating unit to which the goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating units is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the others assets of the unit pro rata based on the carrying amount of each asset in the unit. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. Basis the assessment a reversal of an impairment loss for an asset other than goodwill is recognised in the statement of profit and loss.

(f) Impairment of Non Financial Assets:

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, and whenever there is an indication that the assets may be impaired.

At each Balance sheet date, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any) and an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

(g) Leases

On inception of a contract, the Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Company's statement of financial position as a right-of-use asset and a lease liability.

Right to use assets

The right-of-use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's estimated useful life and the lease

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

term. Right-of-use assets are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing. Residual value is reassessed annually.

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is reasonably certain that it will not exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable Lease

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs.

Short-term leases and leases of low-value assets

The Company has opted not to apply the lease accounting model to intangible assets, leases of low-value assets or leases which have a lease term of 12 months or less and don't contain purchase option. Costs associated with such leases are recognised as an expense on a straight-line basis over the lease term.

Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17, applying the practical expedient to grandfather the assessment of which transactions are leases.

Presentation of lease payments in Cash Flow Statements:

Lease payments included in the measurement of the lease liability comprises of fixed payments (including in substance fixed payments).

Lease payments are presented as follows in the Company's statement of cash flows:

- Short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- Payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from financing activities; and
- Payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

(h) Inventories:

Stock of food and beverages, stores and operating supplies are carried at the lower of cost (computed on a weighted average basis) or net realisable value. Cost includes the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase.

Trade discounts and rebates are deducted in determining the cost of purchase. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

(i) Accounting for Provisions, Contingent Liabilities and Contingent Assets:
Provisions are recognised, when there is a present (legal or constructive) obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and circumstances surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows determined using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent assets are neither recognised nor disclosed in the financial statements.

(j) Revenue Recognition:
Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts. In respect of expired contracts under renewal, revenue is recognised based on the erstwhile contract/ understanding with the contracting parties.

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for separately. The allocation of consideration from a revenue arrangement to its separate unit of account is based on the relative fair value of each unit. If the fair value of the delivered items is not reliably measurable, then revenue is allocated based on the difference between the total arrangement consideration and the fair value of the undelivered items.

Income from operations:
Food and Beverages: Revenue from sale of food and beverages is recognised at the transaction price that is allocated to the performance obligation, which is recognised on the completion of delivery of goods as per the contract/ understanding with the customer.

Revenue from Air catering and allied services: Revenue from Air Catering and allied services includes revenue from handling services, hi-loader services, bonded warehouse, laundry income, and other services and the revenue has been recognised by reference to the time of service rendered.

Contract balances
(i) Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

(ii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

Other operating Income: Other operating income includes revenue from catering supplies/bought out items which are recognised at the transaction price that is allocated to the performance obligation, which is recognised on the completion of delivery of goods as per the contract/understanding with the customer.

Dividend Income: Dividend income from mutual funds is recognised when the Company's right to receive the amount is established.

Interest income: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

(k) Foreign currency transactions:

Income and expenses in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Foreign currency denominated assets and liabilities are translated at the exchanges rates prevailing at the balance sheet date and exchange gain and losses arising on settlement and restatement are recognised in the statement of profit and loss.

(l) Government Grants:

Government grants are recognised only when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

(m) Employee Benefits:

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate legal entity and will have no legal or constructive obligation to pay further amounts.

i. **Provident and Family pension Fund:** The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both the employees and the Company makes monthly contributions at a specified percentage of the employee's eligible salary to a defined contribution plan (currently 12% of employee's eligible salary). The contributions are made to the provident fund managed by the trust set up by a joint venture Company, or to the Regional Provident Fund Commissioner (RPFC) which are charged to the statement of profit and loss.

   In respect of contribution to RPFC, the Company has no further obligations beyond making the contribution, and hence, such employee benefit plan is classified as Defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss.

ii. **Superannuation**

The Company has a defined contribution plan for certain category of employees, wherein it annually contributes a sum equivalent to a defined amount to a fund administered by the trustees. The Company recognises such contributions as an expense in the year in which the corresponding services are received from the employee.

B) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

i. **Gratuity Fund**

The Company makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds. The Gratuity plan provides for lump sum payment to vested employees on retirement, death or termination of employment of an amount based on the respective employee's last drawn salary and tenure of employment.

The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the other comprehensive income and reflected in retained earnings and will not be reclassified to the statement of profit and loss.

The Company also has separate unfunded schemes, which guarantee a minimum pension to certain categories of employees. The Company accounts for the net present value of its obligations therein, based on an independent external actuarial valuation, carried out as at the Balance Sheet date, which is determined on the basis of the projected unit credit method. Actuarial gains and losses are recognised immediately in the other comprehensive income and reflected immediately in retained earnings and will not be reclassified to profit and loss.

ii. **Provident Fund Trust**

In respect of contribution to the trust set up by the Company, since the Company is obligated to meet interest shortfall, if any, with respect to few employees, such employee benefit plan is classified as Defined Benefit plan. Any obligation in this respect is classified as Defined Benefit Plan. Any obligation in this respect is measured on the basis of independent actuarial valuation.

C) Other employee benefits

i. **Compensated Absences**

The Company has a scheme for compensated absences for employees, the liability for which is determined on the basis of an independent actuarial valuation using the projected unit credit method, carried out at the Balance Sheet date.

ii. **Other Employee Benefits**

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related service. The accruals for the employee entitlements such as salaries, bonuses, annual leave, leave travel allowances, represents amounts which the Company

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

has a present obligation to pay as a result of the employee services and the obligation can be measured reliably. The accruals have been calculated as undiscounted amounts based on current salary levels as at the Balance Sheet date.

(n) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity.

(i) Current tax:

Current tax expenses are accounted in the same period to which the revenue and expense relates. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with applicable rates and prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority

(o) Financial Instruments:

i. Financial assets

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value. In case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified and measured at

- amortised cost

- fair value through profit and loss (FVTPL)

- fair value through other comprehensive income (FVOCI).

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

Classification

- **Cash and Cash Equivalents** – Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

- **Debt Instruments** – The Company classifies its debt instrument as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

  Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the statement of profit and loss using the effective interest rate method.

  I. **Financial assets at amortised cost**
  Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

  II. **Financial assets at fair value through Other Comprehensive Income (FVOCI)**
  Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payment of principal and interest. Movements in the carrying value are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from other comprehensive income to the statement of profit and loss. Interest income on such financial assets is included as part of the Company's income in the statement of profit and loss using the effective interest rate method.

  III. **Financial assets at fair value through profit or loss (FVTPL)**
  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the statement of profit and loss.

- Equity Instruments – The Company subsequently measures all equity investments (other than the investment in subsidiaries, joint ventures and associates which are measured at cost) at fair value. Where the Company has elected to present fair value gains and losses on equity investments in other comprehensive income ("FVOCI"), there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payment is established.

  At the date of transition to Ind AS, the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments that are not held for trading.

  When the equity investment is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from other comprehensive income to the retained earnings directly.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit and loss.

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 recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Impairment of financial assets

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

(p) Earnings per share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

(q) Business Combination:

The Company applies the 'acquistion' method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred and liabilities assumed as at the acquisition date i.e. date on which it obtains control of the acquiree, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Where the consideration transferred exceeds the fair value of the net assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets and liabilities assumed, the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of combination.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

(r) New Standards or other amendments issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, Key amendments are as below:

Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised 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.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that related 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 (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

None of the amendments notified by MCA, which are applicable from April, 1,2022, are expected to have any material impact on the financial statements of the Company.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

3(a) Property, Plant and Equipment

₹ (in lakhs)

	Freehold Land (Refer Footnote (ii))	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Data processing equipment	Vehicles	Total	Right of use Asset (Refer Note 32)
Cost									
At April 1, 2020 (Restated)	351	4,932	7,545	189	66	224	3,528	16,835	720
Additions	-	162	411	13	-	15	286	887	531
Disposals/Transfer	-	11	20	1	-	5	30	67	-
At March 31, 2021 (Restated)	**351**	**5,083**	**7,936**	**201**	**66**	**234**	**3,784**	**17,655**	**1,251**
Additions	-	27	134	17	5	17	295	495	63
Disposals/Transfer	-	3	8	-	-	2	77	90	-
Opening Adjustment	-	72	(72)	-	-	-	-	-	-
At March 31, 2022	**351**	**5,035**	**8,134**	**218**	**71**	**249**	**4,002**	**18,060**	**1,314**
Depreciation									
At April 1, 2020 (Restated)	-	1,867	2,666	66	26	134	925	5,684	112
Charge for the year	-	532	581	16	6	30	272	1,437	126
Disposals	-	5	13	-	-	5	18	41	-
At March 31, 2021 (Restated)	**-**	**2,394**	**3,234**	**82**	**32**	**159**	**1,179**	**7,080**	**238**
Charge for the year	-	541	572	13	6	29	275	1,436	186
Disposals/Transfer	-	2	5	-	-	2	44	53	-
Opening Adjustment	-	25	(25)	-	-	-	-	-	-
At March 31, 2022	**-**	**2,908**	**3,826**	**95**	**38**	**186**	**1,410**	**8,463**	**424**
Net block as at April 1, 2021	**351**	**2,689**	**4,702**	**119**	**34**	**75**	**2,605**	**10,575**	**1,013**
Net block as at March 31, 2022	**351**	**2,127**	**4,308**	**123**	**33**	**63**	**2,592**	**9,597**	**890**

Footnotes:

(i) The Air Catering business was acquired on a slump sale basis from the Indian Hotels Company Limited and its Affiliates on October 1, 2001. As a result, the Property Plant and Equipment were recorded as per the values assigned by the independent valuers.

(ii) In accordance with the Business Transfer Agreement entered with the Indian Hotels Company Limited, the land located at Mumbai is to be conveyed in favour of the Company. However, the same is pending completion of certain legal formalities.

(iii) There is a dispute on the land title based on the claim made by the Gram panchayat. The Company has filed an Appeal before the Joint Commissioner (Development), Mohali, Punjab. The Jt. Commissioner Development granted "Stay" in the matter and hearings are in progress. However, due to transfer of the Jt. Commissioner, the new Jt. Commissioner is re-hearing the matter again. In respect of such dispute the Management has represented that the title deed for the aforesaid immovable property is in the name of the Company and it will be able to defend any counter claims to such property.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

3(b) Goodwill on business acquisition- Goodwill recorded at the time of acquisition of the Air Catering business represents excess of amount paid over the recorded value of the net assets acquired. On transition to Ind AS, the carrying amount of goodwill in the opening Ind AS balance sheet prepared as at April 1, 2015 was recorded at its carrying amount in accordance with the previous GAAP of ₹ 7,348 lakhs.During the year ended March 31, 2020, the Company has recorded goodwill of ₹ 1,026 lakhs on account of acquisition of 100% shares in Taj Madras Flight Kitchen Private Limited.The amount so recorded represents the excess of amount paid over the value of net assets acquired (Refer Note 29). The Company tests Goodwill for impairment atleast annually or more frequently if events or changes in circumstances indicate that it might be impaired. The goodwill has been allocated to Airline and Allied catering (which is considered as Cash Generating Unit). The Company estimated value in use based on future cashflows of this CGU using a 2% - 5% annual growth rate for periods subsequent to the forecast period of five years and discount rate of 12% - 15%. A sensitivity analysis of the computation to a combined change in key parameters (operating margins, discount rates and long term average growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of this CGU would decrease below its carrying amount.

3(c) Intangible Assets

₹ (in lakhs)

	Software	Business Rights	Website Development	Leasehold Land Rights	Total
Cost					
At April 1, 2020 (Restated)	688	24	4	66	782
Additions	8	-	-	-	8
Disposals	-	-	-	-	-
At March 31, 2021 (Restated)	**696**	**24**	**4**	**66**	**790**
Additions	6	-	-	-	6
Disposals	19	-	-	-	19
At March 31, 2022	**683**	**24**	**4**	**66**	**777**
Amortisation					
At April 1, 2020 (Restated)	315	15	-	5	335
Charge for the year	77	3	1	15	96
Disposals	-	-	-	-	-
At March 31, 2021 (Restated)	**392**	**18**	**1**	**20**	**431**
Charge for the year	76	5	1	3	85
Disposals	6	-	-	-	6
At March 31, 2022	**462**	**23**	**2**	**23**	**510**
Net block as at April 1, 2021	**304**	**6**	**3**	**46**	**359**
Net block as at March 31, 2022	**221**	**1**	**2**	**43**	**267**

3(d) Capital-work-in-progress

₹ (in lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 -2 Years	2 -3 Years	More than 3 Years	Total
Projects in progress					
As at March 31, 2022	**151**	**-**	**1**	**-**	**152**
As at March 31, 2021 (Restated)	6	1			7
Projects temporarily suspended					
As at March 31, 2022	**-**	**-**	**-**	**-**	**-**
As at March 31, 2021 (Restated)	-	-	-	-	-

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

4. Loans

(Unsecured, considered good unless otherwise stated)

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Current		
Loan to Employees	19	27
	19	**27**

5. Other Financial Assets

(Unsecured, considered good unless otherwise stated)

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
a) Non Current Financial Assets		
Security deposit with public bodies and others	1,465	945
Security deposit towards leasehold land	114	103
Earmarked deposits with Banks	-	68
(Earmarked deposits includes ₹ 14 lakhs pledged with Air India and the rest is on account of issuance of bank guarantee with various banks)		
	1,579	**1,116**
b) Current Financial Assets		
Security deposit with public bodies and others	175	145
Interest receivable	8	9
Other receivables	4	4
	187	**158**

6. Deferred tax assets

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
a) Deferred Tax Assets:		
Provision for employee benefits	330	366
Provision for doubtful debts	162	107
Mark to market gain	-	25
Business loss	3,152	1,719
Right of use asset	99	136
Others	53	295
Total (A)	**3,796**	**2,648**
Deferred tax liabilities:		
Property, Plant and equipment & Intangible Assets	(2,431)	(2,501)
Total (B)	**(2,431)**	**(2,501)**
Net Deferred tax asset (A-B)	**1,365**	**147**

* Refer Note No. 34 for disclosure in relation to tax disclosures.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

7. Other Assets

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
a) Other Non Current assets		
Capital advances	236	25
Prepaid expenses	116	125
Export incentive receivable	-	42
	352	**192**
b) Other Current Assets		
Prepaid expenses	145	91
Advance to suppliers	210	191
Export incentive receivable	7	64
Balance with statutory and government authorities	50	107
Advance to employees	41	61
	453	**514**

8. Inventories

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Food and beverages	354	219
Stores and operating supplies	331	317
	685	**536**

Footnotes:

(a) Inventories are valued at the lower of cost and net realisable value. Cost are determined using the weighted average method and includes purchase price and non-refundable taxes.

(b) The write down of inventories to net realisable value during the year amounted to ₹14 lakhs (as on March 31, 2021: ₹27 lakhs) and the same are included in food and beverage consumed.

9. Investments

a) Non-current investments

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Investments measured at cost:		
Equity instruments		
1,950 (March 31, 2021: 1,950) equity shares of A.K Green Private Limited INR 10/- each fully paid up	0	0
Total non-current investments	**0**	**0**
Footnote:		
(i) Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
(ii) Aggregate amount of unquoted investments	0	0
(iii) Aggregate amount of impairment in value in investments	-	-

b) Current investments

₹ (in lakhs)

	March 31, 2022		March 31, 2021 (Restated)	
	Holdings (unit)	₹ (in lakhs)	Holdings (unit)	₹ (in lakhs)
Investments carried at fair value through profit and loss				
Tata Overnight Fund - Regular Plan – Growth	-	-	39,078	423
HDFC Overnight Fund - Regular Plan – Growth	-	-	-	-
SBI Liquid Fund - Regular Plan – Growth	-	-	-	-
ICICI Overnight Fund – Daily Dividend	-	-	5,22,111	522
ABSL Overnight Regular Fund – Daily Dividend	-	-	21,674	217
Tata Overnight Fund – Direct Plan – Dividend (H)	-	-	1,05,170	1,052
Tata Treasury advantage fund direct plan - Daily Dividend	-	-	1,91,309	21
Total		**-**		**2,235**
Footnotes:				
(i) Aggregate amount of quoted investments		-		-
Market value of quoted investments		-		-
(ii) Aggregate amount of unquoted investments		-		2,235
(iii) Aggregate amount of impairment in value in investments		-		-

10. Trade receivables

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Unsecured		
a) Considered good	5,925	5,268
Less: Allowance for doubtful trade receivables	(634)	(321)
	5,291	**4,947**
b) Credit impaired	3,838	4,041
Less: Allowance for doubtful trade receivables	(3,838)	(4,041)
	-	**-**
	5,291	**4,947**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

(a) Trade receivables aging schedule

₹ (in lakhs)

Trade receivables	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good						
As at March 31, 2022	**5224**	**50**	**12**	**5**	**-**	**5,291**
As at March 31, 2021 (Restated)	4,412	277	210	48	-	4,947
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
As at March 31, 2022	**-**	**166**	**101**	**72**	**295**	**634**
As at March 31, 2021 (Restated)	-	51	143	40	87	321
(iii) Undisputed Trade Receivables – credit impaired						
As at March 31, 2022	**331**	**-**	**-**	**226**	**3,281**	**3,838**
As at March 31, 2021 (Restated)	-	121	310	3,493	117	4,041
(iv) Disputed Trade Receivables–considered good						
As at March 31, 2022	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2021 (Restated)	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk						
As at March 31, 2022	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2021 (Restated)	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired						
As at March 31, 2022	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2021 (Restated)	-	-	-	-	-	-

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Footnotes:		
i) Allowance for doubtful trade receivables		
Opening balance	4,362	4,267
Add: Allowance during the year	110	109
	4,472	**4,376**
Less: Bad debts written off against past provisions	-	(14)
Closing Balance	**4,472**	**4,362**
ii) Related party balances: Refer Note 33.		

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

11. Cash and cash equivalents

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Cash on hand	13	10
Balances with bank in current account	442	289
	455	**299**

12. Bank Balance other than cash and cash equivalents

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Earmarked balances with banks	310	320
(Earmarked deposits includes ₹ 269 lakhs (March 31, 2021: ₹ 268 lakhs) pledged with HDFC Bank in the favour of Government authorities with respect to on- going litigation and the rest is on account of issuance of bank guarantee with various banks)		
	310	**320**

13. Share Capital

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Authorised Share Capital		
41,000,000 (March 31, 2021 - 25,000,000) equity shares of ₹ 10/- each with voting rights	4,100	2,500
	4,100	**2,500**
Issued, subscribed and fully paid up		
17,400,000 (March 31, 2021 - 17,400,000) equity shares of ₹ 10 /- each with voting rights	1,740	1,740
	1,740	**1,740**
Subscribed and Paid Up		
17,400,000 (March 31, 2021 - 17,400,000) equity shares of ₹ 10 /- each fully paid up with voting rights	1,740	1,740
	1,740	**1,740**

Footnotes:

(i) The Company has one class of equity shares having par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting, except in the case of interim dividend

(ii) Reconciliation of number of equity shares

	As at March 31, 2022		As at March 31, 2021 (Restated)	
	No. of shares	₹ (in lakhs)	No. of shares	₹ (in lakhs)
Balance at the beginning of the year	1,74,00,000	1,740	1,74,00,000	1,740
Add: Shares issue during the year	-	-	-	-
Balance at the end of the year	**1,74,00,000**	**1,740**	**1,74,00,000**	**1,740**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

(iii) Rights, preferences and restriction attaching to shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholder in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholdings.

(iv) Shares held by the Promoters (Joint Venturers)

Promoter (Joint Venturer) name	As at March 31, 2022		As at March 31, 2021 (Restated)	
	No. of Shares	% of total shares	No. of Shares	% of total shares
The Indian Hotels Company Limited ("IHCL") (includes 3 (as at March 31, 2021 – 3) equity shares held by IHCL as beneficiary owner *	88,74,000	51%	88,74,000	51%
SATS Ltd. (includes 2 (as at March 31, 2021 – 2) equity shares held by SATS Ltd. as beneficiary owner.	85,26,000	49%	85,26,000	49%

There is no change in the promoter shareholding during the year ended March 31, 2022 and March 31, 2021.

Promoter here means promoter as defined in the Companies Act, 2013.

* Out of the above, 7,600,000 and 1,224,000 equity shares of ₹ 10 each fully paid up have been allotted to the Indian Hotels Company Limited for consideration other than cash during the financial year ended March 31, 2002 and March 31, 2003 respectively.

14. Other Equity

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Securities Premium Account	10,388	10,388
Balance at the beginning and end of the year		
General Reserve	1,560	1,560
Balance at the beginning and end of the year		
Retained Earnings		
Balance at the beginning of the year	9,317	14,836
Add: (Loss)/Profit for the year	(3,998)	(5,981)
Add: Remeasurement of post employment benefit obligation, net of tax (item of other comprehensive income recognised directly in retained earnings)	182	462
Closing balance at the end of the year	**5,501**	**9,317**
Total Other Equity	**17,449**	**21,265**

The Description of the nature and purpose of each reserve with equity is as follows:

(a) **Securities Premium Account**: Securities premium represents the premium charged to the shareholders at the time of issuance of shares. The amount received in excess of face value of the equity shares is recognised in securities premium.

(b) **General reserve:** General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(c) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

(d) **Other comprehensive income (OCI):** Other comprehensive income includes revenues, expenses, gains, and losses that have yet to be realised and are excluded from net income on an income statement.

15. Other financial liabilities

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
a) Other Non-Current Financial Liabilities		
Deposits from others - Unsecured	99	99
	99	**99**
b) Other Current Financial Liabilities		
Payable on purchase of property, plant and equipment	61	14
Employee related liabilities	1,888	1,151
Levy payable to Airport Authority of India	778	424
Other payable -		
Related Parties Payables	72	109
	2,799	**1,698**

i) There is no amount due and outstanding to be credited to Investor Education and protection fund.

ii) Related party balances: Refer Note 33

16. Provisions

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
a) Non-Current Provision		
Employee Benefit Obligation		
Post-retirement pension (Refer Note 30)	3	3
Compensated absences	901	924
Gratuity (Refer Note 30)	362	462
	1,266	**1,389**
b) Current Provision		
Employee Benefit Obligation		
Compensated absences	146	135
	146	**135**
Provisions for others		
Provision for disputed taxes, levies and duties (Refer Footnote (i) below)	116	102
	262	**237**
Footnotes:		
(i) Provision for disputed taxes, levies and duties		
Opening balance as at April 1, 2021	102	102
Additions	14	-
Closing balance as at March 31, 2022	**116**	**102**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

17. Trade Payables

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
(i) Total outstanding dues of micro enterprises and small enterprises	618	171
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (For Related party balances refer Note 33)	3,236	3,202
	3,854	**3,373**

₹ (in lakhs)

Particulars	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) MSME					
As at March 31, 2022	**610**	**3**	**5**	**-**	**618**
As at March 31, 2021 (Restated)	168	3	-	-	171
(ii) Others					
As at March 31, 2022	**2,972**	**159**	**82**	**23**	**3,236**
As at March 31, 2021 (Restated)	2,853	200	103	46	3,202
(iii) Disputed dues – MSME					
As at March 31, 2022	**-**	**-**	**-**	**-**	**-**
As at March 31, 2021 (Restated)	-	-	-	-	-
(iv) Disputed dues – Others					
As at March 31, 2022	**-**	**-**	**-**	**-**	**-**
As at March 31, 2021 (Restated)	-	-	-	-	-

Footnotes:

(i) The amount due to Micro Enterprise and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been noted upon by the auditors.

(ii) The disclosures relating to Micro Enterprises and Small Enterprises are as under:

(a) The principal amount remaining unpaid to supplier as at year end	615	168
(b) The interest due thereon remaining unpaid to supplier as at year end	3	3
(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) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the year end	-	1
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

18. Other Current Liabilities

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
* Advances from customers	1,303	486
** Statutory dues	410	202
	1,713	**688**

*** Disclosure in relation to Ind AS 115- "Revenue from contracts with customers": Refer Note No. 31**
**** Includes Goods and Service Tax, Tax deducted at source, Provident Fund, Employees State Insurance Corporation, Profession Tax, etc.**

19. Revenue from Operations

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
* Sale of food and beverages	21,919	11,506
Revenue from air catering and allied services	5,760	3,094
Service Export India Scheme Income	-	36
Other operating revenue	909	274
	28,588	**14,910**

* Disclosure in relation to Ind AS 115- "Revenue from contracts with customers": Refer Note No. 31

20. Other Income

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Interest Income on:		
- Deposits with banks	16	25
- Others (including income tax refunds)	38	109
	54	**134**
Dividend Income from current investments	23	64
Profit on disposal of property, plant and equipment (net)	29	8
Net gain on sale of Investments	33	78
Other non-operating income	125	57
	264	**341**

21. Food and Beverages Consumed

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Opening Stock	219	315
Add: Purchases	9,300	4,321
	9,519	**4,636**
Less: Closing stock	354	219
Food and beverages consumed	**9,165**	**4,417**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

22. Employee Benefit Expense and Payment to Contractors

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Salaries, Wages, Bonus etc.	9,683	7,862
Company's Contribution to Provident and Other Funds (Refer Note (i) below)	738	816
Reimbursement of expenses on personnel deputed to the Company	131	231
Payment to contractors	2,096	1,366
Staff welfare expenses	1,182	752
	13,830	**11,027**

(i) The Company has recognised the following amounts under the head “Company’s Contribution to Provident Fund and Other Funds”

₹ (in lakhs)

Particulars	As at March 31, 2022	As at March 31 , 2021 (Restated)
Provident Fund:		
To Regional Provident Fund (RPF)	49	48
To Indian Hotels Company Limited Employee Provident Fund Trust	172	166
Gratuity Fund	241	317
Company's Contribution to Employee Pension Scheme	248	240
Employee Deposit Linked Insurance	15	15
Superannuation Fund	13	30
Total	**738**	**816**

(ii) Consequent to the acquisition of the Air Catering business from IHCL and its affiliates, the employees attached to the respective Air Catering Divisions of IHCL were transferred to the Company. Since a formal approval to establish the Provident Fund trust for Mumbai, Delhi and Amritsar location is still awaited from the PF Commissioner, the Fund continues to be administered by IHCL. Provident Fund for other locations i.e. Kolkata, Bangalore, Goa and Chennai are administered by the respective Regional Provident Fund Commissioner “RPFC”.

23. Finance Cost

₹ (in lakhs)

	As at March 31, 2022	As at March 31 , 2021 (Restated)
Finance costs consist of the following:		
* Interest cost on lease liabilities	106	102
Other interest costs	45	50
	151	**152**

* Disclosure in relation to Ind AS 116- "Leases": Refer Note No. 32

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

24. Other operating and general expenses

₹ (in lakhs)

		As at March 31, 2022	As at March 31 , 2021 (Restated)
(i)	**Operating expenses consist of the following:**		
	Catering supplies	1,097	656
	Other supplies	486	365
	Fuel, power and light	2,389	1,557
	Repairs to buildings	134	112
	Repairs to machinery	266	164
	Repairs to others	427	285
	Linen and uniform washing and laundry expenses	122	42
	Travel agents' commission	170	184
	Other operating expenses	1,935	803
		7,026	**4,168**
(ii)	**General expenses consist of the following:**		
	Rent	119	8
	License fees	39	25
	Rates and taxes	287	327
	Insurance	249	206
	Advertising and publicity	39	18
	Printing and stationery	135	74
	Passage and Travelling	32	36
	Provision for doubtful debts	110	109
	Provision for other receivable	71	-
	SEIS Incentive written off	17	-
	Doubtful advances written off	1	2
	Expenditure on Corporate Social Responsibility (Refer Footnote (ii) below)	7	77
	Professional fees	382	470
	Outsourced support services	5	1
	Payment made to statutory auditors (Refer Footnote (i) below)	68	81
	Directors' fees and commission	16	16
	Corporate shared service fee	83	76
	Other expenses	509	305
		2,169	**1,831**
		9,195	**5,999**
Footnotes:			
(i)	**Payment made to Statutory Auditors:**		
	As statutory auditors	53	68
	As tax auditors	8	9
	For other services	5	1
	Reimbursement of out of pocket expenses	2	3
		68	**81**

(ii) During the year the Company has incurred ₹ 16 lakhs (March 31,2021: ₹ 77 lakhs) towards Corporate Social Responsibility expenditure. (Refer Note 39).

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

25. Estimation uncertainty relating to the global health pandemic on COVID-19

The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

The business has been impacted during the year on account of COVID-19. While the domestic airline carriers operated throughout the year with specific time bound flight restrictions on certain sectors, the international airlines operated under the bubble arrangements for greater part of the year. The sector regulator allowed full resumption of international services only effective March 27, 2022 and this late opening up of flights resulted in lower than normal inflight catering sales to international airlines operating out of India.

Whilst there is an overall improvement in business conditions with increased vaccinations and consequent reduction in number of cases and easing of all restrictions, the management continues to keep a close watch on evolving situation and is taking all necessary steps to protect its interests by engaging with its customers, employees and other important stakeholders.

The Company has assessed the possible impact of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to monitor any material changes to future economic conditions..

26. Going Concern:

Management has assessed the impact of existing and anticipated effects of COVID-19 on the future cash-flow projections and has prepared a range of scenarios to estimate financing requirements. The management has adequate funds in the form of cash and financing facilities for the next 12 months to prevent disruption of the operating cash flows and to enable the Company to meet its debts and obligations as they fall due. Accordingly, the financial statements for the year ended March 31, 2022 have been prepared on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

27. Contingent Liabilities (to the extent not provided for):

The Company is involved in the following appellate, judicial and arbitration proceeding matters arising in the course of conduct of the Company's businesses. In few of the proceedings in respect of matters under litigation are in early stages, and in other cases, the claims are indeterminate.

On account of matters in dispute:

Amounts in respect of claims asserted by various revenue authorities on the Company, in respect of taxes, etc. which are in dispute, are as under:

₹(in lakhs)

Nature of tax	Amounts claimed			
	Taxes	Amounts claimed (Interest and penalty)	Total	Paid under protest
Income Tax Related Matters				
March 31, 2022	**97**	**-**	**97**	**-**
March 31, 2021 (Restated)	97	-	97	-
Service tax				
March 31, 2022	**1,326**	**-**	**1,326**	**70**
March 31, 2021 (Restated)	1,326	-	1,326	70
Goods and Service Tax				
March 31, 2022	**-**	**-**	**-**	**-**
March 31, 2021 (Restated)	14	22	36	-
Sales tax and State value added taxes				
March 31, 2022	**3,088**	**100**	**3,188**	**269**
March 31, 2021 (Restated)	3,077	100	3,177	256
Central Excise				
March 31, 2022	**411**	**-**	**411**	**31**
March 31, 2021 (Restated)	-	-	-	-
Profession Tax				
March 31, 2022	**4**	**2**	**6**	**2**
March 31, 2021 (Restated)	4	2	6	2

(b) Others

1. The license fees for permission for water pipeline over the land belonging to International Airport Private Limited has been enhanced by ₹ 9 lakhs (As at March 31, 2021: ₹ 9 lakhs) during the financial year 2008-09 which has been contested by the Company.

2. Interest on delayed payment of Airport levy to Airport Authority of India for the years from 1999 to 2014 amounting to ₹ 20 lakhs for Taj Sats Air Catering Limited (Formerly – Taj Madras Flight Kitchen (TMFK)).

3. Management is generally unable to reasonably estimate a range of possible loss for proceedings related to labour disputes, including where:

   (i) plaintiffs/parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;

   (ii) the proceedings are in early stages;

   (iii) there is uncertainty as to the outcome of pending appeals or motions or negotiations;

   (iv) there are significant factual issues to be resolved; and/or

   (v) there are novel legal issues presented.

However, in respect of the above matters, management does not believe, based on currently available information, that the outcomes of the litigation will have a material adverse effect on the Company's financial condition, though the outcomes could be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

28. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account net of capital advances and not provided for is ₹720 lakhs (As at March 31, 2021: ₹ 178 lakhs).

29. Accounting and disclosure for scheme of Amalgamation

During the year, The National Company Law Tribunal ("NCLT") Mumbai Bench, vide its order dated June 10, 2021 and The National Company Law Tribunal ("NCLT") Chennai Bench, vide its order dated December 1, 2021 has approved the scheme of amalgamation of Taj Madras Flight Kitchen Pvt. Ltd. (TMFK) a wholly-owned subsidiary company. The Scheme was approved by Board of both the comapnies. Consequent to the said order filing of the certified orders with the Registrar of Companies Maharasthra on July 9, 2021 and with the Registrar of Companies Chennai on December 31, 2021, the scheme has become effective upon the completion of the filing with effect from the date of April 1, 2020 (Appointed Date). Accordingly, the Undertaking of TMFK stands transferred and vested in the Company with effect from the appointed date.

The Following Assets and Liabilities and Income and Expenses are included (after eliminating the inter company balances) in the financial statements of the Company for the periods presented below.

₹ (in lakhs)

Particulars	March 31, 2021 (Restated)
Assets	6,705
Liabilities	2,815
Net Assets	3,891
Income	1,204
Expense	2,165
Other comprehensive income	**84**

All the Equity shares of TMFK held by the Company were cancelled without any further application, act or deed.

Accordingly, the Investment held by the Company in TMFK aggregating to ₹ 5,958 lakhs have been eliminated and the reserves and surplus of the TMFK aggregating to ₹ 3,891 lakhs for the years ended March 31, 2021 respectively were added on line by line basis with the respective reserves of the Company after considering the impact of the differences of accounting policies, wherever applicable. This amalgamation did not involve any cash outflow (except for transaction costs which was expensed out) as TMFK was a wholly-owned subsidiary and the amalgamation has been accounted using 'pooling of interset' method. In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103 Business Combinations, figures for the year ended March 31, 2021 have been restated.

30. Employee Benefits

(a) The Company has recognised the following expenses as under the head "Contribution to Provident Fund and Other Funds":

₹ (in lakhs)

Particulars	March 31, 2022	March 31, 2021 (Restated)
Provident Fund	221	214

Gratuity Fund	241	317
Company's contribution to Pension Scheme	248	240
Employee Deposit Linked Insurance	15	15
Superannuation Fund	13	30
Total	**738**	**816**

(b) In light of the Supreme Court judgement dated February 28, 2019 regarding the definition of wages for calculation of Provident fund contribution, the Company as advised, on a prudent basis, has provided for the liability prospectively from date of judgement.

(c) The Company operates post retirement defined benefit plans as follows: -

Funded:

i. Post Retirement Gratuity

ii. Provident fund – managed through The Indian Hotels Company Limited Employee Provident Fund Trust.

Unfunded:

i. Pension to Employees – Post retirement minimum guaranteed pension scheme for certain categories of employees, which is unfunded.

(d) The above defined benefit plans typically expose the Company to actuarial risks such as: investment risks, interest rate, longevity risk and salary risk.

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to government security yields prevailing as at the Balance sheet date. If the return on plan asset is below this rate, it will create a plan deficit. The current plan has relatively balanced mix of investments in equity, government securities, bonds and other debt instruments. Due to the long-term nature of the plan liabilities, the Trustees of the Fund consider it appropriate that a reasonable portion of the plan asset should be invested in equity securities to leverage the return generated by the Fund.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will partially be offset by an increase in the return on the plan's debt investments.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(e) Pension Scheme for Employees:

The Company has formulated a unfunded pension scheme for certain employees. The actuarial liability arising on the above, after allowing for employees' contribution is determined as at the year end, on the basis of uniform accrual benefit, with demographic assumptions taken as Nil.

(f) Provident Fund:

The Provident fund for Mumbai and Delhi units are administered by a separate independent Trust (Indian Hotels Company Limited Employee Provident Fund Trust). These trusts maintain their assets at the Company level and do not have

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

assets identifiable specifically for the Company. Other locations i.e. Kolkata, Bengaluru, Goa and Chennai contribute to respective regional provident funds.

The Company contributed ₹172 lakhs (As at March 31, 2021: ₹ 66 lakhs) towards the above trust and has been recognised in the statement of profit and loss.

(g) Defined Benefit Plans – As per Actuarial Valuation on

(i) Amount to be recognised in Balance Sheet and movement in net liability

	Gratuity (Funded) ₹(in lakhs)	Pension (Unfunded) ₹(in lakhs)
Present Value of Funded Obligations		
March 31, 2022	**4,297**	**-**
March 31, 2021 (Restated)	4,194	-
Present Value of Unfunded Obligations		
March 31, 2022	**0**	**3**
March 31, 2021 (Restated)	-	3
Fair Value of Plan Assets		
March 31, 2022	**(3,934)**	**-**
March 31, 2021 (Restated)	(3,732)	-
Net (Asset)/Liability		
March 31, 2022	**363**	**3**
March 31, 2021 (Restated)	462	3

(ii) Expenses recognised in the statement of profit & loss

	Gratuity (Funded) ₹(in lakhs)	Pension (Unfunded) ₹(in lakhs)
Current Service Cost		
Year Ended March 31, 2022	**217**	***-**
Year Ended March 31, 2021 (Restated)	221	-
Past Service Cost		
Year Ended March 31, 2022	**-**	**-**
Year Ended March 31, 2021 (Restated)	63	-
Interest Cost		
Year Ended March 31, 2022	**24**	***-**
Year Ended March 31, 2021 (Restated)	33	1
Total Expense		
Year Ended March 31, 2022	**241**	-
Year Ended March 31, 2021 (Restated)	317	1

(iii) Reconciliation of Defined Benefit Obligation

	Gratuity (Funded) ₹(in lakhs)	Pension (Unfunded) ₹(in lakhs)
Opening Defined Benefit Obligation		
March 31, 2022	**4,194**	**3**
March 31, 2021 (Restated)	4,014	4
Current Service Cost		

March 31, 2022	**217**	**0**
March 31, 2021 (Restated)	221	-
Past Service Cost		
March 31, 2022	-	-
March 31, 2021 (Restated)	63	-
Interest Cost		
March 31, 2022	**267**	**0**
March 31, 2021 (Restated)	**255**	**1**

	Gratuity (Funded) ₹(in lakhs)	Pension (Unfunded) ₹(in lakhs)
Actuarial loss/(gain)		
March 31, 2022	**(212)**	**8**
March 31, 2021 (Restated)	(138)	(2)
Benefits Paid		
March 31, 2022	**(226)**	**(8)**
March 31, 2021 (Restated)	(221)	-
Laibility assumed/(Settled)		
March 31, 2022	**57**	**-**
March 31, 2021 (Restated)	-	-
Closing Defined Benefit Obligation		
March 31, 2022	**4,297**	**3**
March 31, 2021 (Restated)	**4,194**	**3**

(iv) Reconciliation of Fair Value of Plan Assets

	Gratuity (Funded) ₹ (in lakhs)	Pension (Unfunded) ₹ (in lakhs)
Opening Fair Value of Plan Assets		
March 31, 2022	**3,732**	**-**
March 31, 2021 (Restated)	3,413	-
Interest on Plan Assets		

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

March 31, 2022	**243**	**-**
March 31, 2021 (Restated)	221	-
Actual return on Plan Assets less Interest on Plan Assets		
March 31, 2022	**(23)**	**-**
March 31, 2021 (Restated)	322	-
Contribution by Employer		
March 31, 2022	**151**	**8**
March 31, 2021 (Restated)	0	-
Benefits Paid		
March 31, 2022	**(226)**	**(8)**
March 31, 2021 (Restated)	(224)	-
Asset Acquired/(Settled)		
March 31, 2022	**57**	
March 31, 2021 (Restated)	-	
Closing Fair Value of Plan Assets		
March 31, 2022	**3,934**	**-**
March 31, 2021 (Restated)	3,732	-

(v) Description of Plan Assets (Managed by an Insurance Company)

Particulars	Gratuity (Funded)	
	March 31, 2022	March 31, 2021 (Restated)
Government of India Securities	50%	47%
Corporate Bonds	19%	26%
Equity	17%	17%
Money Market & Others	14%	10%
Grand Total	**100%**	**100%**

(vi) Actuarial Assumptions

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	March 31, 2022	March 31, 2021 (Restated)	March 31, 2022	March 31, 2021 (Restated)
Discount rate (p.a.)	6.80%	6.80%	6.80%	6.80%
Salary Escalation Rate (p.a.)	5.00% p.a	5.00% p.a	5.00%	5.00%
Employee Turnover	21-30 years 5% p.a.	21-30 years 5% p.a.	21-30 years 5% p.a.	21-30 years 5% p.a.

	31-59 years 1% p.a.	31-59 years 1% p.a.	31-59 years 1% p.a.	31-59 years 1% p.a.
Mortality table*				
Mortality in service	Table 1	Table 1	Table 1	Table 1
Mortality in retirement	Table 2	Table 2	Table 2	Table 2

*Table 1 – Indian Assured Lives mortality (2012-14) Ult table
Table 2 – UK published S1PA Mortality rate

(vii) Sensitivity Analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarises the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

₹ (in lakhs)

Particulars	Year ended March 31, 2022	
	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	4,141	4,466
Impact of decrease in 50 bps on DBO	4,464	4,137

(viii) Amount recorded in other comprehensive income

₹ (in lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021 (Restated)
Remeasurements during the period due to		
Change in financial assumptions	-	(161)
Change in demographic assumptions	-	15
Experience adjustments	(212)	6
Experience adjustments on plan assets	22	(322)
Total	**(190)**	**(462)**

Footnote:

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors. The above information has been certified by the actuary and has been relied upon by the Auditors.

Code on Social Security, 2020:

The Code on Social Security, 2020 ('the Code') relating to employee benefits received Presidential assent on September 28, 2020. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020 and invited suggestions from the stakeholders. The date of implementation of the Code is yet to be notified by the Government and when implemented will impact the contributions by the Company towards benefits such as Provident Fund, Gratuity etc. The Company will assess the impact of the Code and give effect in the financial results when the Code and Rules thereunder are notified.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

31. Ind AS 115 'Revenue from contracts with customers'

Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of profit and loss:

i) Revenue from operations

₹ (in lakhs)

Revenue from contract with customers	March 31, 2022	March 31 , 2021 (Restated)
(a) Sale of food and beverages	21,919	11,506
(b) Revenue from Air catering and Allied services	5,760	3,094
(c) Other Operating Income	909	310
Total Revenue from operations	**28,588**	**14,910**

ii) Revenue based on products and services:

₹ (in lakhs)

Revenue from contract with customers	March 31, 2022	March 31 , 2021 (Restated)
Sale of food and beverages	21,919	11,506
Handling services	2,505	1,443
Hi-loader service	2,527	1,119
Laundry services	142	15
Bonded warehouse rental	433	410
Miscellaneous services	153	107
Other operating income	909	310
Total Revenue	**28,588**	**14,910**

Contract Balances

Contract liability

The contract liability relates to the advance consideration received from customers before the related performance obligation is satisfied. Revenue is recognised once the performance obligation is over/services delivered.

The related disclosures are as under:

₹ (in lakhs)

Particulars	March 31, 2022	March 31, 2021 (Restated)
Advances collected from the customers *	1,303	486

* Considering the nature of the business, the advance collected are generally materialised as revenue within the same operating cycle.

32. Leases

The Company has taken land, vehicles and other moveable assets on lease which are generally long term in nature with varying terms, escalation clauses and renewal rights expiring within one to ten years. On renewal, the terms of the leases are renegotiated.

(a) Total lease liabilities are analysed as under:

₹ (in lakhs)

Particulars	March 31, 2022	March 31, 2021 (Restated)
Current*	586	717
Non current	686	841

Total	**1,272**	**1,558**

* The Current Portion of the lease liability is excluding the interest component on the lease liability. Actual Lease Payments (including notional interest as per Ind AS 116) would be ₹ 670 Lakh. Refer note (b) below for the Maturity Analysis of the Lease Payments.

(b) Exposure to future cash flows:

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations

₹ (in lakhs)

Particulars	March 31, 2022	March 31, 2021 (Restated)
Maturity analysis:		
Less than 1 year	670	805
Between 1 and 5 years	653	840
More than 5 years	156	189
Total	**1,479**	**1,834**

(c) Overall lease rentals (including provisions) for the year ended March 31, 2022 are as below:

₹ (in lakhs)

Particulars	March 31, 2022	March 31, 2021 (Restated)
Minimum Lease Payments	443	375
Total	**443**	**375**

33. Related Party Disclosures:

(a) The names of related parties of the Company are as under:

i. Entities having joint control

Name of the Company	Country of Incorporation
The Indian Hotels Company Limited (IHCL)	India
SATS Ltd.	Singapore

ii. Key Management Personnel

Particulars	Relation
Manish Gupta (from August – 2020)	Chief Executive Officer

iii. Subsidiaries of Entities having joint control

Name of the Company	Country of Incorporation
Domestic	
United Hotels Ltd.	India
Ideal Ice Limited	India
Roots Corporation Ltd.	India

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

Taida Trading and Industries Limited	India
Piem Hotels Ltd.	India

iv. Entities where Directors have control/significant influence

Particulars	Place of Incorporation
SATS (India) Co. Pvt. Ltd.	India

v. Post-employment benefit plans:

Taj SATS Air Catering Limited Staff Gratuity Trust

Taj SATS Air Catering Limited Superannuation Scheme

The Indian Hotels Company Limited Employee Provident Fund Trust

(b) Details of Related party transactions during the year:

(₹ In Lakh)

Particulars		Ventures (IHCL and SATS Ltd.)	Key Management Personnel	Others (IHCL) Subsidiaries)	Entities influenced by Directors	Post Retirement benefit plans
Details of Related party transactions during the year ended March 31, 2022						
Sale of goods	March 31, 2022	348	-	70	-	-
	March 31, 2021(Restated)	*41*	-	*3*	-	-
Corporate shared service fee	March 31, 2022	83	-	-	-	-
	March 31, 2021(Restated)	*76*	-	-	-	-
Purchase of services	March 31, 2022	52	-	7	-	-
	March 31, 2021(Restated)	*124*	-	*0*	-	-
Deputed Staff cost	March 31, 2022	103	-	-	37	-
	March 31, 2021(Restated)	*94*	-	-	*148*	-
Sale of services	March 31, 2022	5	-	-	-	-
	March 31, 2021(Restated)	*87*	-	*17*	-	-
Contributions to funds	March 31, 2022	-	-	-	-	386
	March 31, 2021(Restated)	-	-	-	-	*404*
Remuneration Paid	March 31, 2022	-	131	-	-	-
	March 31, 2021(Restated)	-	*66*	-	-	-

(c) Details of Related party balances:

Particulars	Ventures (IHCL and SATS Ltd.)	Key Management Personnel	Others (IHCL) Subsidiaries)	Entities influenced by Directors	Post Retirement Benefit Plans
The details of amounts due to or from related parties are as at 31 March are as follows:					
Balance outstanding at the end of the year					
Trade Payables					
March 31, 2022	58	-	7	-	
March 31, 2021 (Restated)	*70*	-	*0*	*54*	
Trade Receivables					

March 31, 2022	57		25		
March 31, 2021 (Restated)	*114*	-	*4*	-	

Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company as a whole and long term incentive.

(d) Remuneration paid to Key Management Personnel:

₹ (in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Manish Gupta (from August – 2020)	131	66
Total	**131**	**66**

(e) Statement of Material Transactions:

(₹ In Lakh)

Name of the Company		The Indian Hotels Company Ltd.	SATS Ltd.	Post- retirement benefit plan	Roots Corporation Ltd.
Sale of goods	March 31, 2022	348	-	-	0
	March 31, 2021(Restated)	*41*	-	-	-
Purchase of services	March 31, 2022	52	-	-	1
	March 31, 2021(Restated)	*124*	-	-	*2*
Deputed Staff cost	March 31, 2022	103	-	-	-
	March 31, 2021(Restated)	*94*	-	-	-
Sale of services	March 31, 2022	5	-	-	-
	March 31, 2021(Restated)	*84*	*3*	-	-
Corporate shared service fee	March 31, 2022	83	-	-	-
	March 31, 2021(Restated)	*76*	-	-	-
Contribution to Funds	March 31, 2022	-	-	386	-
	March 31, 2021(Restated)	-	-	*404*	-

(₹ In Lakh)

Name of the Company		Piem Hotels Ltd.	Ideal Ice Limited	United Hotels Ltd.	SATS (India) Co. Private Ltd.
Sale of goods	March 31, 2022	22	43	5	-
	March 31, 2021 (Restated)	*1*	-	*3*	-
Deputed Staff cost	March 31, 2022	-	-	-	37
	March 31, 2021 (Restated)	-	-	-	*148*
Sale of services	March 31, 2022	-	-	-	-
	March 31, 2021 (Restated)	*17*	-	-	-
Purchase of services	March 31, 2022	-	6	-	-

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

March 31, 2021 (Restated)	-	-	-	-

34. Tax disclosures

i. Income tax recognised in statement of profit and loss:

₹ (in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021 (Restated)
Current tax expense		
In respect of earlier years#	21	(77)
	21	**(77)**
Deferred tax expense		
For the year	(1,218)	(1,945)
	(1,218)	**(1,945)**
Net income tax expense recognised in the statement of profit and loss	**(1,197)**	**(2,022)**

The Company has recognised deferred tax asset of ₹ 922 lakhs (March 31, 2021: ₹1,604 lakhs) recognised on current year business loss of ₹ 3,665 lakhs (March 31, 2021: ₹6,374 lakhs) and ₹ 296 lakhs (March 31, 2021: ₹ 329 lakhs) on unabsorbed depreciation of ₹ 1,177 lakhs (March 31, 2021: 1,307 lakhs). Deferred tax asset created on account of business loss is recognised considering that probable taxable profit will be available in subsequent periods, within the statutory time limit for carry forward of business losses, against which the deductible temporary difference created on account of business loss in current year can be utilised. The Company has made the assessment based on the internal budgets and profit forecasts prepared by the management, after duly considering the potential impact of COVID-19 in the future business of the Company. Deferred tax asset created on account of unabsorbed depreciation can be carried forward and there is no statutory time limit to offset the same.

Income tax expense of ₹ 21 Lakh for the financial year 2021-22 is in respect of provision for interest u/s 234C for the financial year 2017-18 and income tax credit of ₹ 77 Lakh for the financial year 2020-21 pertains to tax in respect of earlier years on account of reversal of tax expense on provision for doubtful debts created during the FY 2018-19 which was subsequently claimed as a deduction at the time of filing of income tax return. However, there is no impact of the same in the statement of profit and loss for financial year 2019-20, since such writeback for Provision of tax is offset by reversal of Deferred Tax Asset by an equivalent amount.

The Company has reviewed its income tax treatments in order to determine whether Appendix C of Ind AS 12 effective from April 1, 2019 could have an impact on the Financial Statements and concluded that it has no material impact on the Company's financial statements.

As a practice, where the interpretation of income tax law is not clear, management relies on the some or all of the following factors to determine the probability of its acceptance by the tax authority:

· Strength of technical and judicial argument and clarity of the legislation;

· Past experience related to similar tax treatments in its own case;

· Legal and professional advice or case law related to other entities.

After analysing above factors for each of such uncertain tax treatments, where the Company expects that the probability to sustain its position on ultimate resolution of such uncertain tax treatment is remote, the Company ensures that such uncertain tax positions are adequately provided for in the financial statements.

ii. The income tax expenses for the year reconciled to the accounting profit:

₹ (in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021 (Restated)
Loss before tax from continuing operations:	(5,195)	(8,003)
Income tax expenses calculated at 25.168 %	(1,307)	(2,014)
Effect of depreciation expense not deductible in determining taxable profit	18	1
Effect of Corporate Social Responsibility expense not deductible in determining taxable profit	2	19
Effect of one time provision for doubtful debt	(27)	77
Effect of expenses that are not deductible in determining taxable profit	52	(31)
Others	44	3
	(1,218)	**(1,945)**
Tax expense/(Credit) relating to previous year	21	(77)
Net income tax credit recognised in the statement of profit and loss	**(1,197)**	**(2,022)**

iii. Analysis of deferred tax assets presented in the balance sheet

₹ (in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021 (Restated)
Deferred Tax Assets	1,365	147

a) Significant components of net deferred tax assets for the year ended March 31, 2022 are as follows:

Particulars	Opening balance as at April 1, 2021 (Restated)	Recognised in profit or loss	Closing balance as at March 31,2022
Property, plant and equipment and intangible assets	(2,502)	69	(2,433)
Provision for employee benefits	383	(50)	333
Provision for doubtful debts	107	55	162
Lease Liabilities	151	(38)	113
Current year business loss to be carried forward	1,933	1,219	3,152
Others	75	(37)	38
Net Deferred Tax Assets	**147**	**1,218**	**1,365**

b) Significant components of net deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

Particulars	Opening balance as at April 1, 2020 (Restated)	Recognised in profit or loss	Closing balance as at March 31,2021 (Restated)
Property, plant and equipment and intangible assets	(2,562)	60	(2,502)
Provision for employee benefits	352	31	383
Provision for doubtful debts	188	(81)	107
Lease Liabilities	188	(37)	151
Current year business loss to be carried forward	-	1,933	1,933
Others	36	39	75

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Net Deferred Tax Liabilities/(Assets)	(1,798)	1,945	147

35. Segment Information:

The Company is engaged in the business of airline and allied catering only. These, in the context of Indian Accounting Standard 108 (Ind AS 108) on segment reporting are considered to constitute single operating segment. The Company has its entire operations in India and hence entire revenue is generated in India, all the services are rendered to the customers in India and there are no assets which are situated outside India.

As the Company is engaged in a single operating segment, segment information is tabulated below:

Revenue from major products and services
The following is an analysis of the Company's revenue from operations from its major products and services.

₹ (in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021 (Restated)
Sale of food and beverages	21,919	11,506
Handling services	2,505	1,443
Hi-Lift services	2,527	1,119
Total	**26,951**	**14,068**

Information about major customers
Included in revenue arising from operations of ₹ 28,575 lakhs (2020-21: ₹14,910 lakhs) (see note 19) are revenues of approximately ₹12,264 lakhs (2020-21:₹10,017 lakhs) which arose from sales to Company's five largest customers that contributes greater than 10% of the revenues during the year. No other single customers contributed 10% or more to the Company's revenue for the year ended March 31, 2022 and March 31, 2021.

36. Earnings Per Share (EPS):

Earnings Per Share is calculated in accordance with Indian Accounting Standard 33 – 'Earnings Per Share'

₹ (in lakhs)

Particulars	March 31, 2022	March 31, 2021 (Restated)
Profit/(Loss) after tax (₹ lakhs)	(3,998)	(5,981)
Weighted Average Number of Ordinary Shares:		
Considered in calculation of Basic EPS	1,74,00,000	1,74,00,000
Considered in calculation of Diluted EPS	1,74,00,000	1,74,00,000

Face Value per Ordinary Share (₹)	10	10
Earnings Per Share (₹):		
Basic and Diluted	(22.98)	(34.37)

37. Financial Instruments

(a) Financial assets and liabilities

The carrying value of financial instruments by categories is as follows.

Fair Value Measurement:

March 31, 2022	Fair value through profit or loss	Amortised cost	Total carrying value
Financial assets:			
Cash and cash equivalents	-	455	455
Bank balance other than cash and cash equivalents	-	310	310
Trade Receivables	-	5,291	5,291
Loans	-	19	19
Other financial assets	-	1,766	1,766
Total	**-**	**7,841**	**7,841**
Financial liabilities:			
Lease Liabilities	-	1,272	1,272
Trade Payables	-	3,854	3,854
Borrowings	-	1,023	1,023
Other financial liabilities	-	2,898	2,898
Total	**-**	**9,047**	**9,047**

March 31, 2021 (Restated)	Fair value through profit or loss	Amortised cost	Total carrying value
Financial assets:			
Cash and cash equivalents	-	299	299
Other balance with banks	-	320	320
Investments	2,235	-	2,235
Trade Receivable	-	4,947	4,947
Loans	-	27	27
Other financial assets	-	1,274	1,274

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Total	**2,235**	**6,867**	**9,102**
Financial liabilities:			
Lease Liabilities		1,558	1,558
Trade Payables	-	3,373	3,373
Other financial liabilities	-	1,798	1,798
Total	**-**	**6,729**	**6,729**

Fair value hierarchy:
The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes mutual funds that have quoted price/declared NAV.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

₹ (in lakhs)

March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund units	-	-	-	-
Total	**-**	**-**	**-**	**-**

₹ (in lakhs)

March 31, 2021 (Restated)	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund units	2,235	-	-	2,235
Total	**2,235**	**-**	**-**	**2,235**

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

ii) The carrying amounts of the borrowings (excluding non-convertible debentures) that are not measured at fair value are reasonable approximation of fair value, as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

(b) Financial risk management:
The Company has exposure to the following risk arising from financial instruments

i) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

ii) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective entities. However, the Company does not have any exposure in foreign currency and hence it is not exposed to foreign currency exchange rate risk.

iii) Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company does not have any long term borrowings at variable interest rates and hence is not exposed to interest rate risk.

iv) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits, loans and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Credit limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the Company.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹7,841 lakhs and ₹9,102 lakhs as of March 31, 2022 and March 31, 2021 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments.

The Company's exposure to customers is diversified and customers contributing to more than 10% of outstanding accounts receivable and unbilled revenue are as given below.

₹ (in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Customer count	3	2
Amount receivable	2,919	2,710

There is no other single customer contributing to more than 10% of the accounts receivable and unbilled revenue.

(c) Capital Management:

The Company's objective for capital management is to maximise shareholders value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and borrowings – long-term and short-term. The Company has undrawn overdraft/ cash credit facility for meeting its future working capital requirements. Subsequently to the reporting date, management has commenced the process to secure additional financing to fulfil its long term/working capital requirements.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

(d) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

Maturities of financial liabilities

The Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross undiscounted and exclude future contractual interest payments.

Non-derivative financial liabilities	Carrying value As at Balance Sheet date	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Lease Liabilities						
March 31, 2022	1,272	670	238	415	156	1,479
March 31, 2021 (Restated)	*1,557*	*805*	*220*	*620*	*189*	*1,834*
Trade and other payables						
March 31, 2022	3,854	3,854	-	-	-	3,854
March 31, 2021 (Restated)	*3,374*	*3,374*	-	-	-	*3,374*
Other financial liabilities						
March 31, 2022	2,799	2,799	-	-	-	2,799
March 31, 2021 (Restated)	*1,698*	*1,698*	-	-	-	*1,698*
March 31, 2022	7,925	7,323	238	415	156	8,132
March 31, 2021 (Restated)	*6,629*	*5,877*	*220*	*620*	*189*	*6,906*

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 while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times, so that the Company does not breach borrowing limits. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial ratio targets.

38. Earnings in Foreign Exchange:

₹ (in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021 (Restated)
Earnings in Foreign Exchange:	3,957	795
(On accrual basis)		

Earnings in foreign exchange represent amounts received/receivable by the Company from International Airlines, charters, diplomatic missions etc. in Indian Rupees out of their repatriable funds and include settlements made in foreign currency by the customers.

39. Corporate Social Responsibility (CSR):

As required by Section 135 of Companies Act 2013, and rules therein, the Company has spent the following amount during the year towards Corporate Social Responsibility (CSR) for activities listed under Section VII of the Companies Act, 2013

a) Gross amount required to be spent by the Company during the financial year 2021-22 is ₹ 7 lakhs (As at March 31, 2021: ₹ 77 lakhs).

b) Amount spent during the year on:

₹ (in lakhs)

Particulars	March 31, 2022	March 31, 2021 (Restated)
On purpose other than Construction/ acquisition of any asset	16	77

c) There are no unspent amount which needs to be disclosed as a part of Section 135(5) of Companies Act, 2013.

d) The excess amount which needs to be disclosed as a part of Section 135(6) of Companies Act, 2013.

₹(in lakhs)

Opening Balance	Amount required to be spent during the year	Amount Spent during the year	Closing Balance
-	7	16	9

e) Disclosure with regard to CSR activities:

₹(in lakhs)

	March 31, 2022	March 31, 2021 (Restated)
(i) amount required to be spent by the Company during the year	7	77
(ii) amount of expenditure incurred	7	77
(iii) shortfall at the end of the year	-	-
(iv) total of previous years shortfall	-	-
(v) reason for shortfall	N.A.	N.A.
(vi) nature of CSR activities	1. For supporting livelihood programmes for the hearing impaired in India. 2. Cleaning of neighbourhood areas, placing of dustbins, plantation of trees and environmental awareness campaign.	1. Meal Ditribution to Hopitals and Migrant Workers during Covid 19. 2. COVID-19 Disaster Response. 3. Tata Strive Skill Development Programme. 4. Responsible Neighbourhood (Cleaning of neighbourhood areas, placing of dustbins, plantation of trees and environmental awareness campaign)
(vii) details of related party transactions, e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	N.A.	Taj Public Service Welfare Trust – ₹ 25 lakhs.
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	N.A.	N.A.

40. Overdraft balance

Overdraft in current account carries interest rate in the range of 7.00% p.a. - 8.80% p.a. as at March 31, 2022

41. Additional regulatory information:

(a) Ratios:

Ratio	Numerator	Denominator	Current Year	Previous Year
Current Ratio (in times)	Total Current Asset	Total Current Liabilities excluding current maturities of long-term borrowings	0.71	1.27

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

Debt Equity Ratio (in times)	Non-Current Borrowings + Current Borrowings	Total Equity	0.05	-
Debt service coverage ratio (in times)	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	[Interest (Net) + Lease Payments + Principal Repayment of long-term Debt)]	(7.53)	(16.51)
Return on equity ratio (in %)	Profit/(Loss) after tax	Average total equity	-19%	-23%
Inventory Turnover	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.69	2.95
Trade payables turnover ratio (in times)	Total expenses – Depreciation - Interest – Payroll Cost	Average trade payables	5.08	2.76
Net capital turnover ratio (in times)	Net Sales	* Working Capital i.e. (Avg. Current Assets – Avg. Current Liabilities)	14.42	5.24
Net profit ratio (in %)	Profit of the year	Total Income	-18%	-52%
Return on Capital employed (in %)	Profit before tax & finance costs	* Avg. Equity + Avg. Debt + Avg. Leases	-15%	-21%
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	Not Applicable	Not Applicable

Explanation to the Ratios :

(i) Current Ratio has declined due to redemption of investment in Mutual Funds and utilisation of bank facilities to meet the working capital requirement.

(ii) Debt Equity ratio has increased due to availment of credit facilities in current year to meet the working capital requirments.

(iii) Debt service coverage ratio has improved due to reduction in loss before taxes as compared to the previous year after removal of restrictions on the operations of domestice airlines. Increase in non-aviation business also resulted in the increase in this ratio.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

(iv) Trade receivable turnover ratio has improved on account of increase in revenue from oprearions and debtors has remained the same due to improvement in the collections.

(v) Trade payable turnover ratio has increased in line with the increase in business volume vis-à-vis previous year.

(vi) Net capital turnover ratio has increased due to increase in revenue from operations after removal of restrictions on the operations of domestice airlines. Increase in non-aviation business also resulted in the increase in this ratio.

(vii) Net profit ratio has improved due to reduction in loss for the current year vis-à-vis previous year.

(viii) Return on capital employed has improved due to reduction in loss for the current year vis-à-vis previous year.

(b) Transactions with Struck Off Companies:
The Company has no transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

(c) Utilisation of Borrowed funds and share premium:

(A) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds, that have been to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(d) Title deeds of Immovable Properties not held in name of the Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

Property, plant and equipment	Land	27	The Indian Hotels Company Limited	Yes	October 1, 2001	In accordance with the Business Transfer Agreement entered with IHCL, the land located at Mumbai is to be conveyed in favour of the Company. However, the same is pending completion of certain legal formalities.

42. Regrouping/Reclassificationn:

Previous period figures have been regrouped / reclassified wherever necessary, to conform to current period's classification and in order to comply with the requirements of the amended schedule III to the companies Act, 2013 effective April 1 , 2021.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Viren Soni
Partner
Membership No. 117694

Mumbai, 18 April 2022

For and on behalf of the Board of Directors

Taj SATS Air Catering Limited
CIN: U55204MH2001PLC133177

Puneet Chhatwal
(Chairman)
DIN: 07624616

Mehernosh Kapadia
Vice Chairman
DIN: 00050530

Giridhar Sanjeevi
Director
DIN: 06648008

Manish Gupta
Chief Executive Officer

Sudeep Pal
Chief Financial Officer

Bakhtawar K. Irani
Company Secretary
Membership No. A17753

Independent Auditor's Report

To the Members of TAJ ENTERPRISES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements (Ind AS Financials Statements) of Taj Enterprises Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit of the financial statements 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report (Contd.)

Management's Responsibilities for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 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.

Independent Auditor’s Report (Contd.)

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the rules issued there under.

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

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

    g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

       In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year hence the provisions of the section 197 of the Act are not applicable.

Independent Auditor’s Report (Contd.)

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

(i) The Company does not have any pending litigations which would impact on its financial position.

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

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

(iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The company has not paid/declared any dividends during the year. Hence, compliance of section 123 of the act is not applicable.

2. 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 B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Brahmayya & Co.**
Chartered Accountants
Firm’s Regn No: 000511S

N. Venkata Suneel
Partner
Membership No. 223688
UDIN:22223688AHOHPB2680

Place: Gurgaon
Date: April 21,2022

Annexure 'A' to the Independent Auditor's Report

The **Annexure A**, referred to in Clause 1 (f) of **"Report on Other Legal and Regulatory Requirements"** Paragraph of the Independent Auditor's Report of even date to the members of **Taj Enterprises Limited** on the financial statements as of and for the year ended March 31, 2022.

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Taj Enterprises Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Annexure 'A' to the Independent Auditor's Report (Contd.)

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Brahmayya & Co.**
Chartered Accountants
Firm's Regn No: 000511S

N. Venkata Suneel
Partner
Membership No. 223688
UDIN:22223688AHOHPB2680

Place: Gurgaon
Date: April 21,2022

Annexure ‘B’ to the Independent Auditor’s Report

The **“Annexure B”** Referred to in Clause 2 of **“Report on Other Legal and Regulatory Requirements”** Paragraph of the Independent Auditor’s Report of even date to the members of **Taj Enterprises Limited** on the financial statements as of and for the year ended March 31, 2022.

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

(a) (B) The company is maintaining proper records, showing full particulars of Intangible assets.

(b) The fixed assets of the Company have been physically verified by the management at reasonable intervals. According to the information and explanation given to us by the management, no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The management has conducted physical verification of inventory at reasonable intervals which in our opinion the coverage and procedure of such verification by the management is appropriate having regard to the size and nature of business and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on physical verification.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. According to the information and explanations given to us, the company has not made any investments, provided any guarantee or security or granted any loans secured or unsecured to companies, firms or any other parties during the year. Hence, the provisions of clauses 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable.

iv. In our opinion and according to the information and explanation given to us, the company has not provided any loans, investments, guarantees, and security to any party covered in section 185 and 186 of the Companies Act, 2013. Therefore, the provision of clause 3(iv) of the order is not applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

Annexure 'B' to the Independent Auditor's Report (Contd.)

vi. The maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Luxury Tax, Value Added Tax, Goods and Services Tax (GST), Service tax, Customs Duty, Excise Duty, Cess and other statutory dues during the year with the appropriate authorities. There are no outstanding statutory dues as at 31st March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Goods and Services Tax (GST), Service tax, customs duty, excise duty, value added tax and other statutory dues which have not been deposited on account of any dispute.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) The company has not raised any short-term funds during the year and hence reporting under clause 3(ix)(d) of the order is not applicable.

(e) The company does not have any subsidiaries, joint ventures or associate companies and hence reporting under clause 3(ix)(e) of the order is not applicable.

(f) The company does not have any subsidiaries, joint ventures or associate companies and hence reporting under clause 3(ix)(f) of the order is not applicable.

x. (a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

Annexure 'B' to the Independent Auditor's Report (Contd.)

xi. (a) According to the information and explanations given to us, there have been no cases of fraud by the company or any fraud on the company has been noticed or reported during the year under report.

(b) No report under sub-section (12) of section 143 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 whistleblower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties, are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) Based on our audit procedures and according to the information and explanations given to us, there are 6 Core Investment Companies (CICs) in the Group (basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.

xvii. The Company has incurred cash losses in the financial year and in the immediately preceding financial year. The Cash losses for the current financial year is Rs. 57.33 lakhs and for the immediately preceding financial year is Rs. 165.90 lakhs.

Annexure 'B' to the Independent Auditor's Report (Contd.)

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In our opinion section 135(5) of the Act is not applicable to the company. Hence reporting under clause 3(xx)(a) of the order is not applicable.

(b) In our opinion section 135(6) of the Act is not applicable to the company. Hence reporting under clause 3(xx)(b) of the order is not applicable.

xxi. The company is not having any subsidiaries and is therefore not required to draw any consolidated financial statements. Hence, the reporting under clause 3(xxi) of the Order is not applicable.

For **Brahmayya & Co.**
Chartered Accountants
Firm's Regn No: 000511S

N. Venkata Suneel
Partner
Membership No. 223688
UDIN:22223688AHOHPB2680

Place: Gurgaon
Date: April 21,2022

Balance Sheet
As at March 31, 2022

₹ Lakhs

	Note	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	3	232.77	262.74
Capital work-in-progress	4	19.19	-
Intangible assets	5	0.70	0.88
Non-current financial assets			
Investments	6	7.20	7.20
Loans	7	-	-
Deferred tax assets (net)	8	82.95	51.75
Advance income tax (net)		20.16	32.17
Other non-current assets	9 (a)	0.20	0.20
		363.17	**354.94**
Current assets			
Inventories	10	5.85	5.07
Financial assets			
Trade receivables	11	68.20	4.16
Cash and cash equivalents	12	144.83	143.04
Other Balances with Banks	13	200.00	200.00
Other financial assets	14	2.27	4.64
Other current assets	9 (b)	9.98	25.59
		431.13	**382.50**
Total		**794.30**	**737.44**
Equity and Liabilities			
Equity			
Equity share capital	15	50.00	50.00
Other equity	16	458.84	517.13
Total Equity		**508.84**	**567.13**
Liabilities			
Non-current liabilities			
Provisions	17 (a)	53.60	47.91
		53.60	**47.91**
Current liabilities			
Financial liabilities			
Trade payables	18	-	-
- Micro and Small Enterprises		5.83	0.94
- Others		120.44	59.70
Other financial liabilities	19	37.22	34.91
Provisions	17 (b)	4.70	4.11
Other current liabilities	20	63.67	22.74
		231.86	**122.40**
Total		**794.30**	**737.44**

The accompanying notes form an integral part of the standalone financial statements (Refer Notes 1 - 41).

As per our report of even date as attached

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No. 000511S

N. Venkata Suneel
Partner
Membership No. 223688

Gurgaon, April 21, 2022

For and on behalf of the Board

Rohit Khosla
Director
DIN: 07163135

Mohit Gupta
Director
DIN: 01865794

New Delhi, April 21, 2022

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

₹ in Lakhs

Particulars	Note	March 31, 2022	March 31, 2021
Income			
Revenue from operations	21	664.26	292.57
Other income	22	35.94	17.43
Total		**700.20**	**310.00**
Expenses			
Food and beverages consumed	23	228.04	105.81
Employee benefit expenses and payment to contractors	24	273.90	219.01
Depreciation and amortisation expenses	3&5	30.53	39.10
Other operating and general expenses	25	263.42	151.08
Total		**795.89**	**515.00**
Profit/(Loss) before exceptional items and tax		(95.69)	(205.00)
Exceptional items		-	-
Profit/(Loss) before tax		**(95.69)**	**(205.00)**
Tax expense			
Current tax		(7.83)	-
Deferred tax	8	(30.79)	(45.53)
Total		**(38.62)**	**(45.53)**
Profit/ (Loss) after tax		(57.07)	(159.47)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss account			
Remeasurement of defined benefit obligation		(1.63)	1.13
Add/ (Less):- income tax credit/ (expense)		0.41	(0.28)
Other comprehensive income for the year, net of tax		**(1.22)**	**0.85**
Total comprehensive income for the year		**(58.29)**	**(158.62)**
Earnings per share:	31		
Basic and Diluted - (₹)		(114.15)	(318.95)
Face value per equity share - (₹)		100.00	100.00

The accompanying notes form an integral part of the standalone financial statements (Refer Notes 1 - 41).

As per our report of even date as attached

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No. 000511S

N. Venkata Suneel
Partner
Membership No. 223688

Gurgaon, April 21, 2022

For and on behalf of the Board

Rohit Khosla
Director
DIN: 07163135

Mohit Gupta
Director
DIN: 01865794

New Delhi, April 21, 2022

Statement of Changes in Equity

For the Year ended March 31, 2022

₹ Lakhs

Particulars	a) Equity Share Capital	b) Other Equity		Other Equity	Total Equity
	Equity Share Capital Subscribed	Reserves and Surplus			
		General Reserve	Retained Earnings		
Balance as at April 1, 2020	**50.00**		**675.75**	**675.75**	**725.75**
Profit/(Loss) for the year ended March 31, 2021	-	-	(159.47)	(159.47)	(159.47)
Other Comprehensive Income for the year ended March 31, 2021, net of taxes	-	-	0.85	0.85	0.85
Total Comprehensive Income for the year ended March 31, 2021	**-**	**-**	**(158.62)**	**(158.62)**	**(158.62)**
Balance as at March 31, 2021	**50.00**	**-**	**517.13**	**517.13**	**567.13**
Profit/(Loss) for the year ended March 31, 2022	-	-	(57.07)	(57.07)	(57.07)
Other Comprehensive Income for the year ended March 31, 2022, net of taxes	-	-	(1.22)	(1.22)	(1.22)
Total Comprehensive Income for the year ended March 31, 2022	**-**	**-**	**(58.29)**	**(58.29)**	**(58.29)**
Balance as at March 31, 2022	**50.00**	**-**	**458.84**	**458.84**	**508.84**

The accompanying notes form an integral part of the standalone financial statements (Refer Notes 1 - 41).

As per our report of even date as attached

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No. 000511S

N. Venkata Suneel
Partner
Membership No. 223688

Gurgaon, April 21, 2022

For and on behalf of the Board

Rohit Khosla
Director
DIN: 07163135

Mohit Gupta
Director
DIN: 01865794

New Delhi, April 21, 2022

Cash Flow Statement

For the Year ended March 31, 2022

₹ Lakhs

	March 31, 2022	March 31, 2021
Cash Flow From Operating Activities		
Profit/(Loss) before tax	(95.69)	(205.02)
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortisation expenses	30.53	39.10
Interest income	(11.56)	(12.28)
Provision for Employee Benefits	(1.63)	1.13
	17.34	**27.95**
Cash Operating Profit/(Loss) before working capital changes	(78.35)	(177.07)
Adjustments for (increase)/ decrease in operating assets:		
Inventories	(0.79)	1.84
Trade receivables	(64.04)	51.35
Other financial assets	2.89	50.64
Other current assets	15.62	35.64
Other non-current financial assets	-	0.72
Other non-current assets	-	-
	(46.32)	**140.19**
Adjustments for increase/ (decrease) in operating liabilities:		
Trade payables	65.62	(16.64)
Other current liabilities	40.93	(18.81)
Short term provisions	0.59	(0.58)
Long-term Provisions	5.69	(11.74)
Other financial liabilities	1.27	10.10
	114.10	**(37.67)**
Cash generated from/(used) in Operating Activities	(10.57)	(74.57)
Income taxes (paid)/refund received	19.84	(20.75)
Net Cash Generated From/(Used) in Operating Activities (A)	**9.27**	**(95.32)**
Cash Flow From Investing Activities		
Payments for purchase of property, plant and equipment	(18.52)	(17.49)
Interest received	11.04	12.52
Bank Balances not considered as Cash and cash equivalents	-	-
Net Cash Generated From/(Used) In Investing Activities (B)	**(7.48)**	**(4.97)**
Cash Flow From Financing Activities		
Net Cash Generated From/ (Used) In Financing Activities (C)	-	-
Net Increase/ (Decrease) In Cash and cash equivalents (A + B + C)	1.79	(100.29)
Cash and Cash Equivalents – Opening	143.04	243.33
Cash and Cash Equivalents – Closing	144.83	143.04

The accompanying notes form an integral part of the standalone financial statements (Refer Notes 1 - 41).

As per our report of even date as attached

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No. 000511S

N. Venkata Suneel
Partner
Membership No. 223688

Gurgaon, April 21, 2022

For and on behalf of the Board

Rohit Khosla
Director
DIN: 07163135

Mohit Gupta
Director
DIN: 01865794

New Delhi, April 21, 2022

Notes to Financial Statements
for the year ended March 31, 2022

Note 1 : Corporate Information

Taj Enterprises Limited ("TEL" or the "Company") is domiciled and incorporated in India in 1979 and has its registered office at Taj Palace Hotel, S.P.Marg, New Delhi 110021, India. It is a subsidiary of Indian Hotels Company Limited, a company promoted by Tata Sons Private Limited.

The company has started operation from Oct 2019 and is primarily engaged in the banquet business. The financial statements were approved by the Board of Directors and authorised for issue on April 21, 2022.

Note 2 : Basis of Preparation, Critical Accounting Estimates and Judgements, Significant Accounting Policies and Recent Accounting Pronouncements

All the Indian Accounting Standards issued under section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparation of these Financial Statements.

(a) Statement of Compliance:

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") issued under section 133 of the Companies Act, 2013 and notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") issued under Section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

(b) Recent Accounting Pronouncements:

New amended standards and interpretation

The following Accounting Standards have been modified on miscellaneous issues with effect from June 18, 2021. Such changes include clarification/guidance on:

i) Ind AS 107 Financial Instruments: Disclosures – Additional disclosures relating to interest rate benchmark reform (IBOR reform) including nature and extent of risks to which the entity is exposed due to financial instruments subject to interest rate benchmark reform and how the Company manages those risks; the Company's progress in completing the transition to alternative benchmark rates and how the Company is managing the transition.

ii) Ind AS 109 Financial Instruments – Guidance provided on accounting for modifications of contracts resulting from changes in the basis for determining the contractual cash flows as a result of the IBOR reform; various exceptions and relaxations have been provided in relation to the hedge accounting.

iii) Ind AS 116 Leases – Extension of optional practical expedient in case of rent concessions as a direct consequence of COVID-19 pandemic till June 30, 2022 and guidance on accounting for modification of lease contracts resulting from the IBOR reform.

iv) Ind AS 102 Share based payments – Alignment of liabilities definition with the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

v) Ind AS 103 Business Combination – Alignment of assets and liabilities definition with the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards

vi) Amendment of definition of term 'recoverable amount' in Ind AS 105, Ind AS 16 and Ind AS 36 from 'fair value less cost to sell' to 'fair value less cost of disposal'.

None of the amendments have any material impact on the financial statements for the current year.

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.

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.

(c) Standards Issued but not yet Effective:
The following Accounting Standards have been modified on miscellaneous issues with effect from 1st April 2022. Such changes include clarification/guidance on:

i) Ind AS 103 Business Combination – Identified assets acquired and liabilities assumed (including contingent assets and contingent liabilities) must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the Institute of Chartered Accountants of India (ICAI).

ii) Ind AS 109 Financial Instruments – Guidance provided on identifying substantial modification of the terms of an existing financial liability basis difference in discounted present value of the cash flows between old and new terms (the '10 percent' test).

iii) Ind AS 16 Property, Plant and Equipment (PPE) – Clarification provided on accounting for excess of net sale proceeds of items produced over the cost of testing as deduction from the directly attributable costs considered as part of cost of an item of PPE.

iv) Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Illustrative guidance provided on the cost of fulfilling a contract - incremental costs of fulfilling the contract and allocation of other costs that relate directly to fulfilling contracts, and clarification provided on recognizing impairment loss that has occurred on assets used in fulfilling the contract before a separate provision for onerous contract established.

None of these amendments is expected to have any material impact on the financial statements of the Company.

(d) Basis of Preparation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

All assets and liabilities are classified as current and non-current as per company's normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

(e) Critical Accounting Estimates and Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

i. Useful lives of Property, Plant and Equipment and Intangible Assets: The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and Intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

ii. Impairment Testing: Property, plant and equipment and intangible assets that are subject to depreciation/ amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

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

iv. Income Taxes: Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit and Loss.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws 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. Defined Benefit Plans: The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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 is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

vi. Code on Social Security, 2020: The Indian Parliament has approved the Code on Social Security, 2020. This has also received the consent of the Hon'ble President of India. The Code when implemented will impact the contributions by the Company towards benefits such as Provident Fund, Gratuity etc. The effective date(s) of implementation of this Code is yet to be notified and the rules for quantifying the financial impact are yet to be framed. In view of this, any impact due to the change will be assessed and accounted for in the period of notification of the relevant provisions.

Significant Accounting Policies

(f) Revenue Recognition

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns & discounts.

Income from Operations

Income from Banquets Operations: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue from banquet services are recognised once banquet services have been provided as per the contract with the customer.

Contract Balances

a) **Contract Assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) **Contract Liabilities**

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

(g) Employee Benefits (other than for persons engaged through contractors):

i. **Provident Fund:**

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up by the respective Regional Provident Fund Commissioner. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the minimum rates of return prescribed by the Central Government and recognises such contributions and shortfall, if any, as an expense in the year in which the corresponding services are rendered by the Company.

ii. **Gratuity Fund**

The Gratuity liability is defined benefit obligations, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the other comprehensive income and reflected in retained earnings and will not be reclassified to the statement of profit and loss.

iii. **Compensated Absences**

The Company has a scheme for compensated absences for employees, the liability for which is determined on the basis of an independent actuarial valuation using the projected unit credit method, carried out at the Balance Sheet date.

iv. **Short Term Obligations**

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related services. The accruals for employee entitlements of benefits such as salaries, bonuses and annual leave represent the amount which the Company has a present obligation to pay as a result of the employees' services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(h) Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The estimated useful lives of the depreciable assets are as follows

Class of Assets	Estimated Useful Life
Buildings	30 to 60 years
Plant and Equipment	10 to 20 years
Electrical Installation and Equipment	20 years
Furniture & Fixtures	08 years
End User devices – Computers, Laptops etc.	06 years
Other Miscellaneous Hotel Assets	04 years

In respect of buildings on leasehold land, depreciation is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to leasehold buildings are depreciated on the basis of their estimated useful lives or the expected lease period.

Freehold land is not depreciated.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Proportionate depreciation is charged for the addition and disposal made during the year.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(i) Intangible Assets

Intangible assets include cost of acquired software. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use. Intangible assets with finite lives are amortised over their estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. The estimated useful life used for amortising intangible assets is as under:

Class of Assets	Estimated Useful Life
Software and Licences	6 years

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(j) Impairment of Assets

Assets that are subject to amortisation are reviewed for impairment periodically including whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(k) Foreign Currency Translation

The functional currency of the Company is Indian Rupee (₹).

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value denominated in a foreign currency are retranslated at the rates prevailing at the date when the fair value was determined.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

(l) Lease

On inception of a contract, the company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the company statement of financial position as a right-of-use asset and a lease liability.

Lease contracts may contain both lease & non-lease components. The company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components. The right-of-use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term. Right-of-use assets are also adjusted for any re-measurement of lease liabilities.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including ‘in-substance fixed’ payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. ‘In-substance fixed’ payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the company is reasonably certain to exercise and excludes the effect of early termination options where the company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the ‘in-substance fixed’ lease payments or as a result of a rent review or change in the relevant index or rate.

The company has opted not to apply the lease accounting model to leases of low-value assets or leases which have a term of less than 12 months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

(m) Inventories

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost includes the fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

(n) Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

(i) Current Tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(o) Provisions

Provisions are recognised when the Company has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Company created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Non-current provisions are discounted if the impact is material.

(p) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit and Loss using the effective interest method.

(q) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

(r) Earnings Per Share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year adjusting the bonus element for all the reported period arising on account of issue of equity shares on rights and including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

(s) Financial Instruments

(I) Financial Assets

Initial Recognition and Measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification

- Cash and Cash Equivalents – Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
- Debt Instruments - The Company classifies its debt instruments as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

(ii) Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of

Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

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

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

- Equity Instruments - The Company subsequently measures all equity investments (other than the investment in subsidiaries, joint ventures and associates which are measured at cost) at fair value. Where the Company has elected to present fair value gains and losses on equity investments in Other Comprehensive Income ("FVOCI"), there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payment is established.

De-recognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial liabilities

Initial Recognition and Measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss directly attributable transaction costs.

Subsequent Measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

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 recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(III) Impairment of Financial Assets

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

(t) 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 measured at their fair values and recognised as income in the Statement of Profit and Loss.

Where guarantees in relation to loans or other payables of group companies are provided for no compensation, the fair value are accounted for as contributions and recognised as part of cost of investment.

(u) Business Combinations

Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

Note 3 : Property, Plant and Equipment (Owned, unless otherwise stated)

₹ Lakhs

	Freehold Land	Buildings (Refer Footnote (i))	Plant and Equipment	Furniture and Fixtures	Office Equipment	Total
Cost						
At April 1, 2020	16.92	38.58	242.76	8.46	7.88	314.60
Additions		-	1.91	2.28	-	4.19
Disposals						-
At March 31, 2021	16.92	38.58	244.67	10.74	7.88	318.79
Additions	-	-	-	0.37	-	0.37
Disposals						-
At March 31, 2022	16.92	38.58	244.67	11.11	7.88	319.16
Depreciation						
At April 1, 2020	-	0.87	15.28	0.41	0.57	17.13
Charge for the year	-	1.26	35.38	1.04	1.24	38.92
Disposals						-
At March 31, 2021	-	2.13	50.66	1.45	1.81	56.05
Charge for the year	-	1.25	26.56	1.28	1.25	30.35
Disposals						-
At March 31, 2022	-	3.38	77.22	2.73	3.06	86.40
Net Block						
At March 31, 2021	16.92	36.46	194.01	9.28	6.07	262.74
At March 31, 2022	16.92	35.20	167.45	8.38	4.82	232.77

Footnotes :
(i) Cost includes improvements to buildings constructed on leasehold land - ₹ 37.29 Lakhs (Previous year - ₹ 37.29 Lakhs).

Note 4 : Capital Work In Progress

₹ Lakhs

	March 31, 2022	March 31, 2021
Projects in progress	19.19	-
	19.19	**-**

Ageing Schedule As on 31st Mar 2022 ₹ Lakhs

Particulars	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) Projects in progress	19.19	-	-	-	19.19
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**19.19**	**-**	**-**	**-**	**19.19**

Ageing Schedule As on 31st Mar 2021 ₹ Lakhs

Particulars	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Note: The above ageing schedules have been prepared on the basis of transactions dates.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 5 : Intangible Assets

₹ Lakhs

	Software	Total
Cost		
At April 1, 2020	1.14	1.14
Additions	-	-
Disposals	-	-
At March 31, 2021	1.14	1.14
Additions	-	-
Disposals		-
At March 31, 2022	**1.14**	**1.14**
Amortisation		
At April 1, 2020	0.08	0.08
Charge for the year	0.18	0.18
Disposals		-
At March 31, 2021	0.26	0.26
Charge for the year	0.18	0.18
Disposals		-
At March 31, 2022	**0.44**	**0.44**
Net Block		
At March 31, 2021	0.88	0.88
At March 31, 2022	**0.70**	**0.70**

Note 6 : Investments

	Face Value	March 31, 2022		March 31, 2021	
		Holdings As at	₹ Lakhs	Holdings As at	₹ Lakhs
Non Current Investments					
Fully Paid Unquoted Equity Investments					
Investments in Fellow Subsidiary Company (at cost)					
Inditravel Limited	10	72,000	7.20	72,000	7.20
			7.20		**7.20**

Note 7 : Loans

₹ Lakhs

	March 31, 2022	March 31, 2021
Non Current Loans at amortised costs		
(Unsecured, considered good unless stated otherwise)		
Loans to Related Parties	-	-
	-	-
Other loans and advances		
Considered good	-	-
Credit impaired	10.00	10.00
	10.00	**10.00**
Less: Allowance for credit impaired	10.00	10.00
	-	-

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 8 : Deferred Tax Assets (Net)

₹ Lakhs

	March 31, 2022	March 31, 2021
Deferred Tax Assets:		
Provision for Employee Benefits	14.26	6.04
Unused tax losses (Business)	72.18	48.78
Actuarial Loss on Post Retirement Benefit	0.41	-
Others	-	0.26
	86.85	**55.08**
Deferred Tax Liabilities:		
Property, plant and equipment & Intangible assets	3.90	3.05
Actuarial Gain on Post Retirement Benefit	-	0.28
	3.90	**3.33**
Closing Deferred Tax Asset/(Liability)	**82.95**	**51.75**
Less: Opening Deferred Tax Asset/(Liability)	**51.75**	**6.50**
Deferred Tax Asset/ Liability Created during the year	**31.20**	**45.25**

Note 9 : Other Assets

₹ Lakhs

	March 31, 2022	March 31, 2021
(a) Other Non Current Assets		
Deposits with Government Authorities	0.20	0.20
	0.20	**0.20**
(b) Other Current Assets		
Prepaid Expenses	1.69	1.29
Indirect tax recoverable	-	23.92
Advance to Suppliers	7.69	0.35
Advance to Employees	0.60	0.03
	9.98	**25.59**

Note 10 : Inventories (At lower of cost and net realisable value)

₹ Lakhs

	March 31, 2022	March 31, 2021
Food and Beverages	5.45	4.83
Stores and Operating Supplies	0.40	0.24
	5.85	**5.07**

Note 11 : Trade receivables

₹ Lakhs

	March 31, 2022	March 31, 2021
Unsecured		
Outstanding over six months	-	-
Others	-	-
Considered good	68.20	4.16
Balances having significant increase in credit risk	-	-
Credit impaired	-	-
	68.20	**4.16**
Less : Allowance for credit impaired	-	-
	68.20	**4.16**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Trade Receivable Ageing Schedule*

As on 31st Mar 2022 ₹ Lakhs

Particulars	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	67.64	0.50	0.06	-	-	68.20
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**67.64**	**0.50**	**0.06**	**-**	**-**	**68.20**

There is no un-billed Revenue as on 31st March 2022

As on 31st Mar 2021 ₹ Lakhs

Particulars	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3.36	0.80	-	-	-	4.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**3.36**	**0.80**	**-**	**-**	**-**	**4.16**

There is no un-billed Revenue as on 31st March 2021
*** The above aging schedules have been prepared on the basis of transactions dates.**
(i) For related party balances refer Note 34.

Note 12 : Cash and Cash Equivalents

₹ Lakhs

	March 31, 2022	March 31, 2021
Cash on hand	2.88	0.60
Cheques, Drafts on hands, Funds in transit	-	-
Balances with bank in current account	141.95	57.44
Balances with bank in call and short-term deposit accounts (original maturity less than 3 months)	-	85.00
	144.83	**143.04**

Note 13 : Other Balances with Banks

₹ Lakhs

	March 31, 2022	March 31, 2021
Call and Short-term deposit accounts	200.00	200.00
	200.00	**200.00**
Less: Term Deposit with Bank maturing after 12 months from the balance sheet date and other Earmarked/Margin Money/Pledged deposits classified as Non-Current Financial Asset	-	-
	200.00	**200.00**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 14 : Other Financial Assets

₹ Lakhs

	March 31, 2022	March 31, 2021
(b) Current Financial Assets		
Deposit with public bodies and others		
Related Parties	-	-
Others	0.33	2.33
	0.33	**2.33**
Interest receivable		
Related Parties	-	-
Others	1.94	1.42
	1.94	**1.42**
Other receivables		
Related Parties (Refer Note 34)	-	0.67
Others	-	0.22
	-	**0.89**
	2.27	**4.64**

Note 15 : Equity Share Capital

₹ Lakhs

	March 31, 2022	March 31, 2021
Authorised Share Capital		
1,00,000 Equity Shares of ₹ 100 each	100.00	100.00
	100.00	**100.00**
Issued Share Capital		
50,000 (Previous Years 50,000) Equity Shares of ₹ 100 each	50.00	50.00
	50.00	**50.00**
Subscribed and Paid Up		
50,000 (Previous Years 50,000) Equity Shares of ₹ 100 each, Fully Paid	50.00	50.00
	50.00	**50.00**

Footnotes:

(i) The Company has one class of equity shares having a par value of ₹ 100 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2022		March 31, 2021	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
As at the beginning of the year	50,000	50.00	50,000	50.00
Add : Shares issued on Rights basis	-	-	-	-
As at the end of the year	**50,000**	**50.00**	**50,000**	**50.00**

(iii) Shareholders holding more than 5% shares in the Company :

	March 31, 2022		March 31, 2021	
	No. of shares	%	No. of shares	%
Equity shares of ₹ 100 each fully paid				
The Indian Hotels Company Limited	46,698	93.40%	46,698	93.40%
Mr. Jagat Singh	3,000	6.00%	3,000	6.00%
Others*	302	0.60%	302	0.60%
	50,000	**100.00%**	**50,000**	**100.00%**

* Less than 5%

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(iv) Promoter Shareholding
As at 31st March 2022

Name of Promoter	No. of shares at the beginning of the year	Change during the year	No of Shares at the end of year	% of total shares	% change during the year
The Indian Hotels Company Limited^^	46,698	-	46,698	93.40%	0.00%
Total	**46,698**	**-**	**46,698**		

^^ During the year, IHCL had transferred 6 shares in joint names and remained first shareholder even after transfer.

As at 31st March 2021

Name of Promoter	No. of shares at the beginning of the year	Change during the year	No of Shares at the end of year	% of total shares	% change during the year
The Indian Hotels Company Limited^^	46,596	102	46,698	93.40%	0.22%
Total	**46,596**	**102**	**46,698**		

Note 16 : Other Equity

₹ Lakhs

	March 31, 2022	March 31, 2021
Reserves & Surplus		
Retained Earnings		
Opening Balance	517.13	675.75
Add: Current year profits/(losses)	(57.07)	(159.47)
Add: Remeasurements of post employment benefit obligation, net of tax (item of other comprehensive income recognised directly in retained earnings)	(1.22)	0.85
Closing Balance	**458.84**	**517.13**
	458.84	**517.13**

Note 17 : Provisions

₹ Lakhs

	March 31, 2022	March 31, 2021
(a) Non Current provisions		
Employee Benefit Obligation		
Compensated absences	9.91	10.80
Gratuity	43.69	37.11
	53.60	**47.91**
(b) Current provisions		
Employee Benefit Obligation		
Compensated absences	1.30	1.44
Gratuity	3.40	2.67
	4.70	**4.11**

Note 18 : Trade Payables

₹ Lakhs

	March 31, 2022	March 31, 2021
Micro and Small Enterprises (Refer Footnote (i) and (ii))	5.83	0.94
Others:		
Vendor Payables	99.14	53.91
Accrued expenses and others	21.30	5.79
	120.44	**59.70**
	126.27	**60.64**

Footnotes:

(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management.

(ii) The disclosures relating to Micro and Small Enterprises are as under:

₹ Lakhs

	March 31, 2022	March 31, 2021
(a) The principal amount remaining unpaid to supplier as at the end of the accounting year	5.83	0.94
(b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	-	-
(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) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Trade Payable Ageing Schedule

As on 31st Mar 2022 — In Lakhs

Particulars	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) MSME	5.83	-	-	-	5.83
(ii) Others	95.24	0.38	3.52	-	99.14
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	**101.07**	**0.38**	**3.52**	**-**	**104.97**

As on 31st Mar 2021 — In Lakhs

Particulars	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) MSME	0.94	-	-	-	0.94
(ii) Others	53.00	0.91	-	-	53.91
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	**53.94**	**0.91**	**-**	**-**	**54.85**

* The above aging schedules have been prepared on the basis of transactions dates.

(iii) For related party balances refer Note 34

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 19 : Other current financial liabilities

₹ Lakhs

	March 31, 2022	March 31, 2021
Other Current financial liabilities		
Creditors for capital expenditure	5.66	4.63
Employee related liabilities	22.85	28.88
Others	8.71	1.40
	37.22	**34.91**

Note 20 : Other Current Liabilities

₹ Lakhs

	March 31, 2022	March 31, 2021
Advances collected from customers (Refer Footnote)	46.60	18.58
Statutory dues	17.07	4.16
	63.67	**22.74**

Footnote:
For detailed disclosure relating to Ind AS 115 - Revenue from Contracts with Customers refer Note 35.

Note 21 : Revenue from Operations

₹ Lakhs

	March 31, 2022	March 31, 2021
Food and Banquet Income	664.26	292.57
	664.26	**292.57**

Note 22 : Other Income

₹ Lakhs

	March 31, 2022	March 31, 2021
Interest Income from financial assets at amortised cost		
Deposits with banks	10.15	12.28
	10.15	**12.28**
Interest on Income Tax Refunds	1.41	-
Total	**11.56**	**12.28**
Miscellaneous non-operating income	24.38	5.15
	35.94	**17.43**

Note 23 : Food and Beverages Consumed

₹ Lakhs

	March 31, 2022	March 31, 2021
Food and Beverages consumed	228.04	105.81
	228.04	**105.81**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 24 : Employee Benefit Expenses and Payment to Contractors

₹ Lakhs

	March 31, 2022	March 31, 2021
Salaries, Wages, Bonus etc.	192.43	173.30
Company's Contribution to Provident and Other Funds (Refer Note 28)	16.47	18.12
Reimbursement of Expenses on Personnel Deputed to the Company	8.09	5.79
Payment to Contractors	31.65	7.20
Staff Welfare Expenses	25.26	14.60
	273.90	**219.01**

Note 25 : Other operating and general expenses

₹ Lakhs

	March 31, 2022	March 31, 2021
(i) Operating expenses consist of the following :		
Linen and Room Supplies	9.35	4.88
Catering Supplies	26.72	15.39
Other Supplies	0.02	0.08
Fuel, Power and Light (net)	52.12	30.50
Repairs to Buildings	0.75	0.57
Repairs to Machinery	18.61	11.19
Repairs to Others	0.69	1.05
Linen and Uniform Washing and Laundry Expenses	4.24	0.98
Security charges and Others	9.16	8.78
Food Transportation	38.36	6.98
Agents' Commission	1.10	8.36
Discount to Collecting Agents	1.05	0.50
Other Operating Expenses	5.90	0.08
	168.07	**89.34**
(ii) General expenses consist of the following :		
Rent	63.98	44.97
Rates and Taxes	10.12	0.77
Insurance	6.37	8.53
Printing and Stationery	2.12	0.80
Passage and Travelling	0.82	0.10
Professional Fees	5.78	1.65
Outsourced Support Services	2.23	1.64
Payment made to Statutory Auditors (Refer Footnote (i))	1.50	1.50
Other Expenses	2.33	1.78
	95.35	**61.74**
	263.42	**151.08**

(i) Payment made to Statutory Auditors:

₹ Lakhs

	March 31, 2022	March 31, 2021
As auditors	1.50	1.50
	1.50	**1.50**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 26 : Contingent Liabilities (to the extent not provided for):

(a) On account of matters in dispute:
₹ Nil Lakhs (PY – Nil ₹ Lakhs)

(b) Others :
Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimate above, including where:

(i) plaintiffs / parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;

(ii) the proceedings are in early stages;

(iii) there is uncertainty as to the outcome of pending appeals or motions or negotiations;

(iv) there are significant factual issues to be resolved; and/or there are novel legal issues presented

The Company's management does not believe, based on currently available information, that the outcomes of the above matters will have a material adverse effect on the Company's financial statements, though the outcomes could be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period. It is not practicable for the Company to estimate the timings of cash flows, if any, in respect of the above.

Note 27 : Capital Commitments

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Estimated number of contracts remaining to be executed on capital account and not provided for		
Tangible assets	-	0.35
Total	**-**	**0.35**

Note 28 : Employee Benefits:

(a) The Company has recognised the following expenses as defined contribution plan under the head "Company's Contribution to Provident Fund and Other Funds"(net of recoveries):

₹ Lakhs

	March 31, 2022	March 31, 2021
Contribution to Provident Fund and Other Funds	10.67	10.99
Total	**10.67**	**10.99**

(b) The Company operates post retirement defined benefit plans as follows :-

a. Un-Funded :

i. Post Retirement Gratuity

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(c) Defined Benefit Plans – As per Actuarial Valuation on March 31, 2022 :-

(i) Amount to be recognised in Balance Sheet and movement in net liability

₹ Lakhs

	Gratuity Un-Funded	
	March 31, 2022	March 31, 2021
Present Value of Funded Obligations	-	-
Present Value of Unfunded Obligations	47.09	39.78
Fair Value of Plan Assets	-	-
Net (Asset) / Liability	**47.09**	**39.78**

(ii) Expenses recognised in the Statement of Profit & Loss

₹ Lakhs

	Gratuity Un-Funded	
	March 31, 2022	March 31, 2021
Current Service Cost	3.78	4.19
Past service Cost	-	-
Interest Cost	2.61	3.11
Expected return on Plan Assets	-	-
Effect of the limit on Plan Asset	-	-
Total	**6.39**	**7.30**

(iii) Expenses recognised in Other Comprehensive Income (OCI)

₹ Lakhs

	Gratuity Un-Funded	
	March 31, 2022	March 31, 2021
Changes in financial assumptions	-	(0.50)
Changes in demographic assumptions	-	-
Experience adjustments	1.63	(0.63)
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognise the effect of asset ceiling	-	-
Total	**1.63**	**(1.13)**

(iv) Reconciliation of Net Liability/ Asset

₹ Lakhs

	Gratuity Un-Funded	
	March 31, 2022	March 31, 2021
Opening Net Benefit Liability	39.78	48.21
Expense charged to profit and loss	6.39	7.30
Amount recognized outside profit and loss	1.63	(1.13)
Employer Contribution	(0.71)	(14.60)
Impact of liability assumed (settled)	-	-
Closing Net Defined Benefit Liability/ (Asset) – Current	**47.09**	**39.78**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(v) Reconciliation of Defined Benefit Obligation

₹ Lakhs

	Gratuity Un-Funded	
	March 31, 2022	March 31, 2021
Opening Defined Benefit Obligation	39.78	48.21
Current Service Cost	3.78	4.19
Past Service Cost	-	-
Interest Cost	2.61	3.11
Changes in financial assumptions	-	(0.50)
Changes in demographic assumptions	-	-
Experience adjustments	1.63	(0.63)
Benefits Paid	(0.71)	(14.60)
Liability assumed (settled)	-	-
Closing Defined Benefit Obligation	**47.09**	**39.78**

(vi) Reconciliation of Fair Value of Plan Assets

₹ Lakhs

	Gratuity Un-Funded	
	March 31, 2022	March 31, 2021
Opening Fair Value of Plan Assets	-	-
Interest on Plan Assets	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	-	-
Contribution by Employer	-	-
Benefits Paid	-	-
Closing Fair Value of Plan Assets	-	-
Expected Employer's contribution/ outflow next year		

(vii) Actuarial Assumptions

	Gratuity Un-Funded	
	March 31, 2022	March 31, 2021
Discount rate (p.a.)	6.80%	6.80%
Salary Escalation Rate (p.a.)	Staff - 5%, Executive - 4%	Staff - 5%, Executive - 4%

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

(viii) Maturity Profile

Maturity Profile	₹ Lakhs
Expected benefits for year 1	3.40
Expected benefits for year 2	3.03
Expected benefits for year 3	2.86
Expected benefits for year 4	2.55
Expected benefits for year 5	18.02
Expected benefits for year 6	1.77
Expected benefits for year 7	1.68
Expected benefits for year 8	3.77
Expected benefits for year 9	1.19
Expected benefits for year 10 & above	54.10

The weighted average duration to the payment of these cash flows is 8.20 years.

(ix) Effect of Change in Key Assumptions

Year Ended 31st March 2022

Particulars	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	3.97%	4.33%
Impact of decrease in 50 bps on DBO	4.24%	-4.08%

The expected contribution for the next year is INR Nil.

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors. The above information has been certified by the actuary and has been relied upon by the Auditors.

Information disclosed above is to the extent provided by actuary.

Exposure to Risks:
These plans typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk A decrease in the Government Securities (G-Sec Bonds) interest rate will increase the plan liability.

Longevity risk The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 29 : Leases

The company has adopted Ind AS 116 "Leases" effective from April 01, 2019 .The company neither have any material leases contract as on 01 April 2021 nor executed during the year. The adoption of the standard does not have any impact on the financial statement of the company. The company does not have any long term lease contracts durinng the year and also preceding financial year. Following are the details of the lease contracts which are short term in nature:

₹ Lakhs

Amount recognized in the statement of profit and loss	For the year ended March 31, 2022
Included in rent expenses: Expense related to short term lease	36.18

₹ Lakhs

Amount recognized in the statement of Cash Flow	For the year ended March 31, 2022
Total Cash Outflow for Leases	36.18

Note 30 : Segment Information

The Company's only business being Banquet Catering, disclosure of segment-wise information is not applicable under Ind AS108 - 'Operating Segments'. There is no geographical segment to be reported .

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 31 : Earnings Per Share (EPS)

Earnings Per Share is calculated in accordance with Ind AS 33 – 'Earnings Per Share' prescribed under Section 133 of the Companies Act, 2013.

Particulars	March 31, 2022	March 31, 2021
Profit/ (Loss) after tax – ₹ Lakhs	(57.07)	(159.47)
Number of Ordinary (Equity) Shares	50,000	50,000
Weighted Average Number of Ordinary (Equity) Shares:		-
Considered in calculation of Basic EPS	50,000	50,000
Considered in calculation of Diluted EPS	50,000	50,000
Face Value per Ordinary (Equity) Share (₹)	100.00	100.00
Earnings Per Share (₹):		
Basic (₹)	(114.15)	(318.95)
Diluted (₹)	(114.15)	(318.95)

Note 32 : Tax Disclosures

i) Income Tax recognised in Profit or loss:

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Current Tax		
In respect of the current year	-	-
In respect of earlier years		
Resulting from reversal of provision for tax for earlier years	(7.83)	-
Other demands and tax paid for earlier years	-	-
	(7.83)	**-**
Deferred Tax		
In respect of the current year	(30.79)	(45.53)
Other items includes the impact on account of change in tax rates	**-**	**-**
Total tax expense recognised in the current year relating to continuing operations	**(38.62)**	**(45.53)**

ii) Reconciliation of tax expense with the effective tax:

₹lakhs

Particulars	March 31, 2022	March 31, 2021
Profit before tax from continuing operations (a)	(95.69)	(205.00)
Income tax rate as applicable (b)	25.17%	25.17%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	(24.08)	(51.59)
Permanent tax differences due to:		
Effect of expenses that are not deductible in determining taxable profit	-	-
Reversal of Income Tax Provision	(7.83)	-
Deferred Tax reversal		
Adjustment to opening Deferred Tax	-	6.06
Deferred Tax Asset on Cumulative Unabsorbed Losses	(5.77)	-
Incremental deferred tax liability on account of Tangible assets	0.87	-
Others	(1.81)	-
Prior year taxes		
Income tax expense recognised in profit or loss (relating to continuing operations)	-	-
Total tax expense recognised in the current year	**(38.62)**	**(45.53)**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

iii) Income tax recognised in other comprehensive income:

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Deferred tax		
(a) Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	0.41	(0.28)
	0.41	**(0.28)**

iv) Reconciliation of Deferred Tax Asset and Deferred Tax Liability:

₹ lakhs

March 31, 2022	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax liabilities/ assets in relation to:				
Property, Plant and equipment & Intangible Assets	(3.04)	(0.88)	-	(3.92)
Provision for Employee Benefits	4.20	(1.38)	-	2.82
Provisions for Defined benefit obligations	1.55	9.89	0.41	11.85
Losses in current year	48.78	23.41	-	72.20
Others (Expenses disallowed to be allowed in future)	0.26	(0.26)	-	-
Total Deferred Tax Assets/(Liability)	**51.75**	**30.79**	**0.41**	**82.95**

₹ lakhs

March 31, 2021	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax liabilities/ assets in relation to:				
Property, Plant and equipment & Intangible Assets	(1.28)	(1.77)	-	(3.04)
Provision for Employee Benefits	5.55	(1.34)	-	4.20
Provisions for Defined benefit obligations	0.73	1.11	(0.28)	1.55
Losses in current year	-	48.78	-	48.78
Others (Expenses disallowed to be allowed in future)	1.50	(1.24)	-	0.26
Total Deferred Tax Assets/(Liability)	**6.50**	**45.53**	**(0.28)**	**51.75**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 33 : Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed.

Financial assets and liabilities
The carrying value of financial instruments by categories under the most relevant method i.e. amortised cost is as follows:

₹ lakhs

Particulars	March 31, 2022	March 31, 2021
Financial assets:		
Cash and cash equivalents	144.83	143.04
Bank Balances other than Cash & Cash Equivalents	200.00	200.00
Trade Receivables	68.20	4.16
Investments	7.20	7.20
Other financial assets – Non Current*	-	-
Other financial assets – Current*	2.27	4.64
Total	**422.50**	**359.04**
Financial liabilities:		
Borrowings	-	-
Trade Payables	126.27	60.64
Other financial liabilities – Non Current*	-	-
Other financial liabilities – Current*	37.22	34.91
Total	**163.49**	**95.55**

Fair value of Financial Instruments measured at amortised cost :
The management considers that the carrying amount of assets and liabilities recognised at amortised cost in financial statements approximate to their fair value.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 34 :

(a) Related party transactions
Details of related parties:

(i) Holding Company
The Indian Hotels Company Limited (IHCL)
(Tata Sons Private Limited has substantial interest in The Indian Hotels Company Limited)

(ii) Fellow subsidiaries
KTC Hotels Limited
United Hotels Limited
Roots Corporation Limited
Piem Hotels Limited
Taj Trade and Transport Company Limited
Inditravel Limited
Northern India Hotels Limited
Benares Hotels Limited
Luthria & Lalchandani Hotel & Properties Pvt. Ltd.
Skydeck Properties and Developers Private Limited
Sheena Investments Private Limited
ELEL Hotels & Investments Limited
Ideal Ice Limited
Taj SATS Air Catering Limited
Taj Madras Flight Kitchen Private Limited
Genness Hospitality Private Limited
Qurio Hospitality Private Limited
Taj International Hotels (H.K) Limited
IHOCO BV
St. James Court Hotels Limited
Taj International Hotels Limited
IHMS LLC
IHMS LLC - San Francisco
IHMS LLC - USA
PIEM International Hotels (H.K) Limited
BAHC 5
United Overseas Holdings Inc.
IHMS Hotels (SA) (Proprietary) Limited
Goodhope Palace Hotels (Proprietary) Limited

(iii) Directors who held the office during the year:

(a)	Mr. Rohit Khosla	Director	Appointed from 11th Oct 2019
(b)	Mr. Gaurav Pokhariyal	Director	Resigned on 22nd April 2021
(c)	Mr. Mohit Gupta	Director	Appointed from 11th Oct 2019
(d)	Mr. Satyajeet Krishnan	Director	Appointed from 21st April 2021

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(b) Details of related party transactions during the year ended 31 March, 2022 and balances outstanding as at 31 March, 2022:

₹ lakhs

S.No.	Particulars	Holding Company		Fellow Subsidiary	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Transactions during the year:				
1	Business income	2.64	40.57	-	-
2	Rent Expenses	36.18	36.18	-	-
3	Heat Light and Power Cost Expenses	51.96	30.50	-	-
4	Transfer of Fixed Assets	-	-	-	-
5	Reimbursement of expenses to related party	7.61	9.26	-	-
6	Reimbursement of expenses from related party	-	0.31	-	0.12

₹ lakhs

S.No.	Particulars	Holding Company		Fellow Subsidiary	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Balances outstanding at the end of the year:				
1	Trade Payables	2.59	-	-	-
2	Trade Receivables (Gross)	-	0.67	-	-

Note 35 : Disclosure pursuant to Ind AS 115

₹ Lakhs

	Particulars	March 31, 2022	March 31, 2021
1	**Contract With Customers**		
	Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
	Income from operations		
	Food and Banquet Income	664.26	292.57
	Total Income from operations	**664.26**	**292.57**
2	**Impairment losses - Nil**	-	-
3	**Disaggregate Revenue**		
	The following table presents company revenue disaggregated by type of revenue stream and by reportable segment (Refer Note 30 for Segment Reporting):		
	Revenue based on geography		
	India	664.26	292.57
	Overseas	-	-
	Revenue based on product and services		
	Food and Banquet Income	664.26	292.57

4 **The Company derives its revenue from the transfer of goods and services over time in its major service lines. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108. (Refer Note 30 for Segment Disclosure).**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

₹ Lakhs

	Particulars	March 31, 2022	March 31, 2021
5	**Contract balances**		
	The following tables present information about trade receivables, contract assets, and deferred revenue:		
	Trade Receivables	68.20	4.16
	Deferred Revenue	-	-
	Advance Collections	46.60	18.58
	Advance Collections, deposits from customer		
	Refer Note No. 2 on significant accounting policies for details of performance obligation and revenue recognition.		
	At April	18.58	22.06
	At March	46.60	18.58
	Analysed as:		
	Current	46.60	18.58
	Non-current	-	-
	Revenue recognised during the period that was included in the opening balance of Customer Advances amounted to ₹ 18.58 Lakhs.		

Note 36 : Ratios

Sr. No.	Ratio	in times/%	Numerator	Denominator	Current Year	Previous Year	Variance (%)
a)	Current Ratio	in times	Current Assets	Current Liabilities excluding current maturities of long term borrowings	1.86	3.12	-40%
b)	Debt - Equity Ratio	in times	Non - Current Borrowings + Current Borrowings	Total Equity	NA	NA	NA
c)	Debt Service Coverage Ratio	in times	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt)]	NA	NA	NA
d)	Return on Equity Ratio	in %	Profit/(Loss) after tax	Average Shareholder's Equity*	-10.61%	-24.67%	57%
e)	Inventory Turnover Ratio	in times	NA	NA	NA	NA	NA
f)	Trade Receivables Turnover Ratio	in times	Revenue from operations	* Average Trade Receivables	18.36	9.81	87%
g)	Trade Payables Turnover Ratio	in times	Total expenses - Depreciation - Interest - Payroll Cost	* Average Trade Payables	6.15	3.97	55%
h)	Net Capital Turnover Ratio	in times	Net Sales	Working Capital i.e (Current Assets - Current Liabilities)	3.33	1.12	196%
i)	Net Profit Ratio	in %	Profit/(Loss) after tax	Net Sales	-9%	-55%	84%
j)	Return on Capital Employed Ratio	in %	EBIT	Net Worth + Debt + Deferred Tax Liability	-19%	-36%	48%
k)	Return on Investment Ratio	in %	NA	NA	NA	NA	NA

* Average = (Opening + Closing)/2

Foot Notes:

(1) The ratios have improved in the current year vis a vis last year except current ratio mainly on account of relaxation in lockdown and lifting of covid restrictions by the government.

(2) Current ratio has been declined due to the increase in advance from customers and trade payables amount.

(3) As the company is primarily engaged in banqueting services (service industry), inventory turnover ratio is not applicable to the company.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 37 : (a) Financial risk management

The Company's principal financial liabilities, comprise, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's management is supported by finance team that advises on financial risks and the appropriate financial risk governance framework for the Company. The finance team provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and price risk. However, market risk is not significant for the company.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade receivables
Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Particulars	March 31, 2022	March 31, 2021
No of Customers who owed more than 10% of the Total receivables	3	4
Contribution of Customers in owing more than 10% of Total receivables	82%	88%

Financial instruments and cash deposits
Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The company operates on the funds accrued through operation, hence, the said risk is not significant for the company.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ lakhs

Contractual Maturity of Financial Liabilities:	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Total
Year ended 31 March 2022				
Borrowings (for renewal)	-	-	-	-
Trade and other payables	126.27	-	-	126.27
Other financial liabilities – Non Current	-	-	-	-
Other financial liabilities – Current	37.22	-	-	37.22
Year ended 31 March 2021				
Borrowings (for renewal)	-	-	-	-
Trade and other payables	60.64	-	-	60.64
Other financial liabilities – Non Current	-	-	-	-
Other financial liabilities – Current	34.91	-	-	34.91

Note 38 : There are no financial liabilities and assets that are set off during the financial year 31st March 2022 and 31st March 2021.

Note 39 : Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the company. The company determines the capital requirement based on annual operating plan and long-term and other strategic investment plans. The funding requirements are met through operating cash flows generated. The Company does not have any debt and thus Debt to Equity ratio is not given.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 40 : Other Statutory Information

40.1 Title deeds of Immovable Property not held in name of the Company - Not applicable as there are no immovable properties which are not held in the name of company.

40.2 Details of Benami Property and its proceedings- Not applicable as there are no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

40.3 Wilful Defaulter - Not applicable as the Company has no loans from Banks or Financial Institution and the Company has not been classified as a wilful defaulter.

40.4 Compliance with number of layers of companies - Not Applicable as the Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

40.5 Compliance with approved Scheme(s) of Arrangements - Not Applicable as the Company no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

40.6 Details of Crypto Currency or Virtual Currency - Not Applicable as the Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

40.7 The Company have not any such 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.

Note 41 : Previous year figures have been regrouped or rearranged wherever necessary.

As per our report of even date as attached

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No. 000511S

N. Venkata Suneel
Partner
Membership No. 223688

Gurgaon, April 21, 2022

For and on behalf of the Board

Rohit Khosla
Director
DIN: 07163135

Mohit Gupta
Director
DIN: 01865794

New Delhi, April 21, 2022

Independent Auditor’s Report

To the Members of TAJ TRADE AND TRANSPORT COMPANY LIMITED

Report on the Audit of the Financial statements

Opinion

We have audited the accompanying financial statements of Taj Trade And Transport Company Limited (‘the Company’), which comprise the Balance sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement Of Changes In Equity and the Statement of Cash Flows and for the year ended on that date , and a summary of the significant accounting policies and other explanatory information (herein after referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards Rules , 2015, as amended , (“Ind AS”) and other accounting principles generally accepted in India,

(a) In the case of the Balance sheet , of the state of affairs of the Company as at March 31, 2022;

(b) In the case of the Statement of Profit and Loss (including other comprehensive income) , of the loss for the year ended on that date;

(c) In the case of the Statement of Changes in Equity , of the changes in Equity for the year ended on that date; and

(d) In the case of the Statement of Cash flows , of the cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

Emphasis of matter(s)

We draw attention to:

a) Note 39 to the financial statements, regarding the management’s impairment assessment of property, plant and equipment, intangible assets, investments, inventories, trade receivables valuation as at 31st March 2022 being considered

Independent Auditor’s Report (Contd.)

recoverable based on its internal and external sources of information and estimates, and its judgments on implication expected to arise from COVID19 pandemic.

Our opinion is not modified in respect of the above matter.

Information Other than the Financial statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor’s Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 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 financial controls 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report (Contd.)

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, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

   f) The matter described in sub- paragraph (a) under the Emphasis of Matters paragraph above , in our opinion , may have adverse effect on the functioning of the Company.

   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) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.

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

      a. the Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 25 to the Financial statements;

Independent Auditor’s Report (Contd.)

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

c. there are no amounts that are required to be transferred, to the Investor Education and Protection Fund by the Company .

d. (i) the management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (ii) the management has represented, that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause d sub-clause (i) and (ii) contain any material mis-statement.

e. the Company has neither declared nor paid any dividend during the year.

For **Chandrashekar Iyer & Co**
Chartered Accountants
Firm Registration No. 114260W

(Chandrashekhar Iyer)
Partner
Membership No.47723
Mumbai, April 18 ,2022
UDIN: 22047723AHJBHP2824

Annexure – A To The Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Taj Trade and Transport Company Limited of even date)

(i) (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 Company has a programme of physical verification of its Property Plant and Equipment, by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, none of the Property Plant and Equipment were due for physical verification by the management during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has no immoveable property. Accordingly, sub clause (c) of clause (i) of paragraph 3 of the said order is not applicable.

In respect of immoveable properties that have been taken on lease and disclosed as right of use asset in the financial statements the lease agreements are duly executed in favour of the Company.

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year, accordingly, sub clause (d) of clause (i) of paragraph 3 of the said order is not applicable.

(e) 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; accordingly, sub clause (e) of clause (i) of paragraph 3 of the said order is not applicable.

(ii) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the physical verification of inventory has been conducted at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records are not more than 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of accounts.

(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 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. Accordingly this sub(b) of clause (ii) of paragraph 3 of the said order is not applicable.

(iii) 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 investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or other parties during the year. Accordingly, sub-clauses (a) to (f) of clause (iii) of paragraph 3 of the said order are not applicable.

(iv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under section 185 and 186 of the Companies Act , 2013. Accordingly, clause (iv) of paragraph 3 of the said order is not applicable.

Annexure – A To The Independent Auditors' Report (Contd.)

(v) In our opinion and according to information and explanations given to us and based on our examination of the records of the Company, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provision of section 73 to 76 or any other relevant provision of the Act and the rules framed there under . Accordingly clause (v) of paragraph 3 of the said order is not applicable.

(vi) The company is not required to maintain cost records specified by the Central Government under subsection 1 of section 148 of the Act. Accordingly clause (vi) of paragraph 3 of the said order is not applicable.

(vii) a. According to the information and explanations given to us and based on our examination of the records of the Company , the Company is generally regular in depositing with appropriate authorities applicable undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable, however there has been a slight delay in few cases.

According to the information and explanations given to us and based on our examination of records of the Company , no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at March 31, 2022 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us and based on our examination of records of the Company, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited on account of any dispute except the following :

Name of the Statue	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Maharashtra Sales Tax	Lease Tax	3542060/-	1998-99 to 2000-01	Sales Tax Appellate Tribunal (Mumbai)
Income Tax Act , 1961	Income Tax	942450/-	AY 2013-14	CIT Appeals

(viii) According to the information and explanations given to us, the company has not surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly clause (viii) of paragraph 3 of the said order is not applicable.

(ix) (a) According to the information and explanations given to us and based on our examination of records of the Company, the company has not defaulted in repayment of loans or other borrowing or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us , the company is not a declared willful defaulter by any bank or financial institution or other lender. Accordingly sub clause (b) of clause (ix) of paragraph 3 of the said order is not applicable.

(c) According to the information and explanations given to us and based on our examination of records of the Company, the company has not obtained any term loan. Accordingly sub clause (c) of clause (ix) of paragraph 3 of the said order is not applicable.

(d) According to the information and explanations given to us and based on our examination of records of the Company, no funds raised on short term basis have been utilized for long term purposes.

Annexure – A To The Independent Auditors’ Report (Contd.)

(e)) According to the information and explanations given to us and based on our examination of records of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly sub clause (e) of clause (ix) of paragraph 3 of the said order is not applicable.

(f) According to the information and explanations given to us and based on our examination of records of the Company the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly sub clause (f) of clause (ix) of paragraph 3 of the said order is not applicable.

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

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

(xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us , we report that no fraud by the company or on the company has been noticed or reported during the year.

(b) No report under sub-section 12 of section 143 of the Companies Act , 2013 has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause (xii) of paragraph 3 of the said order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and according to the explanations given to us the company has an internal audit system that is commensurate with the size and nature of its business;

(b) We have considered the Internal audit reports of the company for the period under audit;

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with its directors during the year. Hence the provisions of section 192 of the Companies Act 2013 are not applicable to the company.

(xvi) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

(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 conducted any Non-Banking Financial or Housing Finance activities hence sub clause (b) of clause (xvi) of paragraph 3 of the said order is not applicable.

Annexure – A To The Independent Auditors' Report (Contd.)

(c) According to the information and explanations given to us and based on our examination of the records of the Company, the company is a not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, subclause (c) of clause (xvi) of paragraph 3 of the Order is not applicable.

(d) According to the information and explanations given to us and based on our examination of the records of the Company, there are 6 core investment companies (CIC's) in the Group (basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions 2016 as at the end of the reporting period.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the company has incurred cash losses of Rs 1,69,22,224/- in the current financial year and cash losses of Rs 3,48,09,281/- in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year, accordingly, clause (xviii) of paragraph 3 of the said order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the company is not required to spend any amount under section 135 (5) of the Companies Act, 2013 for the financial year. accordingly, sub clause (a) & (b) of clause (xx) of paragraph 3 of the said order are not applicable.

(xxi) According to the information and explanations given to us and based on our examination of the records of the Company, clause (xxi) of paragraph 3 of the said order is not applicable.

For **Chandrashekar Iyer & Co**
Chartered Accountants
Firm Registration No. 114260W

(Chandrashekhar Iyer)
Partner
Membership No.47723
Mumbai, April 18 ,2022
UDIN: 22047723AHJBHP2824

Annexure 'B' To The Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements section of our report to the Members of Taj Trade and Transport Company Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Taj Trade And Transport Company Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the Financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Annexure 'B' To The Independent Auditors' Report (Contd.)

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us , 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 issued by the Institute of Chartered Accountants of India.

For **Chandrashekar Iyer & Co**
Chartered Accountants
Firm Registration No. 114260W

(Chandrashekhar Iyer)
Partner
Membership No.47723
Mumbai, April 18 ,2022
UDIN: 22047723AHJBHP2824

Balance Sheet
as at March 31, 2022

	Note	March 31, 2022	March 31, 2021
			₹
Assets			
Non-current assets			
Property, plant and equipment	3	19,659,542	21,207,051
Capital work-in-progress	3	47,415	867,365
Other Intangible assets	4	1,537,114	1,072,131
		21,244,071	**23,146,547**
Financial assets			
Investments	5	19,369,221	19,369,221
Other financial assets			
Security Deposit	6A	180,000	130,000
Income Tax Asset (Net)		14,709,789	21,843,396
Total non-current assets		**55,503,081**	**64,489,164**
Current assets			
Inventories	8	47,658,752	39,379,941
Financial assets			
Investments	7	6,184,445	28,212,912
Trade receivables	9	3,292,683	1,069,992
Cash and cash equivalents	10	7,742,631	5,708,042
Bank balances other than cash and cash equivalents	11	13,025,791	23,343,909
Other financial assets	6B	5,909,248	5,382,312
Other current assets	12	11,446,594	10,621,282
Total current assets		**95,260,145**	**113,718,390**
Total Assets		**150,763,226**	**178,207,554**
Equity and Liabilities			
Equity			
Equity share capital	13	34,682,250	34,682,250
Other equity	14	36,182,160	54,750,694
Total equity		**70,864,410**	**89,432,944**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liability	16A	488,550	-
Provisions	15	3,981,849	4,661,864
Total non current liabilities		**4,470,399**	**4,661,864**
Current Liabilities			
Financial liabilities			
Lease Liability	16A	166,667	-
Short Term Borrowings	16B	-	14,533,418
Trade payables	17		
A) Total dues of Micro and small enterprises		6,601,276	-
B) Total dues other than Micro and small enterprises		54,420,757	50,474,827
Other current liabilities	18	13,815,536	18,746,309
Provisions	15	424,181	358,192
Total current liabilities		**75,428,417**	**84,112,746**
Total Equity and Liabilities		**150,763,226**	**178,207,554**
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statements from 1 to 46			

As per our report attached
For **Chandrashekar Iyer & Co.**
Chartered Accountants

For and on behalf of the Board

Chandrashekhar Iyer
Partner
Membership No. 47723
Firm Registration No. 114260W

Faisal Momen
Director
DIN: 00064878

Nabakumar Shome
Director
DIN: 03605594

Place: Mumbai
Dated: April 18, 2022

Statement of Profit and Loss

for the year ended March 31, 2022

	Note	March 31, 2022	March 31, 2021
			₹
Income			
Revenue from operations	19	86,207,283	34,337,972
Other income	20	4,695,257	5,064,977
Total Income		**90,902,540**	**39,402,948**
Expenses			
Material Purchased	21	55,147,092	(853,052)
Changes in Inventories	22	(8,423,504)	21,192,779
Employee benefit expenses	23	22,730,774	27,626,292
Depreciation and amortisation expense		3,866,367	3,777,323
Other expenses	24	34,453,337	27,326,030
Total Expenses		**107,774,065**	**79,069,372**
Profit/ (Loss) before exceptional items and tax		(16,871,526)	(39,666,423)
Exceptional items		-	-
Profit/ (Loss) before tax		**(16,871,526)**	**(39,666,423)**
Tax expense			
Current tax		-	-
Short /(Excess) provision for tax of earlier years		1,875,508	
Deferred tax		-	-
Total		**1,875,508**	**-**
Profit/ (Loss) after tax		(18,747,033)	(39,666,423)
Other comprehensive income, net of tax			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligation		178,499	192,520
		178,499	**192,520**
Total comprehensive Income for the period		**(18,568,534)**	**(39,473,903)**
Profit/ (Loss) for the period attributable to:			
Owners of the Company		(18,747,033)	(39,666,423)
Total Comprehensive Income for the period attributable to			
Owners of the Company		**(18,568,534)**	**(39,473,903)**
Earnings per share:			
Basic - (₹)		(5.41)	(11.44)
Diluted - (₹)		(5.41)	(11.44)
Face value per equity share - (₹)		10	10
Summary of Significant Accounting Policies	2		
The accompanying notes form an integral part of the Financial Statements from 1 to 46			

As per our report attached
For **Chandrashekar Iyer & Co.**
Chartered Accountants

For and on behalf of the Board

Chandrashekhar Iyer
Partner
Membership No. 47723
Firm Registration No. 114260W

Faisal Momen
Director
DIN: 00064878

Nabakumar Shome
Director
DIN: 03605594

Place: Mumbai
Dated: April 18, 2022

Statement of Cash Flow
for the year ended March 31, 2022

₹

	March 31, 2022	March 31, 2021
Cash Flow from Operating Activities		
Net Profit Before Tax	(16,871,526)	(39,666,423)
Adjustments For :		
(Profit)/Loss on sale of investments		
Depreciation and Amortisation	3,866,367	3,777,323
Provisions Write back	(2,201,771)	
Provision for Doubtful Debts and Advances		1,630,693
Loss/(profit) on sale of Current Investments	(77,859)	-
Capital Advances/Assets written off	470,000	179,231
Gain on fair valuation of investment mandatorily measured at FVPL	(393,674)	(1,170,403)
Dividend Income	-	(332,818)
Interest Income	(1,027,800)	(1,847,255)
Provision for devaluation of stock	144,693	(61,299)
Provision for Employee Benefits	178,499	192,520
	958,455	**2,367,992**
Cash Operating Profit before working capital changes	(15,913,071)	(37,298,431)
Adjustments for (increase)/ decrease in operating assets:		
Inventories	(8,423,505)	21,192,779
Trade Receivables	(2,222,691)	222,599
Short-term loans and advances	-	101,574
Loans and advances	(576,936)	748,920
Other Current Assets	(2,893,966)	(3,315,991)
	(14,117,098)	**18,949,881**
Adjustments for increase/ (decrease) in operating liabilities:		
Trade Payables	10,547,206	(26,345,231)
Short term provisions	65,989	11,490
Long-term Provisions	(24,798)	223,687
Other Liabilities	(2,729,003)	5,547,369
	7,859,394	**(20,562,685)**
Cash Generated from Operating Activities	(22,170,774)	(38,911,236)
Direct Taxes (Paid)/ Refunded	7,133,608	829,289
Net Cash Generated From Operating Activities (A)	**(15,037,166)**	**(38,081,947)**

Statement of Cash Flow (Contd.)
for the year ended March 31, 2022

₹

	March 31, 2022	March 31, 2021
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	(1,731,980)	(822,944)
Purchase of intangible assets	(1,051,861)	-
Capital Work in Progress	349,950	(266,299)
(Purchase) / Sale of Current Investments	22,500,000	15,345,210
Interest Received	1,220,946	1,847,255
Dividend Received	-	332,818
Bank overdraft	(14,533,418)	5,661,113
Deposits matured	10,318,118	12,820,283
Net Cash Generated/(Used) In Investing Activities (B)	**17,071,755**	**34,917,436**
Cash Flow from Financing Activities		
Dividend paid (Including tax on dividend)		
Net Cash Generated/ (Used) In Financing Activities (C)	-	-
Net Increase/ (Decrease) In Cash and cash equivalents (A + B + C)	2,034,589	(3,164,510)
Cash and Cash Equivalents - Opening (Refer Note 10)	5,708,042	8,872,552
Cash and Cash Equivalents - Closing (Refer Note 10)	**7,742,631**	**5,708,042**
Summary of Significant Accounting Policies 2		
The accompanying notes form an integral part of the Financial Statements from 1 to 46		

As per our report attached
For **Chandrashekar Iyer & Co.**
Chartered Accountants

For and on behalf of the Board

Chandrashekhar Iyer
Partner
Membership No. 47723
Firm Registration No. 114260W

Faisal Momen
Director
DIN: 00064878

Nabakumar Shome
Director
DIN: 03605594

Place: Mumbai
Dated: April 18, 2022

Notes forming part of Financial Statements

Note 1: Corporate Information

Taj Trade and Transport Co. Ltd is incorporated and domiciled in India and has its registered office at Mandlik House, Mandlik Road, Colaba, Mumbai 400 001. The Company is primarily engaged in the business of Retailing Merchandise under the brand name of Taj Khazana.

Note 2: Statement of Significant Accounting Policies

(a) Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

(b) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

(c) Basis of Preparation and Presentation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

(d) Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- **Useful lives of Property, Plant and Equipment and Intangible Assets:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- **Impairment Testing:** Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and there the tax charge in the statement of profit or loss.

Provision for tax liabilities require judgements on the interpretation of tax law, 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 or loss.

- **Fair Value Measurement of Derivative and other Financial Instruments:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements to select a variety of methods and make assumptions that are mainly based on market conditions existing at the Balance Sheet date.
- **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.
- **Defined Benefit Plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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 is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.
- All assets and liabilities are classified into current and non-current generally on the criteria of realisation /settlement within twelve months period from the Balance sheet date.

e) Revenue Recognition

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer.

Revenue from operations

Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes sale of goods and services.

Revenue from sale of goods is recognised net of trade discount, returns and indirect taxes on transfer of significant risks and rewards of ownership to the buyer (which generally coincides with the delivery of goods to the customers).

Rendering of services is recognised net off indirect taxes and is recognised in the period in which services have been rendered. These contracts are generally short term in nature.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognised when the Company’s right to receive the amount is established.

Notes forming part of Financial Statements (Contd.)

(f) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes all expenditure incidental to acquisition and installation.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that it's estimated recoverable amount.

Depreciation is charged to profit or loss so as to write off the cost of assets less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of the depreciable assets are as follows:

Class of Assets	Estimated Useful life
Leasehold Improvements	05 years
Office Equipment	05 years
Plant & Machinery	15 years
Furniture & Fixtures	15 years
Electrical fittings	10 years
Computers	6 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the pervious GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work in progress represents property, plant and equipment's are not yet ready for their intended use and are carried at cost determined as aforesaid.

(g) Intangible Assets

Intangible assets include cost of acquired software and Licences. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use. The estimated useful life used for amortising intangible assets are as under:

Nature of Assets	Useful life adopted
Software and Licences	6 years

Notes forming part of Financial Statements (Contd.)

(h) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

(i) Foreign Currency Translation

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were the fair value measured.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of other monetary items are recognised in the Statement of Profit and Loss.

(j) Non-current Assets held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable and expected to be completed within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell

(k) Inventories

Traded goods and consumables are valued at lower of cost and net realisable value. Cost of traded goods is arrived on the basis of specific identification method. In the case of stocks of beauty salons, the same is valued under FIFO method.

Notes forming part of Financial Statements (Contd.)

(l) Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current Tax

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax (“MAT”) credit is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

Notes forming part of Financial Statements (Contd.)

(m) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

(n) Employee Benefits

(i) Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the minimum rates of return prescribed by the Central Government and recognises such contributions and shortfall, if any, as an expense in the year in which the corresponding services are rendered by the Company.

(ii) Gratuity Fund

The Company makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds. The Gratuity plan provides for lump sum payment to vested employees on retirement, death or termination of employment of an amount based on the respective employee's last drawn salary and tenure of employment. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the other comprehensive income and reflected in retained earnings and will not be reclassified to the statement of profit and loss.

(iii) Compensated Absences

The Company has a scheme for compensated absences for employees, the liability for which is determined on the basis of an independent actuarial valuation using the projected unit credit method, carried out at the Balance Sheet date.

(iv) Other Employee Benefits

Other benefits, comprising of discretionary Long Service Awards and Leave Travel Allowances, are determined on an undiscounted basis and recognised based on the entitlement thereof.

(o) Cash and Cash Equivalent (for the purpose of cash flow statements)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Notes forming part of Financial Statements (Contd.)

(p) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

(q) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equities shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(r) Segment Reporting

The Company identifies operating segments based on the internal reporting provided to the decision-maker who are responsible for allocating resources and assessing performance of the operating segments and have been identified as the committee that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets/liabilities”.

(s) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. 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, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Refer note no. 42.

Notes forming part of Financial Statements (Contd.)

(t) Financial Instruments:

Financial Assets

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Investment in subsidiaries, joint ventures and associates are carried at cost less impairment, if any. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Investment in equity – others is carried at lower of cost or fair value

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

Notes forming part of Financial Statements (Contd.)

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

  (a) The Company has transferred substantially all the risks and rewards of the asset, or

  (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Notes forming part of Financial Statements (Contd.)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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 Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Notes forming part of Financial Statements (Contd.)

Note 3 : Property, Plant and Equipment (Owned, unless otherwise stated)

₹

	Improvements to Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles*	Total	Capital Work in Progress
Cost							
At April 1, 2020	6,070,816	10,428,539	26,736,884	348,240	1,200	43,585,680	601,066
Additions	71,896	189,082	516,435	45,531	-	822,944	1,176,523
Adjustment							
Disposals/ Transfer	401,826	2,589,655	396,212	22,256		3,409,949	910,224
At March 31, 2021	**5,740,886**	**8,027,966**	**26,857,107**	**371,515**	**1,200**	**40,998,675**	**867,365**
Additions	483,107	222,793	962,476	63,604	-	1,731,980	175,313
Adjustments						-	
Disposals/ Transfer						-	995,263
At March 31, 2022	**6,223,993**	**8,250,759**	**27,819,583**	**435,119**	**1,200**	**42,730,655**	**47,415**
Depreciation							
At April 1, 2020	5,334,660	5,750,537	8,322,169	105,249	-	19,512,615	
Charge for the year	270,395	1,024,020	2,112,175	103,136	-	3,509,726	
Adjustments						-	
Disposals	401,826	2,547,585	268,235	13,071		3,230,718	
At March 31, 2021	**5,203,229**	**4,226,972**	**10,166,109**	**195,314**	**-**	**19,791,623**	
Charge for the year	327,222	751,979	2,129,035	71,253	-	3,279,489	
Adjustments						-	
Disposals						-	
At March 31, 2022	**5,530,451**	**4,978,951**	**12,295,144**	**266,567**	**-**	**23,071,112**	
Net Block							
At March 31, 2021	**537,657**	**3,800,994**	**16,690,998**	**176,201**	**1,200**	**21,207,051**	**867,365**
At March 31, 2022	**693,542**	**3,271,808**	**15,524,439**	**168,552**	**1,200**	**19,659,542**	**47,415**

Footnotes :

1 * Cars & Vehicles including Leased Cars upto March 31, 2003 costing ₹ 49,39,770/- (Previous Year ₹ 49,39,770/-), WDV ₹ 1,200/- (Previous Year ₹ 1,200/-) have been held for disposal and valued at WDV or Net Realisable Value whichever is lower.
Refer to note number 30 to notes to accounts.

2 For Capital Commitments refer note no. 25.

Notes forming part of Financial Statements (Contd.)

Note 4 : Intangible Assets (Acquired)

₹

	Software	Goodwill	Right to use	Total
Cost				
At April 1, 2020	1,879,678	10,574,151	-	12,453,829
Additions	-	-	-	-
Adjustments	-	-	-	-
Disposals	119,380	-		119,380
At March 31, 2021	**1,760,298**	**10,574,151**	**-**	**12,334,449**
Additions	122,500	-	929,361	1,051,861
Adjustments				-
Disposals	-	-	-	-
At March 31, 2022	**1,882,798**	**10,574,151**	**929,361**	**13,386,310**
Amortisation				
At April 1, 2020	539,951	10,574,151	-	11,114,102
Charge for the year	267,597	-	-	267,597
Adjustments	-	-	-	-
Disposals	119,381	-	-	119,381
At March 31, 2021	**688,167**	**10,574,151**	**-**	**11,262,318**
Charge for the year	277,091	-	309,787	586,878
Adjustments				
Disposals	-	-	-	-
At March 31, 2022	**965,258**	**10,574,151**	**309,787**	**11,849,196**
Net Block				
At March 31, 2021	**1,072,131**	**-**	**-**	**1,072,131**
At March 31, 2022	**917,540**	**-**	**619,574**	**1,537,114**

Notes forming part of Financial Statements (Contd.)

Note 5 : Investments

Non Current Investments	March 31, 2 022 Holdings As at	March 31, 2 022 ₹	March 31, 2021 Holdings As at	March 31, 2021 ₹
Fully Paid Quoted Equity Instruments				
Investments in Associate of Holding Companies (At Cost)				
Oriental Hotels Limited shares of ₹1 each fully paid	1,664,090	18,608,480	1,664,090	18,608,480
	1,664,090	**18,608,480**	**1,664,090**	**18,608,480**
Fully Paid Unquoted Equity Instruments				
Investments in Subsidiary and Associates of Holding Companies (At Cost)				
Inditravel Limited shares of ₹10 each fully paid	72,001	720,750	72,001	720,750
Taida Trading and Industries Limited shares of ₹100 each fully paid	680	68,000	680	68,000
	72,681	**788,750**	**72,681**	**788,750**
Other Investments (Cost or Fair value whichever is lower)				
Bombay Mercantile Co-op Bank Ltd	333	9,990	333	9,990
Saraswat Co-op Bank Ltd	1,000	10,000	1,000	10,000
	1,333	**19,990**	**1,333**	**19,990**
Total Investment in Equity instruments		**19,417,220**		**19,417,220**
Investment in Others				
National Saving Certificate *		20,000		20,000
		20,000		**20,000**
Total Non-current Investments - Gross		19,437,220		19,437,220
Less : Provision for Diminution in value of Investments **		(67,999)		(67,999)
Total Non-current Investments - Net		**19,369,221**		**19,369,221**
Footnotes :				
1) Aggregate value of cost of Quoted Investments		18,608,480		18,608,480
2) Aggregate market value of Quoted Investments		105,253,693		37,941,252
3) Aggregate value of cost of Unquoted Investments		828,740		828,740
4) Aggregate amount of provision for diminution in value of investments		(67,999)		(67,999)
5) *Security Deposit for VAT				
6) ** Provision for diminution in value has been made on the basis of book value of the shares of the respective companies as per last Audited Balance Sheet				

Notes forming part of Financial Statements (Contd.)

Note 6 : Other Financial Assets

		₹ March 31, 2022	March 31, 2021
A)	**Non Current**		
	(Unsecured, considered good unless stated otherwise)		
	Loans and advances to related parties at fair value		
	Security Deposit	180,000	130,000
		180,000	**130,000**
B)	**Current**		
	(Unsecured, considered good unless stated otherwise)		
	Related Parties (Refer Note no. 43)		
	Considered Good	570,257	28,957
	Interest Receivable	243,547	436,693
	Loans and advances to Employees	195,444	16,662
	Others (Lease Tax Deposit)	4,900,000	4,900,000
		5,909,248	**5,382,312**

Note 7 : Investments

Current Investments	March 31, 2 022 Holdings As at	March 31, 2 022 ₹	March 31, 2021 Holdings As at	March 31, 2021 ₹
Investments in Mutual Fund Units (Quoted)				
Tata Mutual Fund	1,840	6,184,445	8,687	28,212,912
TOTAL		**6,184,445**		**28,212,912**
1) Aggregate amount of cost of quoted Investments		6,184,445		28,212,912
2) Aggregate market value of quoted Investments		6,184,445		28,212,912

Note 8 : Inventories (At lower of cost and net realisable value)

	₹ March 31, 2022	March 31, 2021
Stock in Trade *	48,166,286	39,742,782
Less: Provision for Devaluation of Stock	507,534	362,841
	47,658,752	**39,379,941**

* Stock in Trade (as taken and certified by management) is valued at lower of Cost & Market Value

Notes forming part of Financial Statements (Contd.)

Note 9 : Trade receivables (Refer ageing schedule below)*

₹

	March 31, 2022	March 31, 2021
Secured		
Considered good	-	-
Credit Impaired	-	-
	-	
Unsecured		
Considered good	3,292,683	1,069,992
Credit Impaired	1,077,266	1,630,693
	4,369,949	**2,700,685**
Less :		
Allowance for Credit Impaired	1,077,266	1,630,693
(For Related Party balances refer note no. 43)	**3,292,683**	**1,069,992**

* Trade Receivables ageing schedule

As at March 31, 2022

In ₹

Particulars	Outstanding for following periods from due date of payment						
	Unbilled Dues	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good		3,013,564	51,854	227,264			3,292,683
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							-
(iii) Undisputed Trade Receivables – credit impaired			118,952	903,485	54,829		1,077,266
(iv) Disputed Trade Receivables– considered good							-
(v) Disputed Trade Receivables – which have significant increase in credit risk							-
(vi) Disputed Trade Receivables – credit impaired							-
Total	**-**	**3,013,564**	**170,806**	**1,130,749**	**54,829**	**-**	**4,369,949**
Less : Allowance for credit impaired			118,952	903,485	54,829		1,077,266
Net Trade Receivables	**-**	**3,013,564**	**51,854**	**227,264**	**-**	**-**	**3,292,683**

Notes forming part of Financial Statements (Contd.)

As at March 31, 2021

In ₹

Particulars	Outstanding for following periods from due date of payment						
	Unbilled Dues	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good		973,960	96,032				1,069,992
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							-
(iii) Undisputed Trade Receivables – credit impaired			661,499	969,194			1,630,693
(iv) Disputed Trade Receivables– considered good							-
(v) Disputed Trade Receivables – which have significant increase in credit risk							-
(vi) Disputed Trade Receivables – credit impaired							-
Total	-	**973,960**	**757,531**	**969,194**	-	-	**2,700,685**
Less : Allowance for credit impaired			661,499	969,194			1,630,693
Net Trade Receivables	-	**973,960**	**96,032**	-	-	-	**1,069,992**

Note 10 : Cash and Cash Equivalents

₹

	March 31, 2022	March 31, 2021
Cash on hand	555,758	298,480
Balances with bank in current account	7,186,873	5,409,562
	7,742,631	**5,708,042**

Note 11 : Bank Balances Other than Cash and Cash Equivalents

₹

	March 31, 2022	March 31, 2021
Other Balances with banks		
Call and Short-term deposit accounts (Of which ₹8,14,774/- (Previous year ₹8,02,779/-) is held as security against Bank Guarantee)	11,625,791	21,943,909
Long Term Bank Deposit held as security against Bank guarantee	1,400,000	1,400,000
	13,025,791	**23,343,909**

Note 12 : Other Assets

₹

	March 31, 2022	March 31, 2021
Current		
Prepaid Expenses	563,673	473,893
Other Recoverables	21,240	21,240
Indirect tax recoverable	10,861,681	10,126,149
	11,446,594	**10,621,282**

Notes forming part of Financial Statements (Contd.)

Note 13 : Equity Share Capital

₹

	March 31, 2022	March 31, 2021
Authorised Share Capital		
Equity Shares		
40,00,000 (Previous Year 40,00,000) Equity Shares of ₹10 each	40,000,000	40,000,000
	40,000,000	**40,000,000**
Issued Share Capital		
Equity Shares		
34,68,225 (Previous Year 34,68,225) Equity Shares of ₹10 each fully paid.	34,682,250	34,682,250
	34,682,250	**34,682,250**
Promoter shareholding		
Name of the promoter	The Indian Hotels Company Ltd	
Number of shares held	1,616,999	1,616,999
Percentage of total shares	46.62%	46.62%
Percentage change during the year	**NIL**	**NIL**

Footnotes:

	March 31, 2022		March 31, 2021	
	No. of shares	₹	No. of shares	₹
As at the beginning of the year	3,468,225	34,682,250	3,468,225	34,682,250
Add : Issued during the year	-	-	-	-
As at the end of the year	**3,468,225**	**34,682,250**	**3,468,225**	**34,682,250**

(ii) Shareholders holding more than 5% shares in the Company

	March 31, 2022		March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity shares of ₹ 10 each fully paid				
The Indian Hotels Company Limited	1,616,999	46.62%	1,616,999	46.62%
Inditravel Limited	550,766	15.88%	550,766	15.88%
Piem Hotels Limited	886,500	25.56%	886,500	25.56%

Notes forming part of Financial Statements (Contd.)

(iii) Shares in the entity held by the holding company/ ultimate holding company or by its subsidiaries and associates.

Name of the Company	March 31, 2022		March 31, 2021	
Equity shares of ₹10 each fully paid	**No. of shares**	**% of Holding**	**No. of shares**	**% of Holding**
Shares held by Ultimate Holding Company				
The Indian Hotels Company Limited	1,616,999	46.62%	1,616,999	46.62%
	1,616,999	**46.62%**	**1,616,999**	**46.62%**
Shares held by Subsidiaries of Ultimate Holding Company				
Inditravel Limited	550,766	15.88%	550,766	15.88%
Piem Hotels Limited	886,500	25.56%	886,500	25.56%
Northern India Hotels Limited	49,998	1.44%	49,998	1.44%
	1,487,264	**42.88%**	**1,487,264**	**42.88%**
Shares held by Associates of Ultimate Holding Company				
Oriental Hotels Limited	100,500	2.90%	100,500	2.90%
	100,500	**2.90%**	**100,500**	**2.90%**

(iv) The company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held.

(v) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 14: Statement of Changes in Equity

A. Equity Share Capital

(1) Current reporting period

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
34,682,250	-	-	-	34,682,250

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
34,682,250	-	-	-	34,682,250

Notes forming part of Financial Statements (Contd.)

B. Other Equity

₹

Particulars	Share Application Money Pending Allotment	Equity Component of other financial instruments	Other Equity						Total
			Reserves and Surplus						
			Capital Reserve	Securities Premium Account	General Reserve	Other reserves	Retained Earnings	Money received against share warrants	
Balance as at March 31, 2020	-	-	-	28,125,000	46,866,523	2,817,750	16,415,324	-	94,224,597
Profit/(Loss) for the year ended March 31, 2021							(39,666,423)		(39,666,423)
Other Comprehensive Income for the year ended March 31, 2021, net of taxes, (excluding actuarial gain/ losses, given below)			-				-		-
Remeasurements of post employment benefit obligation, net of tax							192,520		192,520
Total Comprehensive Income for the year ended March 31, 2021			**-**				**(39,473,903)**		**(39,473,903)**
Dividends							-		-
Tax on Dividend							-		-
Balance as at March 31, 2021	-	-	-	28,125,000	46,866,523	2,817,750	(23,058,579)	-	54,750,694
Profit/(Loss) for the year ended March 31, 2022							(18,747,033)		(18,747,033)
Other Comprehensive Income for the year ended March 31, 2022, net of taxes, (excluding actuarial gain/ losses, given below)			-				-		-
Remeasurements of post employment benefit obligation, net of tax							178,499		178,499
Total Comprehensive Income for the year ended March 31, 2022			**-**				**(18,568,534)**		**(18,568,534)**
Dividends						-	-		-
Tax on Dividend						-	-		-
Balance as at March 31, 2022	-	-	-	28,125,000	46,866,523	2,817,750	(41,627,113)	-	36,182,160

Notes forming part of Financial Statements (Contd.)

Note 15 : Provisions

₹

		March 31, 2022	March 31, 2021
A)	**Non- Current**		
	Employee Benefit Obligation		
	Leave Encashment	1,299,589	1,739,009
	Gratuity (refer note no.31)	2,682,260	2,922,855
		3,981,849	**4,661,864**
B)	**Current**		
	Employee Benefit Obligation		
	Leave Encashment	424,181	358,192
		424,181	**358,192**

Note 16A : Lease Liability

₹

		March 31, 2022	March 31, 2021
A)	**Non current**		
	Lease Liability	488,550	-
		488,550	**-**
B)	**Current**		
	Lease Liability	166,667	-
		166,667	**-**

Note 16B : Short Term Borrowings

₹

	March 31, 2022	March 31, 2021
Bank Overdraft		
(Secured against Fixed Deposits of C.Y. ₹Nil	-	14,533,418
P.Y.₹2,11,86,083/-)	**-**	**14,533,418**

Notes forming part of Financial Statements (Contd.)

Note 17 : Trade Payables

₹

	March 31, 2022	March 31, 2021
Micro, Small and Medium Enterprises - (Refer note no. 37)	6,601,276	-
Sundry Creditors (Refer Ageing Schedule below)*	52,081,196	49,975,198
Accrued expenses and others	2,339,561	499,630
	61,022,033	**50,474,827**

Trade Payables ageing schedule

As at March 31, 2022

In ₹

Particulars	Outstanding for following periods from due date of payment					
	Unbilled & Not Due	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) Trade Payables - MSME		6,601,276				6,601,276
(ii) Trade Payables - Others		51,837,789	243,407			52,081,196
(iii) Accrued Expenses		2,339,561				2,339,561
(iv) Disputed dues – MSME						-
(iv) Disputed dues - Others						-
Total	**-**	**60,778,626**	**243,407**	**-**	**-**	**61,022,033**

As at March 31, 2021

In ₹

Particulars	Outstanding for following periods from due date of payment					
	Unbilled & Not Due	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) Trade Payables - MSME		-				-
(ii) Trade Payables - Others		49,975,198				49,975,198
(iii) Accrued Expenses		499,629				499,629
(iv) Disputed dues – MSME						-
(iv) Disputed dues - Others						-
Total	-	**50,474,827**	-	-	-	**50,474,827**

Note 18 : Other Liabilities

₹

	March 31, 2022	March 31, 2021
Current		
Statutory dues	10,686,832	10,628,692
Related Parties	3,128,704	7,000,571
Others		
Provision for Contingencies	-	1,117,046
	13,815,536	**18,746,309**

Notes forming part of Financial Statements (Contd.)

Note 19 : Revenue from Operations

₹

	March 31, 2022	March 31, 2021
Sale of Goods	71,936,703	28,760,232
Sale of Services	14,270,580	5,577,740
Total	**86,207,283**	**34,337,972**

Note 20 : Other Income

₹

	March 31, 2022	March 31, 2021
Interest Income from financial assets at amortised cost		
Deposits with banks (Tax deducted at source ₹93,953/- (Previous Year ₹1,01,165/-)	1,027,800	1,847,255
Interest on Income Tax Refunds	994,153	236,056
Total	**2,021,953**	**2,083,311**
Dividend received on Investment carried at cost		
Dividend Income - Non-Current (Trade)	-	332,818
Gain on fair valuation of investment mandatorily measured at FVPL	393,674	1,170,403
Profit on sale of Investments (Net)	77,859	
Exchange Gain (Net)	-	5,341
Others	2,201,771	1,473,104
Total	**4,695,257**	**5,064,977**

Note 21 : Materials Purchased

₹

	March 31, 2022	March 31, 2021
Purchase of stock in trade - Trading (net of returns)	55,147,092	(853,052)
Total Material purchased	**55,147,092**	**(853,052)**

Note 22 : Changes in Inventories

₹

	March 31, 2022	March 31, 2021
(i) Trading		
Opening Stock	39,742,782	60,935,561
Closing Stock	48,166,286	39,742,782
Total	**(8,423,504)**	**21,192,779**

Note 23 : Employee Benefit Expenses

₹

	March 31, 2022	March 31, 2021
Salaries, Wages, Bonus etc.	17,218,028	19,752,671
Company's Contribution to Provident and Other Funds -(refer note 31)	1,805,572	2,918,544
Reimbursement of Expenses on Personnel Deputed to the Company	2,205,515	3,667,393
Staff Welfare Expenses	1,501,659	1,287,684
Total	**22,730,774**	**27,626,292**

Notes forming part of Financial Statements (Contd.)

Note 24 : Other expenses

₹

	March 31, 2022	March 31, 2021
Electricity	1,748,416	1,218,883
Repairs to Machinery	23,235	32,058
Repairs - Others	533,615	275,432
Commission to others	-	75,300
Rent	14,239,539	9,494,546
Rates and Taxes	1,018,595	65,487
Insurance	1,246,081	1,008,612
Business Promotion Expenses	1,609,096	608,529
Travelling and Conveyance Expenses	1,476,419	1,058,556
Credit Cards Charges	852,030	347,241
Provision for Doubtful Debts (Refer Footnote (vi))	-	1,630,693
Legal and Professional Charges	7,036,405	7,549,281
Payment made to Statutory Auditors (Refer Footnote (i))	327,272	305,250
Capital Advances Written off	470,000	-
Assets Written Off	-	179,231
Provision for Consignment Stock	233,469	37,000
Miscellaneous Expenses	3,639,164	3,439,931
Total	**34,453,337**	**27,326,030**

Footnote

(i) Payment made to Statutory Auditors:

₹

	March 31, 2022	March 31, 2021
As auditors	250,000	250,000
As tax auditors	50,000	50,000
For out-of pocket expenses	27,272	5,250
	327,272	**305,250**

Note 25 : Contingent Liabilities

Contingent liabilities and commitments (to the extent not provided for)

₹

Particulars	March 31, 2022	March 31, 2021
Contingent Liabilities		
(a) Claims against the company not acknowledged as debts		
(i) Income tax demand under appeal	9,42,450	9,42,450
	9,42,450	**9,42,450**
(b) Other money for which the company is contingently liable		
Employee Related Matters	69,26,220	69,26,220
(c) Guarantees given by banks on behalf of the company	5,44,090	5,44,090
	84,12,760	**84,12,760**
Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	3,40,150
	84,12,760	**89,61,367**

The management believes that the outcome of the proceedings will not have an adverse effect on the company's financial position and results of the operation.

Notes forming part of Financial Statements (Contd.)

Note 26 : IND AS 115 'Revenue from Contracts with Customers'

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' which introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

Ind AS 115 - Disclosure format

₹

Note No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Contract with Customers		
1	Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
	Revenue from operations		
	Revenue from contract with customers		
	a) Sale goods	71,936,703	28,760,232
	b) Sale of services	14,270,580	5,577,740
		86,207,283.06	**34,337,972.00**
	Other operating revenue		
	a) Export Incentive	-	-
	b) Other revenue	-	-
		-	-
	Total Revenue from operations	**86,207,283**	**34,337,972**
2	Disaggregate Revenue		
	The following table presents Company's revenue disaggregated by type of revenue stream		
	Revenue based on product and services		
	Revenue from contract with customers		
	a) Sale of goods	71,936,703	28,760,232
	b) Sale of services	14,270,580	5,577,740
3	The Company derives its revenue from the transfer of goods and services at a point of time in its major service lines.		
4	Contract balances		
	Advance Collections, deposits from customer		
	Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/ restaurant/Banquets. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage / provision of banquet services.		
	At April	-	-
	At March	-	-

Revenue recognised during the period that was included in the opening balance of Customer Advances amounted to Rs NIL (P.Y. Rs. NIL).

Note 27 : The Company is carrying slow-moving/non-moving inventory of ₹2,74,065/- (P.Y.₹3,62,841/-) which is more than one year old in its books. An amount of ₹2,74,065/- (P.Y. ₹3,62,841/-) is being carried forward as provision for obsolescence against this stock.

Note 28 : The Company is carrying forward a provision of ₹ 2,33,469/- (P.Y ₹Nil) on account of shortages/damages in the consignment stocks.

Note 29 : The Company has Goods on Approval arrangement with suppliers in ordinary course of business. The value of such stock, at cost, which has been excluded from the Balance sheet amounts to ₹ 17,96,29,963 (P.Y. ₹ 5,91,00,781).

Notes forming part of Financial Statements (Contd.)

Note 30 : Assets held for Disposal

₹

Particulars	Original Cost	Book Value	Book Value of Previous Year
Cars & Vehicles	49,39,770 (P.Y. 49,39,770)	1,200	1,200

The estimated realisation value of the above assets is higher than the present book value.

Note 31 : Employee Benefits

Applicable Disclosures as per IND AS-19:

The Company has calculated the various benefits to employees as under:

(A) Defined contribution plans

The Company has recognised the following expenses as defined contribution plan under the head “Company’s Contribution to Provident Fund” and other funds (net of recoveries).

₹

	March 31, 2022	March 31, 2021
Provident fund	11,54,917	13,94,635

(B) Defined benefit plans

The Company operates post retirement defined benefit plans as follows:

(i) Post retirement gratuity – Funded

Notes forming part of Financial Statements (Contd.)

(C) Defined benefit plans – as per actuarial valuation on March 31, 2022

₹

		March 31, 2022	March 31, 2021
(i)	**Amount to be recognised in Balance Sheet and movement in net liability**		
	Present Value of Funded obligation	9,982,182	9,970,087
	Fair Value of Plan Assets	7,299,922	7,047,232
	Net (Assets) / Liability	2,682,260	2,922,855
(ii)	**Expense recognised in Statement of Profit & Loss**		
	Current service cost	579,619	634,390
	Interest cost	181,754	189,079
	Total	**761,373**	**823,469**
(iii)	**Expense recognised in Other Comprehensive Income**		
	Remeasurements due to:		
	Changes in financial assumptions	-	451,964
	Changes in demographic assumptions	-	-
	Experience adjustments	(496,987)	(1,012,448)
	Actual return on plan assets less interest on plan assets	318,488	367,964
	Adjustment to recognise the effect of asset ceiling		
	Total	**(178,499)**	**(192,520)**
(iv)	**Reconciliation of Defined Benefit Obligation :**		
	Opening Defined Benefit Obligation	9,970,087	10,450,363
	Current service cost	579,619	634,390
	Interest cost	635,511	635,529
	Remeasurements due to actuarial loss/ (gain) arising from		
	Changes in financial assumptions	-	451,964
	Changes in demographic assumptions		
	Experience adjustments	(496,987)	(1,012,448)
	Benefits Paid	(706,048)	(1,189,711)
	Closing Defined Benefit Obligation	**9,982,182**	**9,970,087**
(v)	**Reconciliation of Fair Value of Plan Assets**		
	Opening of Fair Value of Plan Assets	7,047,232	7,357,058
	Interest on plan assets	453,757	446,450
	Remeasurements due to:		
	Actual return on plan assets less interest on plan assets	(318,488)	(367,964)
	Contribution by Employer	823,469	801,399
	Benefits Paid	(706,048)	(1,189,711)
	Closing of Fair Value of Plan Assets	**7,299,922**	**7,047,232**
(vi)	**Acturial Assumptions**		
	Discount rate(p.a.) in %	6.80%	6.80%
	Salary Escalation rate (p.a.) in %	8%	8%
	Pension Escalation Rate (p.a.) in %	-	-
	Annual Increase in healthcare costs (p.a.)	-	-
	Mortality table(LIC)	-	-

Notes forming part of Financial Statements (Contd.)

₹

		March 31, 2021				March 31, 2021			
		Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%
(vii)	**Disaggregation of Plan Assets**								
	Government Debt Instruments	-	-	-	0%	-	-	-	0%
	Insurer managed funds		7,299,922	7,299,922	100%		7,047,232	7,047,232	100%
	Cash and cash equivalents			-	0%			-	0%
	Investment funds			-	0%			-	0%
	Others		-	-	0%		-	-	0%
	Total	**-**	**7,299,922**	**7,299,922**	**100%**	**-**	**7,047,232**	**7,047,232**	**100%**

₹

		March 31, 2022	
		Discount rate (%)	Salary Escalation rate (%)
(viii)	**Sensitivity Analysis**		
	Impact of increase in 50 bps on DBO	-2.62%	2.72%
	Impact of decrease in 50 bps on DBO	2.76%	-2.60%

(ix)	**Any other additional disclosure given in the report**	Any other additional disclosure given in the report
	Mortality Table*	
	Mortality in service	Table 1
		Table 1
	Mortality in retirement	NA
		NA

* Table 1-Indian Assured Lives Mortality (2006 - 08) Ult table.

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotions, increments and other relevant factors such as supply and demand in the employment market.

Notes forming part of Financial Statements (Contd.)

Note 32 : Current, Deferred Tax (asset)/Liability

Deferred tax Asset on unabsorbed depreciation, business loss and others has been recognised to the extent of deferred tax liability.

Reconciliation of tax expense with the effective tax

₹

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax from continuing operation (a)	(16,871,526)	(39,666,423)
Income tax rate as applicable (b)	26.00%	26.00%
Calculated Taxes based on above, without any adjustments for deduction [(a) x (b)] -(c)	(4,386,597)	(10,313,270)
Permanent tax differences due to:		
Effect of income that is exempt from taxation (like dividend income)	-	(86,533)
Permanent disallowances	366,733	169,000
Deferred tax assets not created due to no probable certainty	4,019,864	10,230,803
(d)	**4,386,597**	**10,313,270**
Tax for current year (c+d)	**-**	**-**
Income tax expense recognised in profit or loss (relating to continuing operations)	-	-

Note 33 : Additional information

₹

		March 31, 2022	March 31, 2021
((i)	Value of imports on CIF basis: - Trading Goods	Nil	Nil
(ii)	Expenditure in Foreign Currency –		
	- Passage and Travelling	-	-
	- Professional Fees	-	-
(iii)	Earnings in foreign exchange		
	(a) Value of sales at shops including value of goods sold on consignment basis and settled in foreign currency or through foreign based credit card agencies (As certified by the management and not verified by the auditors)	87,01,080	15,73,213
	(b) Export – F.O.B. value	-	-

Notes forming part of Financial Statements (Contd.)

Note 34 : Details of opening stock, purchases, sales and closing stock of traded items for the year ended March 31, 2022.

₹

Particulars	Opening Stock	Purchases	Sale	Closing Stock
Crafts and wall coverings	45,62,472	58,11,026	1,05,16,954	40,29,439
Previous year	65,12,101	51,298	31,88,695	45,62,472
Costume Jewellery	1,51,75,455	1,85,53,068	1,05,08,433	1,62,98,522
Previous year	2,78,55,120	(95,89,907)	39,39,626	1,51,75,455
Fabric/ Garments/ Leather	56,96,889	1,44,50,217	1,39,03,965	90,93,818
Previous year	77,64,928	16,43,153	55,47,942	56,96,889
Saree and stoles	79,34,204	1,04,47,377	1,51,77,792	1,07,61,326
Previous year	1,11,17,360	28,546	56,64,893	79,34,204
Assorted	63,73,762	58,85,404	2,18,29,559	79,83,180
Previous year	76,86,050	70,13,857	1,04,19,075	63,73,761
Total	**3,97,42,782**	**5,51,47,092**	**7,19,36,703**	**4,81,66,286**
Previous year	6,09,35,561	(8,53,052)	2,87,60,232	3,97,42,781

Note:
The particulars of sales, purchase, opening and closing stock given above represent broad categories, consisting of individual items that very in nature and price and quantity. Current year's figures are therefore not comparable with those of the previous year.

Note 35 : Earnings Per Share

₹

		March 31, 2022	March 31, 2021
A	Numerator used for calculating basic and diluted Earnings per share		
	Profit/(Loss)after Taxation	(1,87,47,033)	(3,96,66,423)
B	Weighted average number of shares used as denominator for calculating basic and diluted Earnings per share	34,68,225	34,68,225
C	Nominal value per share (₹)	10	10
D	Basic and diluted earnings per share (₹)	(5.41)	(11.44)

Note 36 : The details of provisions as required by the provisions of Accounting IND AS 37 Provision, Contingent Liabilities and Contingent Assets are as under;

₹

Nature of Provision	Leave Encashment and Gratuity
Opening Balance	50,20,056
Additional provisioning	2,45,425
Benefits paid during the year	8,59,451
Closing Balance	**44,06,030**

Notes forming part of Financial Statements (Contd.)

Note 37 : Amounts due to Micro, Small and Medium Enterprises

(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act,2006" has been determined to the extend such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

(ii) The disclosures relating to Micro and Small Enterprises are as under:

₹

	March 31, 2022	March 31, 2021
(a) Principal amount due thereon remaining unpaid to any supplier at end of each accounting year.	66,01,276	-
(b) Interest due there on remaining unpaid to supplier as at end of each accounting year.	-	-
(c) The amount of interest paid in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during each accounting year.	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(f) The amount further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above paid to the small enterprise, for the purpose of are actually disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note 38 : There is no separate reportable segment, as the company is predominantly engaged in only one segment i.e. Retail outlets (Khazana). Therefore, the provisions of Ind AS – 108 issued by the Institute of Chartered Accountants of India, pertaining to segment reporting, is not applicable. There is only one geographical segment in which the company operates i.e. India.

Note 39 : The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. This being an unprecedented event which is difficult to estimate, the actual implications could vary. The economic/ social consequences of this event are impacting the very operation of the retail trade and consumer demand. However, the management considers the carrying values of property, plant and equipment, intangible assets, investments, trade receivables valuation as at March 31, 2021 as recoverable based on internal and external sources of information and estimates, and its judgments on implication expected to arise from the pandemic.

Note 40 : Impact of Covid-19 on Business Activity

Estimation uncertainty relating to the global health pandemic on COVID-19:
The Company's business has been severely impacted from start of the financial year 2021-22 on account of COVID-19 due to closure of most of the hotels across various states. Stores based out of hotels were closed since there was mandated lockdown between April, 2021 to June, 2021. The Company got all the stores to become operational in staggered manner after the lockdown was lifted. However, sales are very soft on account of social distancing norms, hotels operating at lower capacity, and softer consumer sentiments, etc. There could be an additional exposure on account of further extension of lockdown, and phased opening of stores in few cites where we operate.

Revenues in the coming months are expected to be higher due to normalcy and opening of international travel across the country. The Company looks forward to a normal year and is taking steps to bring in more customers and getting corporate sales business. The Company has received positive response and support from the hotels from where it operates its Stores. The Company is holding back on discretionary spends and planning other cost optimization measures.

Notes forming part of Financial Statements (Contd.)

Note 41 : As at March 31, 2022, the Company's current liabilities do not exceed its current assets. The Company also has enough Cash and Bank balances for the next 12 months to prevent disruption of the operating cash flows and enable the Company to meet its debts and obligations as they fall due.

Accordingly, the financial statements of the Company are prepared on a going concern basis.

Note 42 : Leases

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or 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 re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term.

Company as a Lessee

Operating Leases

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right-of-use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics. The Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at April 1, 2021.

Notes forming part of Financial Statements (Contd.)

Note 43 : Related Party Disclosure under Ind AS – 24, issued by the Institute of Chartered Accountants of India.

(a) Name of related parties are as under:

A. Holding Company	The Indian Hotels Company Limited
B. Subsidiaries of Holding Company	KTC Hotels Limited
	United Hotels Limited
	Roots Corporation Limited
	Piem Hotels Limited
	Inditravel Limited
	Northern India Hotels Limited
	Taj Enterprises Limited
	Benares Hotels Limited
	Luthria & Lalchandani Hotel & Properties Pvt. Ltd.
	Skydeck Properties and Developers Private Limited
	Sheena Investments Private Limited
	ELEL Hotels & Investments Limited
	Ideal Ice Limited
	Genness Hospitality Private Limited
	Qurio Hospitality Private Limited
	Taj International Hotels (H.K) Limited
	IHOCO BV
	St. James Court Hotels Limited
	Taj International Hotels Limited - London
	IHMS LLC
	IHMS LLC - San Francisco
	IHMS LLC - USA
	PIEM International Hotels (H.K) Limited
	BAHC 5
	United Overseas Holdings Inc.
	IHMS Hotels (SA) (Proprietary) Limited
	Goodhope Palace Hotels (Proprietary) Limited
C. Joint Ventures of Holding Company	Taj Kerala Hotels & Resorts Limited
	Taj SATS Air Catering Limited
	Taj Safaris Limited
	Kaveri Retreat & Resorts Limited
	Taj Karnataka Hotels & Resorts Ltd
	Taj GVK Hotels & Resorts Ltd
	TAL Hotels & Resorts Ltd

Notes forming part of Financial Statements (Contd.)

(b) The details of related parties' transactions during the year and outstanding balances as at March 31, 2022 are as follows:

₹

Particulars	Holding Company		Subsidiaries of Holding	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Deputed Staff cost	28,39,064	36,67,393	-	-
Deputed Staff out	-	-	14,77,982	-
Operating / License fees paid	1,02,12,534	73,31,771	6,00,000	3,75,000
Other operating Income	21,54,636	-	8,59,514	-
Dividend Paid	-	-	-	-
Purchase of services	93,18,521	85,24,340	-	-
Current account dues	(44,82,716)	(92,88,530)	3,88,754	(4,09,018)

₹

	Associates of Holding		Joint Ventures	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Operating / License fees paid	16,07,589	3,24,000	1,81,239	1,29,608
Deputed Staff out	6,04,421	-		-
Dividend received		3,32,818	-	-
Other operating Income	3,09,456			
Purchase of services	40,970	14,465	35,908	10,916
Current account dues	(1,15,107)	(2,18,503)	35,357	96,128

(c) Statement of material transactions

₹

	March 31, 2022	March 31, 2021
Holding Company		
The Indian Hotels Company Ltd		
Lease Rentals for Hotel/Factory Premises	1,02,12,534	73,31,771
Reimbursement of Deputed Staff Salary	28,39,064	36,67,393
Reimbursement of Fuel, Power, Light Etc.	17,39,897	17,32,734
Reimbursement of Laundry expenses	1,17,449	70,997
Reimbursement of Other expenses	14,61,175	7,20,609
Sundry Operating expenses	60,00,000	60,00,000
Other Operating Income	21,54,636	-
Current account dues	(44,82,716)	(92,88,530)
Subsidiaries of Holding Company		
Piem Hotels Limited		
Lease Rentals for Hotel/Factory Premises	6,00,000	3,75,000
Purchase of services	-	-
Other operating Income	1,59,514	-
Current account dues	-	(4,14,375)
Inditravel Limited		
Other operating Income	7,00,000	-
Deputed Staff Salary out	13,26,583	-
Current account dues	3,39,129	5,357

Notes forming part of Financial Statements (Contd.)

	March 31, 2022	March 31, 2021
		₹
Ideal Ice and Cold Storage		
Deputed Staff Salary out	1,51,399	-
Current account dues	2,31,128	23,600
St. James Courts Hotels Limited		
Current account dues	(1,81,503)	(1,81,503)
Associates of Holding Company		
Oriental Hotels Ltd		
Lease Rentals for Hotel/Factory Premises	16,07,589	3,24,000
Dividend Income - Non-Current Investment		3,32,818
Reimbursement of Laundry expenses	17,875	7,625
Reimbursement of Other expenses	23,095	6,840
Other operating Income	3,09,456	
Current account dues	(1,15,107)	(2,18,503)
Taida Trading and Industries Ltd.		
Current account dues	6,04,421	-
Joint Ventures	-	-
Kaveri Retreat & Resorts Limited- Corporate		
Lease Rentals for Hotel/Factory Premises	1,81,239	1,29,608
Reimbursement of Fuel, Power, Light Etc.	28,408	5,916
Reimbursement of Laundry expenses	-	-
Reimbursement of Other expenses	7,500	5,000
Current account dues	35,357	96,128

Note 44 : Capital Work in Progress (CWIP)

As at March 31,2022

a) CWIP aging schedule

Amount in ₹

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress			47,415		47,415
Projects temporarily suspended					

b) CWIP completion schedule

Amount in ₹

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	47,415				47,415
Project 2”					

Notes forming part of Financial Statements (Contd.)

As at March 31,2021

a) CWIP aging schedule

Amount in ₹

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	340,150		57,215	470,000	867,365
Projects temporarily suspended					

b) CWIP completion schedule

Amount in ₹

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	819,950	47,415			867,365
Project 2"					

Note 45 : Ratio Analysis

₹

Particulars	March 31, 2022	March 31, 2021
(a) Current Ratio,	1.26	1.35
(b) Debt-Equity Ratio,	0.00	0.16
(c) Debt Service Coverage Ratio,	-15.43	-54.62
(d) Return on Equity Ratio,	-26%	-44%
(e) Inventory turnover ratio,	1.07	0.41
(f) Trade Receivables turnover ratio,	39.52	17.20
(g) Trade payables turnover ratio,	0.99	-0.01
(h) Net capital turnover ratio,	3.49	0.73
(i) Net profit ratio,	-21%	-101%
(j) Return on Capital employed,	-20%	-36%
(k) Return on investment.	NA	NA

Note 46 : Figures of the previous year have been regrouped/ rearranged wherever necessary so as to make them comparable with those of the current year.

Signatures to Notes 1 to 46.

As per our report attached
For **Chandrashekar Iyer & Co.**
Chartered Accountants

For and on behalf of the Board

Chandrashekhar Iyer
Partner
Membership No. 47723
Firm Registration No. 114260W

Faisal Momen
Director
DIN: 00064878

Nabakumar Shome
Director
DIN: 03605594

Place: Mumbai
Dated: April 18, 2022

Independent Auditor’s Report

To the Members of UNITED HOTELS LIMITED

1. Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of United Hotels Limited (‘the Company”), Which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as “Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act with the Companies (Indian Accounting Standards) Rules,2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss (including Other Comprehensive Income), its Cash Flows and Changes in Equity for the year ended on that date.

2. Basis for Opinion

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

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

In preparing the 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.

Independent Auditor’s Report (Contd.)

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

4. Auditor’s Responsibility 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.

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.

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.

Independent Auditor’s Report (Contd.)

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.

5. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor’s Report) Order 2020, (the Order) issued by the Central Government of India in terms of section 143(11) of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in “Annexure A” a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

As required by section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best our knowledge and belief were necessary for the purpose of our audit

b) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by the report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards referred to in section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - refer Note 31 to the Ind AS financial statements;

Independent Auditor's Report (Contd.)

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 requited to be transferred to the Investor Education and Protection Fund by the Company.

iv. A) To the best of our knowledge and belief, other than as disclosed in the notes to the accounts, the management has not advanced funds or have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

B) To the best of our knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

C) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid dividend during the year, hence no compliance with section 123 of the Companies Act, 2013 is applicable .

h) As per information and explanations furnished to us and on examination of the records produced, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 of the Act, read with Schedule V of the Act.

For **R K Khanna & Co.**
Chartered Accountants
FRN: 000033N

Anil K. Khanna
Partner
M.No. 080434
UDIN: 22080434AHPAKR2471

Place: New Delhi
Date: April 21, 2022.

Annexure ‘A’ to the Independent Auditor’s Report

Annexure “A” of our Independent Auditor’s report of even date on the financial statements as at and for the year ended March 31, 2022 of United Hotels Limited

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

   b) A substantial part of the Property, Plant and Equipment has been physically verified by the management during the year and there is regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

   c) According to the information and explanations, and the records provided to us, the company does not have immovable property, hence no comment is required under paragraph 3(i)(c) of the Order.

   d) There is no revaluation that has been done by the company of its property, plant and equipment (including the right of use assets) or intangible assets or both during the year.

   e) There are no proceedings pending under the Benami Transactions (Prohibition) Act, 1988 against the company

2. a) Inventory has been physically verified by the management and no material discrepancies were noticed. In our opinion, the frequency of verification is reasonable.

   b) There are no sanctioned working capital limits hence no comment is required under paragraph 3(ii)(b) of the order.

3. The company had given an inter-corporate deposit (ICD) of INR 550 lakhs to a related party covered under IND AS 24 which has been repaid during the year. The terms and conditions of the ICD, prima facie, are not prejudicial to the interests of the company; the schedule of repayment of principal and interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation. In respect of the ICD, there is no overdue amount outstanding as at the balance sheet date

4. As per information and explanations given to us and records examined, the provisions of section 185 and 186 of the Act to the extent applicable have been complied with in respect of investments and loans.

5. According to the information and explanations given to us and records examined, the Company has not accepted any deposits or deemed deposits that are covered by paragraph 3(v) of the Order.

6. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under paragraph 3 (vi) of the order is not applicable to the Company.

7. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employees state insurance, income-tax, sales-tax, service tax, goods and services tax, custom duty, excise duty, value added tax, cess, and other material statutory dues as applicable.

Annexure ‘A’ to the Independent Auditor’s Report (Contd.)

b) According to the information and explanations given to us and the records of the Company examined by us, the following demands by authorities have been raised, and their status of which as at March 31, 2022is as hereunder:

i. In respect to property tax demand for various years aggregating to INR 2,391.76 Lakhs had been raised in respect of the hotel up to March 31, 2020 under the NDMC Bye Laws, 2009. While admitted tax was paid for each year, the demand raised post 2010 till March 31, 2015 was challenged. The Hon’ble Supreme Court vide its Order dated January 22, 2019 has declared the NDMC Bye Laws, pursuant to which the property tax demand for all these years was raised, as ultra vires under the NDMC Act and hence quashed. The Company has, however, decided to continue with a provision of INR 825 lakhs provided in the books up to March 31, 2022 as the assessment of property tax post 2010, consequent to the quashing of the NDMC demand is yet to be finalized.

ii. In respect of income tax matters, given below is the summary of income tax cases outstanding: For A.Y.2015-16, appeals have been filed by the Income Tax Dept against Orders in favour of the company, whereas for A.Y.2018-19, appeals have been filed by United Hotels Limited;

Nature of the statute	Nature of Dues	Period to which demand relates	Amount involved (INR Lakhs)	Dispute pending with
The Income Tax Act, 1961	Income Tax	AY 2015- 16	70.88	Income Tax Appellate Tribunal, Delhi
		AY 2018-19	121.60	Commissioner Income Tax (Appeals)

Note: The abovesaid are stated as Contingent Liabilities per Note 31 in the notes to accounts accompanying the financial statements.

8. There are no transactions recorded in the books of account but disclosed as income in the income tax proceedings/ assessments, hence, no comment is required under paragraph 3(viii) of the Order.

9. a) As per information and explanations furnished to us and on verification of the records produced, the Company has not availed of any loans or borrowings from any lender. The Company has not issued any debentures. Hence, no comment is required under the paragraph 3(ix)(a) of the Order.

b) As per information and explanations given to us and the records of the Company examined by us, the company has not been declared as a willful defaulter by any lender, hence no comment is required under paragraph 3(ix)(b) of the order.

c) As per information and explanations given to us and as per verification of the records produced before us, the Company does not have any term loans or short-term loans, hence no comment is required under paragraph 3(ix)(c) of the order.

d) As per information and explanations given to us and as per verification of the records produced before us, the company has not raised any funds for short-term or long-term purpose hence no comment is required under paragraph 3(ix)(d) of the order.

e) As per information and explanations given to us and as per verification of the records produced before us, the company does not have any subsidiary hence no comment is required under paragraph 3(ix)(e) of the order.

f) As per information and explanations given to us and as per verification of the records produced before us, the company does not have any subsidiary hence no comment is required under paragraph 3(ix)(f) of the order.

Annexure 'A' to the Independent Auditor's Report (Contd.)

10. a) As per information and explanations given to us and as per verification of the records produced before us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments), hence no comment is required under paragraph 3(x)(a) of the Order.

    b) As per information and explanations furnished to us and on verification of the records produced, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, hence, no comment is required under paragraph 3(x)(b) of the Order.

11. a) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company by its officers and employees, noticed or reported during the year nor have we been informed of such case by the management.

    b) No report under sub-section (12) of section 143 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) No whistle blower complaints received by the Company during the year (and upto the date of this report)

12. The Company is not a Nidhi Company; hence, no comment is required under paragraph 3 (xii) of the Order.

13. As per information and explanations furnished to us and on examination of the records produced, the transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the Ind AS financial statements as required by the applicable Indian Accounting Standards.

14. a) In our opinion and based on our examination, the company has an internal audit system to commensurate with the size and nature of its business.

    b) We have considered, the internal audit report for the year under audit. An eight month period from April 2021 to November 2021 has been covered under the internal Audit report issued to the Company We have considered the report in determining the nature, timing and extent of our audit procedures.

15. As per information and explanations furnished to us and on verification of the records produced, the Company has not entered into any non-cash transactions referred to in section 192 of the Act with directors or person connected with him during the year. Hence, no comment is required under paragraph 3(xv) of the Order.

16. a) As per information and explanations furnished to us and on verification of the records produced, we are of the opinion that the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, no comment is required under paragraph 3(xvi)(a) of the Order.

    b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(b) of the Order is not applicable.

17. The company has incurred cash losses during the period covered by the audit report and in the immediately preceding financial year. The cash losses for FY2021-22 is INR 175.63 Lakhs and the cash loss for FY2020-21 is INR 591.20 Lakhs.

18. There has been no resignation of the statutory auditors during the year.

Annexure 'A' to the Independent Auditor's Report (Contd.)

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. a) As per information and explanations furnished to us and on verification of the records produced, we are of the opinion that the Company has complied with Section 135 (5) and spent its CSR obligation for the financial year ended March 31, 2022.

    b) As per information and explanations furnished to us and on verification of the records produced, no amount remains unspent towards CSR for the audit period.

For **R K Khanna & Co.**
Chartered Accountants
FRN: 000033N

Anil K. Khanna
Partner
M.No. 080434
UDIN: 22080434AHPAKR2471

Place: New Delhi
Date: April 21, 2022

Annexure 'B' to the Independent Auditor's Report

Annexure "B" to the Independent Auditor's report of even date on the Financial Statements as at and for the year ended March 31, 2022 of United Hotels Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of United Hotels Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on

Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Annexure 'B' to the Independent Auditor's Report (Contd.)

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally preparation of financial statements in accordance with generally expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has generally an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 issued by the Institute of Chartered Accountants of India.

For **R K Khanna & Co.**
Chartered Accountants
FRN: 000033N

Anil K. Khanna
Partner
M.No. 080434
UDIN: 22080434AHPAKR2471

Place: New Delhi
Date: April 21, 2022

Balance Sheet
As at March 31, 2022

₹ in Lakhs

Particulars	Note	March 31, 2022	March 31, 2021
Assets			
Non-current Assets			
Property, Plant and Equipment	3	854.79	876.72
Right to use Assets	3(a)	106.39	132.97
Intangible Assets	4	7.64	9.16
		968.82	**1,018.85**
Financial Assets			
Investments	5	182.15	180.67
Other Financial Assets	6	35.09	33.14
Deferred Tax Assets(Net)	7	573.89	480.69
Advance Income Tax (Net)	8	192.80	143.61
Other Non Current Assets	14	29.96	41.50
		1,013.89	**879.61**
Current Assets			
Inventories	9	70.82	63.43
Financial Assets			
Trade Receivables	10	121.86	63.55
Cash and Cash Equivalents	11(a)	1,436.31	1,137.40
Loans	12	-	550.00
Other Financial Assets	13	29.70	107.03
Other Current Assets	14	44.05	42.49
		1,702.74	**1,963.90**
Total		**3,685.45**	**3,862.37**
Equity and Liabilities			
Equity			
Equity Share Capital	15	840.00	840.00
Other Equity	16	758.40	994.90
Total Equity		**1,598.40**	**1,834.90**
Non-current Liabilities			
Financial Liabilities			
Lease Liabilities		449.52	572.04
Provisions	20	109.67	80.54
		559.20	**652.58**
Current Liabilities			
Financial Liabilities			
Lease Liabilities		122.52	110.96
Trade Payables			
Total outstanding dues of micro & small enterprises	17	10.51	7.04
Total outstanding dues of creditors other than micro & small enterprises	17	267.07	273.39
Other Financial Liabilities	18	193.28	190.35
Other Current Liabilities	19	101.84	58.24
Provisions	20	832.63	734.93
		1,527.85	**1,374.89**
Total		**3,685.45**	**3,862.37**
Summary of significant Accounting Policies	2		
The accompanying notes form an integral part of the Financial Statements	1-40		

For and on behalf of the Board

As per our report attached

For **R K Khanna & Co.**
Chartered Accountants
FRN: 000033N

Virender Kumar
Director
DIN 00053909

Mohit Gupta
Director
DIN 01865794

Harsh Raj Malik
Company Secretary

Anil K Khanna
Partner
M. No. 080434

Date:
Place: New Delhi

Statement of Profit and Loss

for the year ended March 31, 2022

₹ in Lakhs

Particulars	Note	March 31, 2022	March 31, 2021
Income			
Room, Restaurants, Banquets and Income from Operations	21	2,574.91	1,476.41
Other Income	22	74.31	119.05
Total Income		**2,649.22**	**1,595.46**
Expenses			
Food and Beverages Consumed	23	324.32	190.00
Employee Benefits Expense and Payment to Contractors	24(a)	986.59	891.67
Finance costs	24(b)	63.04	72.89
Depreciation and amortisation expenses	3&4	140.54	150.02
Other Operating and General Expenses	25	1,450.89	1,024.03
Total Expenses		**2,965.39**	**2,328.61**
Profit/(Loss) before Tax		**(316.17)**	**(733.16)**
Tax Expenses:			
Current Tax		-	-
Short/(excess) of earlier years		-	8.37
Deferred Tax		(79.24)	(190.82)
Total Taxes		**(79.24)**	**(182.45)**
Profit/(Loss) after Tax for the year		**(236.93)**	**(550.70)**
Other comprehensive income/(loss), net of tax			
Item that will not be reclassified subsequently to profit or (loss)			
Gain/(loss) on remeasurements of employment benefit obligations		(15.02)	19.15
Deferred tax on remeasurements of employment benefit obligations		13.96	-
Change in fair value of equity instruments designated irrevocably as FVTOCI		1.49	23.05
		0.43	**42.21**
Item that will be reclassified subsequently to profit and loss		-	-
Other Comprehensive Income/(loss) for the period, net of tax		**0.43**	**42.21**
Total Comprehensive Income/(loss) for the period		**(236.51)**	**(508.50)**
Earnings Per Equity Share:			
Basic and Diluted	26	(2.82)	(6.56)
Summary of significant Accounting Policies	2		
The accompanying notes form an integral part of the Financial Statements	1-40		

For and on behalf of the Board

As per our report attached

For **R K Khanna & Co.**
Chartered Accountants
FRN: 000033N

Virender Kumar
Director
DIN 00053909

Mohit Gupta
Director
DIN 01865794

Harsh Raj Malik
Company Secretary

Anil K Khanna
Partner
M. No. 080434

Date:
Place: New Delhi

Statement of Changes in Equity

For the Year ended March 31, 2022

A. Equity Share Capital

For the Year ended March 31, 2022 — Amount in Lakhs

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
840.00	-	840.00	-	840.00

For the Year ended March 31, 2021 — Amount in Lakhs

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
840.00	-	840.00	-	840.00

Other Equity

For the Year ended March 31, 2022

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			
			Capital Reserve	Securities Premium	Other Reserves (General Reserve)	Retained Earnings
Balance at the beginning of the current reporting period	-	-	11.41	-	1551.75	(123.87)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	11.41	-	1551.75	(123.87)
Total Comprehensive Income/(loss) for the current year	**-**	**-**	**-**	**-**	**-**	**(237.99)**
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	(236.93)
Any other change (Ind AS – OCI Movements – Net Defined Benefit Plans)	-	-	-	-	-	(1.06)
Change in fair value of equity instruments designated irrevocably as FVTOCI	-	-	-	-	-	-
Balance at the end of the current reporting period	**-**	**-**	**11.41**	**-**	**1551.75**	**(361.86)**

For the Year ended March 31, 2021

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			
			Capital Reserve	Securities Premium	Other Reserves (General Reserve)	Retained Earnings
Balance at the beginning of the current reporting period	-	-	11.41	-	1551.75	491.67
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	11.41	-	1551.75	491.67
Total Comprehensive Income/(loss) for the current year	**-**	**-**	**-**	**-**	**-**	**(531.54)**
Dividends	-	-	-	-	-	(84.00)
Transfer to retained earnings	-	-	-	-	-	(550.70)
Any other change (Ind AS – OCI Movements – Net Defined Benefit Plans)	-	-	-	-	-	-
Change in fair value of equity instruments designated irrevocably as FVTOCI	-	-	-	-	-	19.15
Balance at the end of the current reporting period	**-**	**-**	**11.41**	**-**	**1551.75**	**(123.87)**

For and on behalf of the Board

As per our report attached

For **R K Khanna & Co.**
Chartered Accountants
FRN: 000033N

Virender Kumar
Director
DIN 00053909

Mohit Gupta
Director
DIN 01865794

Harsh Raj Malik
Company Secretary

Anil K Khanna
Partner
M. No. 080434

Date:
Place: New Delhi

Statement of Changes in Equity (Contd.)
For the Year ended March 31, 2022

Amount in Lakhs

	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Money received against share warrants	Total
	-	(444.38)	-	-	-	-	-	994.91
	-	-	-	-	-	-	-	-
	-	(444.38)	-	-	-	-	-	994.91
	-	**1.49**	**-**	**-**	**-**	**-**	**-**	**(236.51)**
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	(236.93)
	-	-	-	-	-	-	-	(1.06)
	-	1.49	-	-	-	-	-	1.49
	-	**(442.89)**	**-**	**-**	**-**	**-**	**-**	**758.40**

Amount in Lakhs

	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Money received against share warrants	Total
	-	(467.43)	-	-	-	-	-	1587.40
	-	-	-	-	-	-	-	-
	-	(467.43)	-	-	-	-	-	1587.40
	-	**23.05**	**-**	**-**	**-**	**-**	**-**	**(508.49)**
	-	-	-	-	-	-	-	(84.00)
	-	-	-	-	-	-	-	(550.70)
	-	-	-	-	-	-	-	-
	-	23.05	-	-	-	-	-	42.21
	-	**(444.38)**	**-**	**-**	**-**	**-**	**-**	**994.90**

Cash Flow Statement

For the Year ended March 31, 2022

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Cash Flow From Operating Activities		
Net Profit/(Loss) Before Tax	(316.17)	(733.16)
Adjustments For:		
Depreciation	113.96	123.44
Depreciation on Right to Use Assets	26.58	26.58
Loss/(Profit) on sale of Assets	0.23	0.85
Provision for Doubtful Debts	(1.27)	0.49
Interest on lease liability	63.04	72.89
Interest Income	(70.52)	(118.96)
Provision for Employee Benefits	13.53	(36.68)
	145.55	**68.62**
Cash Flow From Operations Before Working Capital Changes	**(170.61)**	**(664.53)**
Adjustments for Increase/(decrease) in operating assets/liabilities		
Trade and Other Receivables	28.33	209.21
Inventories	(7.40)	17.16
Trade and Other Payables	141.97	(15.70)
	162.90	**210.67**
Cash Generated From Operating Activities	**(7.71)**	**(453.86)**
Income Tax Refunds (including Interest)	-	11.83
Income Tax Paid	(49.19)	(36.05)
Net Cash From Operating Activities	**(56.90)**	**(478.08)**
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(91.09)	(43.33)
Capital Advance	-	-
Sale of Fixed Assets	-	-
Proceeds from sale of property, plant & equipment	0.38	0.84
Interest Received	70.52	106.06
Inter Corporate Deposits placed with Benares Hotels Ltd.		(250.00)
Inter Corporate Deposits Returned from Benaras Hotels Ltd.	550.00	250.00
Bank Balances not considered as Cash & Cash Equivalents	-	-
Net Cash Used in Investing Activities	**529.80**	**63.57**
Cash Flow from Financing Activities		
Payment of lease liabilities	(174.00)	(162.00)
Dividend Paid (Including tax on dividend)	-	(84.00)
Net Cash Used In Financing Activities	**(174.00)**	**(246.00)**
Net Increase / (Decrease) in Cash and Cash Equivalents	**298.91**	**(660.51)**
Cash and Cash Equivalents – Opening	1,137.40	1,797.91
Cash and Cash Equivalents – Closing	**1,436.31**	**1,137.39**

Notes:

1. The above cash Flow statement has been prepared under the "Indirect Method" as set out in IND AS-7 on Cash Flow statement issued by the Institute of Chartered Accountants of India.
2. Figure in bracket indicate cash outflow.
3. Previous year number have been reclassified/regrouped to confirm with current year's presentation, where ever applicable.

For and on behalf of the Board

As per our report attached

For **R K Khanna & Co.**
Chartered Accountants
FRN: 000033N

Virender Kumar
Director
DIN 00053909

Mohit Gupta
Director
DIN 01865794

Harsh Raj Malik
Company Secretary

Anil K Khanna
Partner
M. No. 080434

Date:
Place: New Delhi

Notes to Financial Statements
for the year ended March 31, 2022

Note 1 : Corporate Information

United Hotels Limited ("UHL" or the "Company"), is a public limited company incorporated in 1950 and has its registered office at Ambassador, New Delhi, Sujan Singh Park, New Delhi – 110 003. The Company is primarily engaged in the business of Hoteliering and other allied services. The Indian Hotels Company Limited owned 55% of the equity capital of the company and is the holding company.

Note 2 : Significant Accounting Policies

(a) Statement of Compliance:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies as set out below have been applied consistently to all years presented in these financial statements. The Company has adopted all issued Indian Accounting Standards (Ind AS), as applicable.

(b) Basis of Preparation and Presentation:

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

(c) Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- **Useful lives of Property, Plant and Equipment and Intangible Assets:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- **Impairment Testing:** Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and there the tax charge in the statement of profit or loss.

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 or loss.

- Litigation: From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.
- Defined Benefit Plans: The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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 ad its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

(d) Revenue Recognition:

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Revenue from Operations

Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Space and Shop Rentals: Rentals basically consists of rental revenue earned from letting of spaces for retails and office at the properties. These contracts for rentals are generally of short term in nature. Revenue is recognized in the period in which services are being rendered.

Other Allied Services: In relation to the, laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of service rendered.

Membership Fees: Membership fee income majorly consists of Spa Membership fees Income is earned when the customer enrols for membership programs. In respect of performance obligations satisfied over a period of time, revenue is recognised at the allocated transaction price on a time-proportion basis.

Interest: Interest income is accrued on a time proportion basis using the effective interest rate method.

(e) Employee Benefits (other than for persons engaged through contractors):

i. Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund authorities.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

ii. Gratuity Fund

The Company has defined benefit plan for post-retirement benefit in the form Gratuity which is administered through LIC for all employees in hotel payroll. The company's contribution to Defined Benefit Plan is charged to the statement of profit and loss as paid. The Gratuity plan provides for lump sum payment to vested employees on retirement, death or termination of employment of an amount based on the respective employee's last drawn salary and tenure of employment. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date.

iii. Compensated Absences

The Company has a scheme for compensated absences for employees, the liability for which is determined on the basis of an independent actuarial valuation using the projected unit credit method, carried out at the Balance Sheet date.

iv. Other Employee Benefits

Other benefits, comprising of discretionary Long Service Awards and Leave Travel Allowances, are determined on an undiscounted basis and recognised based on the likely entitlement thereof.

(f) Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and taxes (other than those refundable), expenses directly related to the location of assets and making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs (refer note no. 2(O) below). Initial estimate shall also include costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Depreciation is charged to profit or loss so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of the depreciable assets are as follows:

Class of Assets	Estimated Useful Life
Plant and Equipment	10 to 20 years
Electrical Installation and Equipment	20 years
Hotel Wooden Furniture	15 years
End User devices – Computers, Laptops etc.	6 years
Assets costing less than ₹ 5000	4 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Capital work in progress represents projects under which the property, plant and equipment's are not yet ready for their intended use and are carried at cost determined as aforesaid.

(g) Intangible Assets:

Intangible assets with finite lives are amortized over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation periods are reviewed and impairment evaluations are carried out at least once a year. The estimated useful life used for amortising intangible assets is as under:

Class of Assets	Estimated Useful Life
Software and Licences	6 years

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use of disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(h) Impairment of Assets:

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(i) Foreign Currency Translation:

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were the fair value measured.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of other monetary items are recognised in the Statement of Profit and Loss.

(j) Assets Taken on Lease:

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All the other leases are classified as operating leases.

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on a straight-line basis, unless another basis is more representative of the time pattern of benefits received from the use of the assets taken on lease or the payments of lease rentals are in line with the expected general inflation compensating the lessor for expected inflationary cost. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

Assets held under finance lease are capitalised at the inception of the lease, with corresponding liability being recognised for the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Lease payments are apportioned between the reduction of the lease liability and finance charges in the statement of Profit or Loss so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term.

(k) Inventories:

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Cost include the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

(l) Government Grants

Government grants are recognised in the period to which they relate when there is reasonable assurance that the grant will be received and that the Company will comply with the attached conditions

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

(m) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current Tax:

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax (“MAT”) credit is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

(n) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

(o) Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit or Loss using the effective interest method.

(p) Cash and Cash Equivalent (for the Purpose of Cash Flow Statements):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(q) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

(r) Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(s) Segment Reporting:

The Company identifies operating segments based on the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the committee that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets/liabilities".

(t) Financial Instruments:

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Equity Investments
All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Investment in subsidiaries, joint ventures and associates are carried at cost less impairment, if any. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

– The rights to receive cash flows from the asset have expired, or

– The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

  (a) The Company has transferred substantially all the risks and rewards of the asset, or

  (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets
In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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 Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company’s own equity instruments.

Accounting Policy for Leases:

On inception of a contract, the Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Company statement of financial position as a right-of-use asset and a lease liability.

Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term. Right-of-use assets are also adjusted for any re-measurement of lease liabilities.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including ‘in-substance fixed’ payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. ‘In-substance fixed’ payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

The Company has opted not to apply the lease accounting model to leases of low-value assets or leases which have a term of less than 12 months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease payments are presented as follows in the Company statement of cash flows:

– short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;

– payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from operating activities; and

– payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities

Other Amendments on the Existing Standard but not Effective

A number of other accounting standards have been modified on miscellaneous issues with effect from 1st April 2019. Such changes include clarification/guidance on:

a) income tax consequences in case of dividends;

b) accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities;

c) accounting treatment for specific borrowings post capitalization of corresponding qualifying asset;

d) accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long-term employee benefit plans;

The above amendments will come into force from April 1, 2019. The company does not expect the effect of this on the financial statements to be material based on preliminary evaluation.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 3 : Property, Plant and Equipment

₹ in Lakhs

Particulars	Plant & Equipment	Furniture and Fixtures	Office Equipments	Total	Capital Work in Progress
Gross Block at Cost					
At April 1, 2020	1,234.81	262.11	88.39	1,585.31	
Additions	32.26	8.89	2.18	43.33	43.33
Disposals	4.88		0.41	5.29	
Transfer					43.33
At March 31, 2021	**1,262.19**	**271.00**	**90.16**	**1,623.35**	**-**
At April 1, 2021	1,262.19	271.00	90.16	1,623.35	-
Additions	83.24	4.12	3.73	91.09	91.09
Disposals	3.52	0.12	-	3.63	
Transfer					91.09
At March 31, 2022	**1,341.91**	**275.01**	**93.88**	**1,710.81**	**-**
Depreciation					
At April 1, 2020	449.02	127.95	51.64	628.61	
Charge for the Period	90.89	19.23	11.49	121.60	
Adjustment				-	
Disposals	3.42		0.17	3.59	
At March 31, 2021	**536.48**	**147.17**	**62.96**	**746.62**	**-**
Depreciation					
At April 1, 2021	536.48	147.17	62.96	746.62	
Charge for the Period	83.79	18.37	10.26	112.43	
Adjustment				-	
Disposals	2.97	0.06		3.03	
At March 31, 2022	**617.31**	**165.48**	**73.23**	**856.02**	**-**
Net Block					
At March 31, 2021	**725.71**	**123.83**	**27.19**	**876.72**	**-**
At March 31, 2022	**724.61**	**109.52**	**20.66**	**854.78**	**-**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 3 (a) : Right to use assets

₹ in Lakhs

Particulars	Others	Land	Building	Total
Gross Block at Cost				
At April 1, 2020			186.20	186.20
Additions on acquisition				
Additions				
Deduction for the year				
Adjustments				
At March 31, 2021		-	**186.20**	**186.20**
Depreciation				
At April 1, 2020			26.65	26.65
Opening Adjustment				
Charge for the Year			26.58	26.58
Deduction for the year				
At March 31, 2021		-	**53.23**	**53.23**
Gross Block at Cost				
At April 1, 2021			186.20	186.20
Additions on acquisition				
Additions				
Deduction for the year				
Adjustments				
At March 31, 2022		-	**186.20**	**186.20**
Depreciation				
At April 1, 2021			53.23	53.23
Opening Adjustment				
Charge for the Year			26.58	26.58
Deduction for the year				
At March 31, 2022		-	**79.81**	**79.81**
Net Block				
At March 31, 2021			**132.97**	**132.97**
At March 31, 2022		-	**106.39**	**106.39**

* for Right to use assets refer Note No. 26

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 4 : Intangible Assets

₹ in Lakhs

Particulars	Software
Gross Block at Cost	
At April 1, 2020	38.43
Additions	-
Disposals	-
At March 31, 2021	**38.43**
At April 1, 2021	38.43
Additions	-
Disposals	-
At March 31, 2022	**38.43**
Depreciation	
At April 1, 2020	27.43
Charge for the Period	1.83
Disposals	-
At March 31, 2021	**29.26**
At April 1, 2021	29.26
Charge for the Period	1.53
Disposals	-
At March 31, 2022	**30.79**
Net Block	
At March 31, 2021	**9.16**
At March 31, 2022	**7.64**

Footnotes :
Software includes Customer Reservation System and other licensed software.

Note 5 : Investments

Investment at fair value through OCI (Fully paid)	Face Value	Holding as at 31.03.2022 (nos.)	₹ in Lakhs	Holding as at 31.03.2021 (nos.)	₹ in Lakhs
Fully Paid Unquoted Equity Instruments					
Taj Air Limited	10/-	6,250,000	181.25	6,250,000	180.00
Fully Paid Quoted Equity Investments					
Graviss Hospitality Limited	2/-	4,500	0.90	4,500	0.67
Total			**182.15**		**180.67**
Notes:-					
Aggregate of Unquoted Investments – Gross	Cost		625.00		625.00
Aggregate of Quoted Investments – Gross	Cost		0.05		0.05
	Market Value		0.90		0.67

As per the communication received from the holding company, the fair value of equity shares in Taj Air Limited has been taken as Rs. 2.90 per equity share.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 6 : Other Financial Assets

₹ in Lakhs

	March 31, 2022	March 31, 2021
Non Current		
Long Term security deposits places for Hotel operations		
Subsidiary companies	-	-
External parties	-	-
	-	**-**
Deposits with Public Bodies and Others		
with related parties	-	-
with Public Bodies and Others	14.13	12.93
	14.13	**12.93**
Deposits with Banks	20.96	20.21
(Term deposit with banks maturing after 12 months from the Balance Sheet date and pledged with Sales Tax Authorities)		
Total	**35.09**	**33.14**

Note 7 : Deferred Tax Assets (Net)

₹ in Lakhs

	March 31, 2022	March 31, 2021
Deferred Tax Assets:		
Provision for doubtful debts	3.87	4.19
Provision for Employee Benefits	34.67	13.74
Provision for Contingencies	207.64	182.47
IndAS-116 Lease Liabilities	143.97	171.90
Brought forward business losses	194.93	155.01
Carry forward of unabsorbed depreciation	57.71	29.88
	642.78	**557.19**
Deferred Tax Liabilities:		
IndAS-116 Right to Use Assets	26.78	33.47
Depreciation on Property, Plant & Equipment and Intangible Assets	42.12	43.03
Total	**573.89**	**480.69**

Note 8 : Advance Income Tax (Net)

₹ in Lakhs

	March 31, 2022	March 31, 2021
Advance Income Tax Paid (net)	192.80	143.61
Total	**192.80**	**143.61**

Note 9 : Inventories (At lower of cost or net realisable value)

₹ in Lakhs

	March 31, 2022	March 31, 2021
Food and Beverages	45.96	51.19
Stores and Operating Supplies	24.87	12.24
Total	**70.82**	**63.43**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 10 : Trade Receivables

₹ in Lakhs

	March 31, 2022	March 31, 2021
Outstanding over six months from the date they were due for payment:		
Considered good	2.73	3.36
Credit impaired	15.37	16.64
Which have significant increase in credit risk	-	-
	18.10	**20.00**
Others:		
Considered good	119.12	60.20
Which have significant increase in credit risk	-	-
	137.23	**80.20**
Less: Provision for trade receivables credit impaired	15.37	16.64
Total	**121.86**	**63.55**

Allowance for doubtful debts

₹ in Lakhs

	March 31, 2022	March 31, 2021
Opening Balance	16.64	16.15
Add:- Allowance for the year	2.14	1.53
	18.78	**17.68**
Bad debts written off	-	-
Reversal of allowance	(3.41)	(1.04)
Total	**15.37**	**16.64**

Trade Receivables ageing schedule as at March 31,2022

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables	-	-	-	-	-	-
- considered good	119.12	2.73	-	-	-	121.86
- Which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	2.68	0.69	12.01	15.37
Disputed Trade Receivables	-	-	-	-	-	-
- considered good	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Total	**119.12**	**2.73**	**2.68**	**0.69**	**12.01**	**137.23**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Trade Receivables ageing schedule as at March 31,2021

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables	-	-	-	-	-	
- considered good	60.20	3.36	-	-	-	63.55
- Which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	4.64	12.01	-	16.64
Disputed Trade Receivables	-	-	-	-	-	
- considered good	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Total	**60.20**	**3.36**	**4.64**	**12.01**	**-**	**80.20**

Note 11 (a) : Cash and Cash equivalents

₹ in Lakhs

	March 31, 2022	March 31, 2021
Cash on Hand	2.05	2.04
Term deposits with Banks having maturity of less than 3 months	1,300.00	1,000.00
Balance with bank in current accounts	134.26	135.36
Total	**1,436.31**	**1,137.40**

Note 11 (b) : Bank Balances other than Cash and Cash Equivalent

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Call and short term deposit - maturing after 12 months		-
Deposits pledged with others	20.97	20.21
Less : Term deposit with bank maturing after 12 months from the Balance Sheet data and other earmarked / margin money / pledged deposits classfied as non-current	20.97	20.21
Total	**-**	**-**

Note 12 : Loans

₹ in Lakhs

	March 31, 2022	March 31, 2021
Current		
(Unsecured, considered good unless stated otherwise)		
Related Parties		
Benares Hotels Limited	-	550.00
Total	**-**	**550.00**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Disclosures loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

For the Year ended March 31, 2022 — Amount in Lakhs

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related parties	-	-
Total	**-**	**-**

For the Year ended March 31, 2021 — Amount in Lakhs

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related parties (Benares Hotels Limited)	550.00	100.00
Total	**550.00**	**100.00**

Note 13 : Other Financial Assets

₹ in Lakhs

	March 31, 2022	March 31, 2021
Current		
Deposit with public bodies and others	0.55	2.94
Other Advances		
Considered good	1.30	32.61
Considered doubtful	-	-
	1.30	**32.61**
Interest Receivable		
Related Parties	-	5.99
Others	6.62	6.91
	6.62	**12.90**
On Current Account dues :		
Related Parties	1.48	1.43
Others	19.76	57.16
	21.23	**58.59**
Total	**29.70**	**107.03**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 14 : Other Non Financial Assets

₹ in Lakhs

	March 31, 2022	March 31, 2021
Non Current		
Capital Advances	6.32	-
Export Incentive (SEIS) Receivable	23.64	41.50
	29.96	**41.50**
Current		
Prepaid Expenses	32.73	25.40
Indirect tax recoverable	6.22	10.11
Advance to Suppliers	3.14	6.05
Advance to Employees	1.95	0.93
	44.05	**42.49**

Note: Export Incentive (SEIS) FY 19/20 reversal made @ 2% on Net FIRC Amount i.e. INR 17,85,858.41 due to change in government policy

Note 15 : Equity Share Capital

₹ in Lakhs

	March 31, 2022	March 31, 2021
Authorised Share capital		
Equity Shares		
1,00,00,000 Equity Shares (Previous Year 1,00,00,000 equity shares of ₹ 10/- each)	1,000.00	1,000.00
	1,000.00	**1,000.00**
Issued, Subscribed and Paid up		
Equity Shares		
84,00,000 Fully Paid-Up Equity Shares (Previous Year 84,00,000 Fully Paid Equity Shares of ₹ 10/- each)	840.00	840.00
	840.00	**840.00**

a) Reconciliation of Equity Shares outstanding at the beginning and at the end of the period

₹ in Lakhs

	No. of Shares	March 31, 2022	No. of Shares	March 31, 2021
As at the beginning of the Year	8,400,000	840.00	8,400,000	840.00
Add:- Shares Issued during the year	-		-	-
As at the end of the year	**8,400,000**	**840.00**	**8,400,000**	**840.00**

b) Shareholders holding more than 25% Equity Shares in the Company

Shareholder	March 31, 2022		March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
The Indian Hotels Co. Ltd. (Holding Company)	4,620,000	55.00%	4,620,000	55.00%
(Shares held by Holding Company along with subsidiaries)				
Total	**4,620,000**	**55.00%**	**4,620,000**	**55.00%**

The Indian Hotels Company Limited is the Holding of the Company.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

c) Shareholders holding more than 5% Equity Shares in the Company

Shareholder	March 31, 2022		March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Mr. Rajinder Kumar (Refer note 1 below)	-	0.00%	651,840	7.76%
Mr. Narinder Kumar	786,240	9.36%	786,240	9.36%
Mr. Shivendra Kumar (Refer note 1 below)	651,840	7.76%	-	0.00%
Mrs. Veena Khanna	651,840	7.76%	651,840	7.76%
Mr. Pawan Pershad	651,840	7.76%	651,840	7.76%
Mr. Virender Kumar	651,840	7.76%	651,840	7.76%
Total	**3,393,600**	**40.40%**	**3,393,600**	**40.40%**

d) The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the apporval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholder are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

e) Details of Promoters Shareholding

	Shares held by promoters at the end of year			% change during the year
Sr. No.	Promoter Name	No. of shares	% of total shares	
1	Narinder Kumar	786,240	9.36%	0%
2	New Delhi Hotels Ltd.	302,400	3.60%	0%
3	Pawan Pershad	651,840	7.76%	0%
4	Shivender Kumar (Refer note 1 below)	651,840	7.76%	100%
5	The Indian Hotels Company Limited	4,620,000	55.00%	0%
6	Veena Khanna	651,840	7.76%	0%
7	Virender Kumar	651,840	7.76%	0%
	Total	**8,316,000**	**99.00%**	

The remaining 1% of the shareholding (84000 shares) is held by Mr. Maharwal Mahipal Singh Ji. He is not a promoter of the company.

Note 1: Mr. Rajinder Kumar passed away on May 06, 2021 and his entire shareholding was transferred to his son and legal heir namely Mr. Shivender Kumar w.e.f. July 30, 2021 (Form DIR-12 filed dated 18/08/2021)

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 16 : Other Equity

₹ in Lakhs

	March 31, 2022	March 31, 2021
Capital Reserve		
Opening and Closing Balance	11.41	11.41
General Reserve		
Opening Balance	1,551.75	1,551.75
Add: Transferred from Surplus in Statement of Profit and Loss	-	-
Closing Balance	**1,551.75**	**1,551.75**
Retained Earnings		
Opening Balance	(123.87)	491.67
Add:- Net Profit for the current year	(236.93)	(550.70)
Add:- Ind AS 116 - Transition Reserve	-	-
Less:- Dividend Paid	-	84.00
Less:- Tax on Dividend	-	-
Less:- Transfer to General Reserves	-	-
Less: Ind AS- OCI Movements - Net Defined Benefit Plans	15.02	(19.15)
Less: Ind AS- OCI Movements - Tax on Net Defined Benefit Plans	(13.96)	-
Closing Balance	**(361.86)**	**(123.87)**
Other Reserves		
FVOCI - Equity Instruments		
Opening Balance	(444.38)	(467.43)
OCI - Equity Instruments (Not Reclass to P&L)		
Add: Change in fair value of equity instruments designated irrevocably as FVTOCI	1.49	23.05
Closing Balance	**(442.89)**	**(444.38)**
Total	**758.40**	**994.90**

Note 17 : Trade Payables

₹ in Lakhs

	March 31, 2022	March 31, 2021
Total outstanding dues of micro and small enterprises	10.51	7.04
Total outstanding dues of creditors other than micro and small enterprises	172.87	198.99
Accured expenses and others	94.19	74.39
Total	**277.58**	**280.42**

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by Management. Disclosure are relating to Micro and Small Enterprises are as under:-

₹ in Lakhs

	March 31, 2022	March 31, 2021
(a) The principal amount remaining unpaid to suppliers as at the end of accounting year	10.51	7.04
(b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	-	-
(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) The amount of interest due and payable for the period of delay in making the payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
(e) The amount of interest accured during the year and remaining unpaid at the end of accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Total	**10.51**	**7.04**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Trade Payables ageing schedule as at March 31, 2022 — Amount in Lakhs

Particulars	Outstanding for following payments from the due date of payment				Total
	<1 year	1-2 years	2-3 years	>3 years	
MSME	10.51	-	-	-	10.51
Others	267.07	-	-	-	267.07
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	**277.58**	**-**	**-**	**-**	**277.58**

Trade Payables ageing schedule as at March 31, 2021 — Amount in Lakhs

Particulars	Outstanding for following payments from the due date of payment				Total
	<1 year	1-2 years	2-3 years	>3 years	
MSME	7.04	-	-	-	7.04
Others	273.39	-	-	-	273.39
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	**280.42**	**-**	**-**	**-**	**280.42**

Note 18 : Other Current Financial Liabilities

₹ in Lakhs

	March 31, 2022	March 31, 2021
Current		
On Current Account dues :		
Holding Company	18.46	50.14
Fellow Subsidiaries	0.46	-
Others	0.55	-
	19.47	**50.14**
Deposit from others	31.68	22.13
Creditors for Capital goods & services	11.00	8.61
Employee Related Liabilities	126.57	107.62
Other Liabilities	4.57	1.85
Total	**193.28**	**190.35**

Note 19 : Other Current Liabilities

₹ in Lakhs

	March 31, 2022	March 31, 2021
Current		
Advance collected from Customers	51.92	46.49
Statutory Dues	49.92	11.74
Total	**101.84**	**58.24**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 20 : Provisions

₹ in Lakhs

	March 31, 2022	March 31, 2021
Long Term Provisions		
Employee Benefit Obligation (Non-current)		
Compensated absences	45.25	44.67
Gratuity	64.43	35.87
	109.67	**80.54**
Short Term Provisions		
Employee Benefit Obligation (Current)		
Compensated absences	7.63	9.93
Provisions - Others		
Provision for Contingencies*	825.00	725.00
Total	**832.63**	**734.93**

₹ in Lakhs

*For	Opening Balance	Addition/(Deletion)	Closing Balance
Legal and Statutory matters	725.00	100.00	825.00

Note 21 : Rooms, Restaurants, Banquets and Income from Operations

Particulars	March 31, 2022 ₹ in Lakhs	March 31, 2021 ₹ in Lakhs
Rooms Income	1,194.07	650.41
Food, Restaurants and Banquet Income	1,240.15	704.77
Shop Rental	11.20	12.41
Others	129.49	108.83
Total	**2,574.91**	**1,476.41**

Note 22 : Other Income

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Interest Income		
Inter-corporate deposits	28.75	62.01
Deposits with banks	41.76	56.94
	70.52	**118.96**
Profit on Sale of Fixed Assets	0.31	-
Others	3.49	0.09
Total	**74.31**	**119.05**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 23 : Food and Beverages Consumed

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Food and Beverages Consumed		
Opening Stock	63.43	80.59
Add:- Purchases *	331.72	172.84
	395.15	**253.43**
Less:- Closing Stock	70.82	63.43
Food and Beverages Consumed	**324.32**	**190.00**

* Purchase cost of Food and Beverages is after adjusting sale of empties

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Sale of Empties	4.38	1.04

Note 24 (a) : Employee Benefits Expense and Payment to Contractors

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Salaries, Wages, Bonus etc.	608.23	563.34
Company's Contribution to Provident and Other Funds	55.03	60.11
Reimbursement of Expenses on Personnel Deputed to the Company	195.42	193.54
Payment to Contractors	22.28	16.42
Staff Welfare Expenses	105.62	58.25
Total	**986.59**	**891.67**

Note 24 (b) : Finance Cost

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Interest on Lease liability	63.04	72.89
Total	**63.04**	**72.89**

i. The Company has recognised the following amount under the head "Company's Contribution to Provident Fund and Other Funds"

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Provident Fund	41.49	41.42
Gratuity Fund	13.53	18.69
Total	**55.03**	**60.11**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 25 : Other Operating and General Expenses

i. Operating Expenses consist of the following

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Linen and Room Supplies	34.72	20.11
Catering Supplies	43.14	29.49
Other Supplies	0.84	0.64
Fuel, Power & Light	218.30	176.39
Repairs to Buildings	126.82	38.26
Repairs to Machinery	104.23	76.72
Repairs to Others	19.13	11.15
Linen and Uniform Washing and Laundry Expenses	28.24	20.11
Payment to Orchestra Staff and Artistes and Others	36.94	33.25
Guest Transportation	0.34	0.30
Travel Agent's Commission	56.10	38.36
Credit/Debit Card Commission	22.40	14.44
Other Operating Expenses	47.78	19.87
Total	**738.99**	**479.11**

ii. General Expenses consist of the following:

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Rent	29.73	29.61
Lease & License Fees	0.85	0.08
Rates & Taxes	218.98	170.24
Insurance	19.37	16.88
Advertising & Publicity	102.90	71.00
Printing & Stationery	9.31	7.84
Passage & Traveling	0.87	1.22
Bad Debts written off	3.31	-
Provision for Doubtful Debts	2.14	0.49
Professional Fees	54.73	70.84
Support Services	20.47	20.71
Expenditure on Corporate Social Responsibility	1.34	7.56
Loss on Sale of Fixed Assets	0.54	0.85
Operating/Management Fees	137.06	88.39
Central Reservation System/Customer Information System	49.13	27.52
Other Expenses	58.89	29.19
Payment Made to statutory Auditors	2.30	2.50
i. As Auditors		
ii. For Taxation matters		
Total	**711.91**	**544.92**
Grand Total (i+ii)	**1,450.89**	**1,024.03**

Footnotes:

(i) Expenses recovered from other parties adjusted in the Note No 25 :-

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Fuel, Power and Light	4.70	4.54
Rent	1.39	1.01
Total	**6.08**	**5.55**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(ii) Payment Made to Statutory Auditors :-

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
As Auditors	2.10	2.10
As Tax Auditors	0.20	0.40
Tax on above (Net of Credit availed)	-	-
Total	**2.30**	**2.50**

Update for the New Accounting Standard: IndAS 116 'Leases'

In accordance with Modified retrospective method of adoption, the company applied Ind AS 116 at the date of initial application date ie April 1, 2019 and the cumulative impact of the standard has been charged to the Retained Earnings net of deferred taxes. Accordingly, the comparative information in these Consolidated Financial Statements has been not been restated. The impact of the new standard in the Group's Financial Statement is summarised and set out below.

At 31 March 2022:

– Right-of-use assets of ₹ 106.39 Lakh were recognised and presented separately in the Group statement of financial position.

– Lease liabilities of ₹ 572.04 Lakh were recognised and presented separately in the Group statement of financial position.

– Net deferred tax liabilities increased by ₹ 21.24 Lakh because of the deferred tax impact of the changes in assets and liabilities.

Note 26 (a) : Total lease liabilities are analysed as follows:

₹ in Lakhs

Denominated in the following currencies	March 31, 2022	March 31, 2021
Rupees	572.04	683.00
Total	**572.04**	**683.00**
Analysed as :		
Current	122.52	110.96
Non Current	449.52	572.04
Total	**572.04**	**683.00**

Note 26 (b) : Amount recognised in profit or loss

₹ in Lakhs

The following amount were recognised as expense in the year	March 31, 2022	March 31, 2021
Depreciation of right-of-use assets	26.58	26.58
Expense relating to lease payment	(174.00)	(162.00)
Interest on lease liabilities	63.04	72.89
Total recognised in the P&L statement	**(84.38)**	**(62.53)**

Note 26 (c) : Exposure to future cash flows:

At 31 March 2022, the company was committed to future cash outflows of INR 696.00 lakh Relating to leases that have not yet commenced these will be recorded as a lease liability when the leased assets are available for use by the company.

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management and could in reality be different from expectations:

₹ in Lakhs

Maturity analysis	March 31, 2022	March 31, 2021
Less than 1 Year	174.00	174.00
Later than 1 year but not later than 5 years	522.00	696.00
Total	**696.00**	**870.00**

Note 27 : Earning Per Equity share

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Profit after Tax	(236.93)	(550.70)
No. of Equity Shares	8,400,000	8,400,000
Basic and Diluted	(2.82)	(6.56)

Note 28 : Employee Benefits

The company has taken group gratuity scheme with Life Insurance Corporation (LIC Ultimate (94-96)) and annual contributions are made to the fund administrated by Life Insurance Corporation. Every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service.

Relevant information is disclosed below :-

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
(i) Amount to be recognised in Balance Sheet and movement in net liability		
Present Value of Funded obligation	167.81	158.70
Fair Value of Plan Assets	103.39	122.82
Net (Assets)/Liability	**64.43**	**35.87**
(ii) Expense recognised in Statement of Profit & Loss		
Current service cost	11.78	11.69
Past service cost	-	-
Interest cost	1.76	2.87
Expected return on plan assets		
(Gains)/ losses on settlement		
Total	**13.53**	**14.56**
(iii) Expense recognised in Other Comprehensive Income		
Opening amount recognized in OCI outside P&L account	40.44	59.60
Remeasurements due to:		
Changes in financial assumptions	-	(7.66)
Changes in demographic assumptions	-	-
Experience adjustments	5.21	(10.60)
Actual return on plan assets less interest on plan assets	9.81	(0.90)
Adjustment to recognise the effect of asset ceiling	-	-
Total	**55.46**	**40.44**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
(iv) Reconciliation of Defined Benefit Obligation :		
Opening Defined Benefit Obligation	158.70	161.33
Additions due to acquisitions		
Current service cost	11.78	11.69
Past service cost	-	-
Interest cost	9.76	9.79
Contribution by plan participants		
Remeasurements due to actuarial loss/ (gain) arising from		
Changes in financial assumptions	-	(7.66)
Changes in demographic assumptions	-	-
Experience adjustments	5.21	(10.60)
Actual return on plan assets less interest on plan assets		
Adjustment to recognise the effect of asset ceiling		
Benefits Paid	(17.63)	(5.85)
Liabilities assumed/ (settled)*		
Liabilities extinguished on Settlements		
FCTR-Defined Benefit Obligation		
Closing Defined Benefit Obligation	**167.81**	**158.70**
(v) Reconciliation of Fair Value of Plan Assets		
Opening of Fair Value of Plan Assets	122.82	108.15
Employer contributions	-	12.71
Interest on plan assets	8.00	6.92
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(9.81)	0.90
Contribution by Employer		
Contribution by plan participants		
Benefits Paid	(17.63)	(5.85)
Assets acquired/ (settled)*		
Assets distributed on Settlements		
FCTR		
Closing of Fair Value of Plan Assets	**103.39**	**122.82**
Expected Employer's contribution next year		
* On account of business combination or intra group transfer		
(vi) Acturial Assumptions		
Discount rate(p.a.) in %	6.8%	6.8%
Salary Escalation rate (p.a.) in %	4.0%	4.0%

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

₹ in Lakhs

Name of the fund	March 31, 2022		March 31, 2021	
	Unquoted	%	Unquoted	%
(vii) Disaggregation of Plan Assets				
LIC Ultimate policy	103.39	100%	122.82	100%
Total	**103.39**		**122.82**	

Particulars	March 31, 2022		March 31, 2021	
	Discount rate	Salary Escalation rate	Discount rate	Salary Escalation rate
(viii) Sensitivity Analysis				
Retiring Gratuity Benefit Plan	6.8%	4.0%	6.8%	4.0%
Impact of increase in 50 bps on Defined Benefit Obligation	(3.62%)	3.93%	(3.40%)	3.70%
Impact of decrease in 50 bps on Defined Benefit Obligation	3.85%	(3.73%)	3.62%	(3.51%)

Note 29 : C.I.F. Value of Imports

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Stores, Supplies and Spare Parts for Machinery	-	-
Capital Goods	-	-

Expenses in Foreign Exchange

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Advertising	1.37	1.10
Professional and Consultancy Fees	4.08	10.18
Membership Fees	2.24	6.49
Others	50.84	23.77

Earnings in foreign Exchange

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Rooms, Restaurants, Banquets and Other operating Income	148.49	85.35

The Earnings in foreign exchange, as reported above, are on the basis of actual receipts during the year, as certified by the Management

Note 30 : Capital Commitments

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account net of capital advances and not provided for.	-	-

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 31 : Contingent Liabilities

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
1- Property Tax	1,408.10	1,316.00
2- Income Tax	192.48	185.69

1- The property tax demand for various years aggregating to Rs.2391.76 Lakhs had been raised in respect of the hotel up to 31st March, 2020 under the NDMC Bye Laws 2009. While admitted tax was paid for each year, the demand raised post 2010 till 31st March 2015 was under challenge along with NDMC Bye Laws 2009. The Hon'ble Supreme Court vide its Order dated 22nd January, 2019 has declared the NDMC Bye Laws, pursuant to which the property tax demand for all these years was raised, as ultra vires the NDMC Act and hence quashed. The Company has, however, decided to continue with a provision of Rs. 825 lakhs provided in the books up to 31st March, 2022 as the assessment of property tax post 2010 consequent to the quashing of the NDMC Bye Laws 2009 is yet to be finalized.

2- In respect of income tax matters, given below is the summary of income tax cases outstanding For AY 2015-16, appeals have been filed by the Income Tax Dept against orders in favour of the company, whereas for AY 2018-19, appeals have been filed by United Hotels Limited;

₹ in Lakhs

Year to which demand relates	Amount involved	Forum where dispute is pending
A.Y.-2015-16	70.88	ITAT, Delhi
A.Y.-2018-19	121.60	CIT(A)

Note 32 : Income Tax Disclosures (Ind AS 12)

(a) Income Tax recognised in Profit or loss:

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Current Tax		
In respect of the current year	-	-
In repect of earlier years	-	8.37
	-	**8.37**
Deferred Tax		
In respect of the current year	(79.24)	(190.82)
Adjustment to deferred tax attributable to changes in tax rates and laws	-	-
In repect of earlier years		
	(79.24)	**(190.82)**
Total tax expense recognised in the current year relating to continuing operations	**(79.24)**	**(182.45)**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

(b) Reconciliation of tax expense with the effective tax

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Profit before tax from continuing operations (a)	(316.17)	(733.16)
Income tax rate as applicable (b)	25.168%	25.168%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	(79.57)	(184.52)
Permanent tax differences due to:		
Corporate social responsibility expenditure	0.34	1.90
On account of bonus disallowance	-	(11.44)
Effect on deferred tax balances due to change in rate from 27.82% to 25.168% (effective from 1st April 2019)	-	3.23
	(79.24)	**(190.83)**
Prior year taxes as shown above	-	8.37
Income tax expense recognised in profit or loss (relating to continuing operations)	**(79.24)**	**(182.45)**

(C) The following is the analysis of deferred tax assets/ (liabilities) presented in the balance sheet

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Deferred Tax assets	642.78	557.19
Deferred Tax liabilities	(68.90)	(76.49)
Total	**573.89**	**480.69**

(d) Reconciliation of Deferred Tax Asset and Deferred Tax Liability

₹ in Lakhs

FY2021-22	Opening Balance	(Charge)/credit to other comprehensive income	Recognised in profit or loss	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, Plant & equipment and Intangible Assets	(43.03)	-	0.91	(42.12)
IndAS-116 Right to Use Assets	(33.47)	-	6.69	(26.78)
Provision for Employee Benefits	13.74	13.96	6.97	34.67
Provision for Doubtful Debts	4.19	-	(0.32)	3.87
IndAS-116 Lease Liability	171.90	-	(27.93)	143.97
Brought forward business losses	155.01	-	39.92	194.93
Carry forward of unabsorbed depreciation	29.88		27.83	57.71
Provision for Contingencies	182.47	-	25.17	207.64
Total Deferred Tax Assets	**480.69**	**13.96**	**79.24**	**573.89**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

₹ in Lakhs

FY2020-21	Opening Balance	(Charge)/credit to other comprehensive income	Recognised in profit or loss	Closing balance
Deferred tax (liabilities)/ assets in relation to:				
Property, Plant & equipment and Intangible Assets	(44.28)	-	1.25	(43.03)
IndAS-116 Right to Use Assets	(40.15)	-	6.68	(33.47)
Provision for Employee Benefits	18.62	-	(4.87)	13.74
Provision for Doubtful Debts	4.06	-	0.13	4.19
IndAS-116 Lease Liability	194.32	-	(22.43)	171.90
Brought forward business losses	-	-	155.01	155.01
Carry forward of unabsorbed depreciation	-		29.88	29.88
Provision for Contingencies	157.30	-	25.17	182.47
Total Deferred Tax Assets	**289.88**	**-**	**190.82**	**480.69**

Note 33 : Financial Instruments (Ind AS 109)

(a) Financial Assets & Liabilities

₹ in Lakhs

Particulars	March 31, 2022			March 31, 2021		
	FVOCI	Amortised cost	Total	FVOCI	Amortised cost	Total
Financial assets:						
Investments						
Equity Investment						
- External Companies	0.90	-	0.90	0.67	-	0.67
Trade Receivables		121.86	121.86		63.55	63.55
Cash and cash equivalents	-	1,436.31	1,436.31	-	1,137.40	1,137.40
Loans	-	-	-	-	550.00	550.00
Other financial assets*	-	64.79	64.79	-	140.17	140.17
Total - Financial Assets	**0.90**	**1,622.95**	**1,623.86**	**0.67**	**1,891.13**	**1,891.79**
Financial liabilities:						
Trade Payables including capital creditors		387.02	387.02		392.32	392.32
Other financial liabilities		83.84	83.84		78.46	78.46
Total - Financial Liabilities	**-**	**470.86**	**470.86**	**-**	**470.78**	**470.78**

(b) Fair value of Financial instruments on a recurring basis:

₹ in Lakhs

As of March 31, 2022:	Level 1	Level 2	Level 3	Total
Financial assets:				
Equity shares				
Listed equity investment				
- Graviss Hospitality Limited	0.90	-	-	0.90
Unquoted equity investment				
- Taj Air Limited	181.25	-	-	181.25
Total	**182.15**	**-**	**-**	**182.15**

₹ in Lakhs

As of March 31, 2021:	Level 1	Level 2	Level 3	Total
Financial assets:				
Equity shares				
Listed equity investment				
- Graviss Hospitality Limited	0.67	-	-	0.67
Unquoted equity investment				
- Taj Air Limited	180.00	-	-	180.00
Total	**180.67**	**-**	**-**	**180.67**

(c) Contractual maturity of financial liabilities:

₹ in Lakhs

March 31, 2022	Due in 1st year
Non-derivative financial liabilities:	
Trade and other payables	387.02
Other financial liabilities	83.84
Total	**470.86**

₹ in Lakhs

March 31, 2021	Due in 1st year
Non-derivative financial liabilities:	
Trade and other payables	392.32
Other financial liabilities	78.46
Total	**470.78**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 34 : IND AS 115 'Revenue from Contracts with Customers'

The Company revenue primarily comprises of Revenue from Hotel operations, and other miscellaneous income as tabulated below.

₹ in Lakhs

Contract with Customers	March 31, 2022	March 31, 2021
1 Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
Revenue from operations		
Revenue from contract with customers		
a) Room Revenue, Food & Beverages and Banquets	2,434.22	1,355.17
b) Other revenue from contract with customers	129.49	112.37
	2,563.71	**1,467.54**
Other operating revenue		
a) Export Incentive	-	(3.53)
b) Other revenue	-	-
	-	**(3.53)**
Total Revenue from operations	**2,563.71**	**1,464.01**
2 Disaggregate Revenue : The following table presents Company revenue disaggregated by type of revenue stream and by reportable segment:		
Revenue based on product and services		
Revenue from contract with customers		
a) Room Revenue	1,194.07	650.41
b) Food & Beverages and Banquets	1,240.15	704.77
c) Other revenue from contract with customers	140.69	124.77
Other Operating Revenue		
a) Export Incentives	-	(3.53)
b) Other revenue	-	-
3 The Company derives its revenue from the transfer of goods and services at a point of time in its major service lines		
4 Contract balances		
Advance Collections, deposits from customer		
Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/ restaurant/Banquets. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage / provision of banquet services.		
At April	(1.60)	(67.61)
At March	(14.97)	(1.60)

Considering the nature of business of the Company, the above contract liabilities are generally materialised as revenue within the same operating cycle.

Note 35 : Related Party disclosures

Note 35 (a) The names of Related Parties of the Company are as under

(i) Holding Company

The Indian Hotels Company Ltd.

(ii) Fellow Subsidiaries Company

Domestic :-

KTC Hotels Limited
Roots Corporation Limited
Piem Hotels Limited
Taj Trade and Transport Company Limited
Inditravel Limited
Northern India Hotels Limited
Taj Enterprises Limited
Benares Hotels Limited
Luthria & Lalchandani Hotels & Properties Pvt. Ltd.
Skydeck Properties and Developers Private Limited
Sheena Investments Private Limited
ELEL Hotels & Investments Limited
Taj Sats Air Catering Limited
Ideal Ice Limited
Genness Hospitality Private Limited
Qurio Hospitality Private Limited

International :-

Taj International Hotels (H.K.) Limited
IHOCO BV
St. James Court Hotels Limited
Taj International Hotels Limited
IHMS LLC
IHMS LLC - San Francisco
IHMS LLC - USA
PIEM International Hotels (H.K.) Limited
BAHC 5 Pte Ltd.
United Overseas Holding Inc.
IHMS Hotels (SA) (Proprietary) Limited
Goodhope Palace Hotels (Proprietary) Limited

(iii) Director/Key Management Personnel

Mr. Shivender KumarWorking - Director
Mr. Virender KumarWorking - Director
Mr. Narinder KumarWorking - Director
Late Mr. Rajinder Kumar - Working Director
(Refer Note-1 Below)

(iv) Firms/companies in which key Management personnel are interested

Hotel Ambassador Building Pvt Ltd
Digvijai infrastructure Pvt. Ltd.

Note 1: Mr. Rajinder Kumar passed away on 06th May 2021 and his entire shareholding was transferred to his son and legal heir namely Mr. Shivender Kumar w.e.f. 30th July, 2021. (Form DIR-12 filed dated 18.08.2021)

Note 35 (b) Details of related party transaction during the Year ended 31.03.2022 and outstanding balances as at 31.03.2022

₹ in Lakhs

Particulars	Holding Company	Key Management Personnel	Fellow Subsidiaries	Key Management Personnel interested
Dividend Paid	-	-	-	-
Operating Fees Paid / Provided	122.83	-	14.23	-
Advertisement/CRS & CIS Paid / Provided	98.26	-	-	-
Purchase of goods & Services	3.07	-	-	-
Sale of goods & Services	-	-	-	-
Directors Remuneration	-	98.28	-	-
Directors Commission	-	-	-	-
Trade Receivables	-	-	-	-
Trade Payables		-	-	-
Receivable Due on Current A/c	-	-	0.99	-
Payable Due on Current A/c	18.46	-	-	-
ICD Placed	-	-	-	-
Interest Recoverable	-	-	-	-

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 35 (c) : Statement of Material Transactions

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Holding Company		
The Indian Hotels Company Limited		
Operating/Licence Fee Paid	122.83	88.40
Advertisement/Brand Cost/CRS/CIS Paid	98.26	55.25
Purchase of goods & services	3.07	1.23
Sale of goods & services	-	16.87
Payable due on current account	18.46	50.14
Dividend Paid	-	46.20
Remuneration to Key Management Personnel		
Mr. Rajnder Kumar		
Remuneration	2.88	33.80
Dividend Paid	-	6.52
Mr. Shivendra Kumar		
Remuneration	22.08	-
Commission	-	-
Dividend Paid	-	-
Mr. Virinder Kumar		
Remuneration	38.23	31.16
Dividend Paid	-	6.52
Mr. Narinder Kumar		
Remuneration	35.09	28.46
Dividend Paid	-	7.86
Fellow Subsidiaries		
PIEM Hotels Limited		
Sale of goods & services		
Receivable due on current account	-	0.40
Payable due on current account		
Banaras Hotels Limited		
Receivable due on current account	0.99	0.83
ICD Placed	-	550.00
Interest Recoverable	-	5.99
Interest earned on ICD placed	28.75	62.01
Ideal Ice Limited		
Operating/Licence Fee Paid	14.23	-

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 36 : Ratio Analysis

Amount in Lakhs

The following ratios need to be disclosed:	Numerator	Denominator	Current Period F.Y.2021-22	Previous Period F.Y.2020-21	% Variance	Reason for Variance for any change in the ratio by more than 25% as compared to the preceding year
(a) Current Ratio	Current Assets	Current Liabilities	1.11x	1.43x	(21.98%)	-
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	-	-	-	-
(c) Debt Service Coverage Ratio	Net Operating Income/(loss) or EBITDA	Interest & Lease Payments+Principle Repayments	(0.65x)	(3.15x)	(79.46%)	Losses over last year due to the pandemic have reduced during this year, which refelects in a slight improvement in the DSCR for the year FY 21-22
(d) Return on Equity Ratio	Net Earnings/(loss)	Average Shareholders' Equity	(13.80%)	(33.71%)	(59.05%)	Losses in the Hotel Industry due to the pandemic in 20-21 have recovered slightly in FY 21-22 due to increased foot fall in the hotel for a few months
(e) Inventory turnover ratio	Cost of Goods Sold or Sales	Average Inventory	-	-	-	-
(f) Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivables	13.89x	7.43x	86.85%	The Recovery process was accelearted during the time the hotel operated for approx 7 months during the FY 21-22.
(g) Trade payables turnover ratio	Net Credit Purchases	Average Accounts Payables	6.36x	4.23x	50.28%	Despite the lockdown situaton the hotel managed its cash flows and was able to pay its suppliers on time.
(h) Net capital turnover ratio	Net Annual Sales	Working capital	6.74x	1.53x	340.74%	Increased sales/working capital position over last year led to an overall improved business situation
(i) Net profit ratio	Net Profit/(loss)	Net Sales	(8.94%)	(34.52%)	(74.09%)	The losses over last year have reduced by almost 50%. from INR 550 lakhs in FY 2020-21 reduced to INR 236 lakhs in FY 2021-22
(j) Return on Capital employed	Net Operating Profit/(Loss), or earnings before interest and taxes (EBIT)	Capital employed	(11.36%)	(23.93%)	(52.52%)	The losses over last year have reduced by almost 50%. from INR 550 lakhs in FY 2020-21 reduced to INR 236 lakhs in FY 2021-22
(k) Return on investment	Net Profit/(loss)	Cost of the investment	-	-	-	-

Note: Explanation of items included in numerator and denominator for computing above ratios as follows:

Ratio	Numerator	Denominator
(a) Current Ratio	Inventories+Trade Receivables+Cash and Cash Equivalents+Other Financial Assets+Other current Assets	Lease Liabilities+Total outstanding dues of micro & small enterprises+Total outstanding dues of creditors other than micro & small .... enterprises+Other Financial Liabilities+Other Financial Liabilities+Other Current Liabilities+Provisions
(b) Debt-Equity Ratio	Non - Current Borrowings + Current Borrowings	Total Equity
(c) Debt Service Coverage Ratio	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt)]
(d) Return on Equity Ratio	Profit/(Loss) after tax	Average Total Equity
(e) Inventory turnover ratio	N/A	N/A
(f) Trade Receivables turnover ratio	Revenue from operations	Average Trade Receivables
(g) Trade payables turnover ratio	Total expenses - Depreciation - Interest - Payroll Cost	Trade Payables
(h) Net capital turnover ratio	Net Sales	Working Capital i.e (Average Current Assets - Average Current Liabilities)
(i) Net profit ratio	Profit/(Loss) after tax	Total Income
(j) Return on Capital employed	EBIT	Average Equity + Average Debt + Average Leases
(k) Return on investment	N/A	N/A

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 37 : Additional Disclosure w.r.t Corporate Social Responsibility (CSR) Expenditure

Where the NBFC or a company covered under section 135 of the Companies Act, the following shall be disclosed with regard to CSR activities:-

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
(a) amount required to be spent by the company during the year,	1.34	7.56
(b) amount of expenditure incurred,	1.34	7.56
(c) shortfall at the end of the year,	-	-
(d) total of previous years shortfall,	-	-
(e) reason for shortfall,	No shortfall	No shortfall
(f) nature of CSR activities,	Vocational Skilling and Promotion of livelyhoods	Vocational Skilling and Promotion of livelyhoods
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	N/A	N/A
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	N/A	N/A

Note 38 : Calculation of Cash Losses

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Profit/(Loss) after Tax	(236.93)	(550.70)
Add: Depreciation and Amortisation Exp on PPE	113.96	123.44
Add: Depreciation and Amortisation Exp on Lease Assets	26.58	26.58
Less: Deferred Tax Expense	(79.24)	(190.82)
Add: Exchange Loss on Long term Borrowings	-	-
Cash Loss during the period	(175.63)	(591.50)

Note 39 : Impact of COVID-19

The business has been impacted during the period on account of COVID-19. During the first three months of the FY2021-22, the company witnessed softer revenues due to the 2nd wave of COVID-19 and consequent lockdowns in several states in India. Furthermore, there was a third wave in the month of January 2022, resulting in restrictions in some states, which also impacted the revenues. However, with increased vaccinations and consequent reduction in number of cases and easing of all restrictions, the business witnessed recovery in both leisure and business segments in all the subsequent months.

The company has assessed the possible impact of COVID-19 in preparation of the financial results, including but not limited to its assessment of liquidity and going concern assumptions, recoverable values of its financial & non-financial assets and the impact on revenues & costs. The impact of COVID-19 may be different from that estimated on the date of approval of these financial results and the company will continue to closely monitor any material changes to future economic conditions. The company has taken all necessary measures to control costs & rationalise resources and is taking initiatives to uplift revenue. The company is also holding back on discretionary spending and is planning other cost optimization measures.

Note 40 : Figures of the previous year have been regrouped/recasted wherever necessary

For and on behalf of the Board

As per our report attached

For **R K Khanna & Co.**
Chartered Accountants
FRN: 000033N

Virender Kumar
Director
DIN 00053909

Mohit Gupta
Director
DIN 01865794

Harsh Raj Malik
Company Secretary

Anil K Khanna
Partner
M. No. 080434

Date:
Place: New Delhi

Independent Auditor’s Report

To the Members of SKYDECK PROPERTIES AND DEVELOPERS PRIVATE LIMITED

Report on the Audit of the Standalone financial statements

Opinion

1. We have audited the accompanying financial statements of Skydeck Properties and Developers Private Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of income and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. 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 Financial Statements” section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

   In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the Director’s report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

5. 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 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 Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation

Independent Auditor's Report (Contd.)

and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. 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.

Independent Auditor's Report (Contd.)

10. 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.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

    d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

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

    f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

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

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

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

Independent Auditor's Report (Contd.)

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividends are declared and paid during the year by the Company.

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year, therefore the provisions of Section 197 read with Schedule V of the Act is not applicable.

For **Damji Merchant & Co.**
Chartered Accountants
Firms Registration No. 102082W

Karan Vishwakarma
Partner
Membership No. 183499
UDIN :- 22183499AIHCVL2488

Place :- Mumbai
Date :- 22nd April, 2022

Annexure 'A' to the Independent Auditor's Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Skydeck Properties and Developers Private Limited on the financial statements as of and for the year ended March 31, 2022

i. The Company did not hold any fixed assets during the year under report. Accordingly, provisions of Paragraph 3 clause i(a), (b) and (c) of the Order are not applicable.

ii. The Company has no inventories during the year under report. Accordingly, provisions of Paragraph 3 clause ii(a) and (b) of the Order are not applicable.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub- section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.

Annexure ‘A’ to the Independent Auditor’s Report (Contd.)

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates of joint ventures during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT- 4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 “Related Party Disclosures” specified under Section 133 of the Act.

xiv. The provisions of Internal Audit under Companies Act, 2013 are not applicable to the Company. Accordingly, provisions of Paragraph 3 clause xiv(a) and (b) of the Order are not applicable.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

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

Annexure 'A' to the Independent Auditor's Report (Contd.)

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) 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. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, there are 6 Core Investment Companies (CICs) in the Group (basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 26 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. The Company is not covered under Section 135 of the Companies Act. Accordingly, provisions of Paragraph 3 clause xx(a) and (b) of the Order are not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Damji Merchant & Co.**
Chartered Accountants
Firms Registration No. 102082W

Karan Vishwakarma
Partner
Membership No. 183499
UDIN :- 22183499AIHCVL2488

Place :- Mumbai
Date :- 22nd April, 2022

Annexure 'B' to the Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Skydeck Properties and Developers Private Limited on the financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Skydeck Properties and Developers Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. 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 with reference to financial statements.

Annexure ‘B’ to the Independent Auditor’s Report (Contd.)

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 issued by ICAI.

For **Damji Merchant & Co.**
Chartered Accountants
Firms Registration No. 102082W

Karan Vishwakarma
Partner
Membership No. 183499
UDIN :- 22183499AIHCVL2488

Place :- Mumbai
Date :- 22nd April, 2022

Balance Sheet
As at March 31, 2022

₹ Lakhs

	Note	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
Financial assets			
Investments	3	52,861.00	52,861.00
Advance income tax (net)		13.51	7.11
		52,874.51	**52,868.11**
Current assets			
Financial assets			
Trade receivables	4	8.50	9.29
Cash and cash equivalents	5	87.56	69.87
Other financial assets	6	0.24	0.07
Other current assets	7	0.36	0.26
		96.66	**79.49**
Total		**52,971.17**	**52,947.60**
Equity and liabilities			
Equity			
Equity share capital	8	97,298.13	89,303.22
Other equity	9	(44,336.91)	(44,345.64)
Total equity		**52,961.22**	**44,957.58**
Current Liabilities			
Financial liabilities			
Trade payables	10		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		0.88	0.83
Other financial liabilities	11	8.39	7,988.62
Other current liabilities	12	0.68	0.57
		9.95	**7,990.02**
Total		**52,971.17**	**52,947.60**
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statements			

In terms of our report of even date

For and on behalf of the Board

For **Damji Merchant & Co.**
Chartered Accountants
Firm Registration No : 102082W

Karan Vishwakarma
Partner
Membership No. 183499

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Rashna Kararia
Company Secretary

Place : Mumbai
Date : April 22, 2022

Statement of Profit and Loss

for the year ended March 31, 2022

₹ Lakhs

	Note	Year ended March 31, 2022	Year Ended March 31, 2021
Income			
Revenue from operations	13	94.46	125.41
Other income	14	1.94	2.48
Total Income		**96.40**	**127.89**
Expenses			
Finance costs	15	-	-
Other operating and general expenses	16	84.43	111.92
Total Expenses		**84.43**	**111.92**
Profit/ (Loss) before exceptional items and tax		11.97	15.97
Exceptional items		-	-
Profit before tax		**11.97**	**15.97**
Tax expense			
Current tax		3.24	4.20
Deferred tax		-	-
Total		**3.24**	**4.20**
Profit after tax		8.73	11.77
Other comprehensive income, net of tax			
Other comprehensive income for the year		-	-
Total comprehensive Income for the year		**8.73**	**11.77**
Earnings per share:	17		
Basic and Diluted - (₹)		0.001	0.001
Face value per ordinary share - (₹)		10.00	10.00
Summary of Significant Accounting Policies			
The accompanying notes form an integral part of the Financial Statements			

In terms of our report of even date

For **Damji Merchant & Co.**
Chartered Accountants
Firm Registration No : 102082W

Karan Vishwakarma
Partner
Membership No. 183499

For and on behalf of the Board

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Rashna Kararia
Company Secretary

Place : Mumbai
Date : April 22, 2022

Statement of Changes in Equity
For the Year ended March 31, 2022

₹ Lakhs

Particulars	Equity Share Capital Subscribed	Other Equity			
		Retained Earnings	Other Reserve	Total	Total Equity
Balance as at April 1, 2020	**89,303.22**	**(43,968.48)**	**(388.93)**	**(44,357.41)**	**44,945.81**
Profit for the year ended March 31, 2021	-	11.77	-	11.77	11.77
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income for the year ended March 31, 2021	**-**	**11.77**	**-**	**11.77**	**11.77**
Balance as at March 31, 2021	**89,303.22**	**(43,956.71)**	**(388.93)**	**(44,345.64)**	**44,957.58**
Profit for the year ended March 31, 2022	-	8.73	-	8.73	8.73
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income for the year ended March 31, 2022	**-**	**8.73**	**-**	**8.73**	**8.73**
Issue of shares on Rights basis	7,994.91				7,994.91
Balance as at March 31, 2022	**97,298.13**	**(43,947.98)**	**(388.93)**	**(44,336.91)**	**52,961.22**
Summary of Significant Accounting Policies					
The accompanying notes form an integral part of the Financial Statements					

In terms of our report of even date

For **Damji Merchant & Co.**
Chartered Accountants
Firm Registration No : 102082W

Karan Vishwakarma
Partner
Membership No. 183499

For and on behalf of the Board

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Rashna Kararia
Company Secretary

Place : Mumbai
Date : April 22, 2022

Cash Flow Statement

For the Year ended March 31, 2022

₹ Lakhs

	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash Flow From Operating Activities		
Profit Before Tax	11.97	15.97
Adjustments For :		
Interest Income	(1.94)	(2.48)
Finance Costs	-	-
	(1.94)	**(2.48)**
Cash Operating Profit before working capital changes	10.03	13.49
Adjustments for (increase)/ decrease in operating assets:		
Trade receivables	0.69	36.22
	0.69	**36.22**
Adjustments for increase/ (decrease) in operating liabilities:		
Trade Payables	0.16	(54.59)
Other Current Liabilities	(7,980.23)	-
	(7,980.07)	**(54.59)**
Cash Generated from Operating Activities	**(7,969.35)**	**(4.88)**
Direct Taxes (Paid)/ Refunded	(9.64)	(5.24)
Net Cash Generated From Operating Activities (A)	**(7,978.99)**	**(10.12)**
Cash Flow From Investing Activities		
Interest Received	1.77	2.24
Net Cash Generated/(Used) In Investing Activities (B)	**1.77**	**2.24**
Cash Flow From Financing Activities		
Proceeds from Issue of Equity Shares	7,994.91	-
Net Cash Generated/ (Used) In Financing Activities (C)	**7,994.91**	**-**
Net Increase/ (Decrease) In Cash and cash equivalents (A + B + C)	**17.69**	(7.88)
Cash and Cash Equivalents – Opening	69.87	77.75
Cash and Cash Equivalents – Closing	**87.56**	**69.87**
Summary of Significant Accounting Policies – Note 2		
The accompanying notes form an integral part of the Financial Statements		

In terms of our report of even date

For **Damji Merchant & Co.**
Chartered Accountants
Firm Registration No : 102082W

Karan Vishwakarma
Partner
Membership No. 183499

For and on behalf of the Board

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Rashna Kararia
Company Secretary

Place : Mumbai
Date : April 22, 2022

Notes to Financial Statements
for the year ended March 31, 2022

Note 1 : Background

Skydeck Properties and Developers Private limited ("Skydeck" or the "Company"), a private limited company was incorporated on May 13, 1998. The Company is primarily engaged in construction activities and providing Management Consultancy.

Note 2 : Significant Accounting Policies

a) Basis of Preparation and Presentation:

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended till date) read with Section 133 of the Companies Act, 2013, on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

b) Critical Accounting Estimates and Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- **Impairment of Investments** The Company reviews its carrying value of investment in subsidiaries carried at cost less impairment (if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the statement of profit or loss.

  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 or loss.
- **Impact of COVID-19 Pandemic - Disruption and Uncertainty in Business**

  The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

c) Revenue Recognition

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividends

Dividend income is recognized when the Company's right to receive the amount is established.

d) Taxes on Income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current Tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Minimum Alternative Tax ("MAT") credit forming part of Deferred tax assets is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

e) Borrowing Costs:

Borrowing costs are charged to Statement of Profit and Loss over the tenure of the borrowing.

f) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date to reflect the current best estimates.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized but only disclosed in the financial statements.

g) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

h) Earnings Per Share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

i) Financial Instruments:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. In case of financial assets subsequently measured at fair value through profit or loss, such transaction costs are not included. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement:

Debt instruments

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the transaction. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Investment in subsidiaries, joint ventures and associates are carried at cost less impairment, if any. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

– The rights to receive cash flows from the asset have expired, or

– The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

  (a) the Company has transferred substantially all the risks and rewards of the asset, or

  (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets
In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Financial Liabilities
Classification
The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or Losses on Liabilities held for Trading are Recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

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 Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

j) Recent Accounting Pronouncements

a) New Accounting Standards/Amendments Notified and Adopted by the Company:

The following Accounting Standards have been modified on miscellaneous issues with effect from June 18, 2021. Such changes include clarification/guidance on:

i) Ind AS 107 Financial Instruments: Disclosures – Additional disclosures relating to interest rate benchmark reform (IBOR reform) including nature and extent of risks to which the entity is exposed due to financial instruments subject to interest rate benchmark reform and how the Company manages those risks; the Company's progress in completing the transition to alternative benchmark rates and how the Company is managing the transition.

ii) Ind AS 109 Financial Instruments – Guidance provided on accounting for modifications of contracts resulting from changes in the basis for determining the contractual cash flows as a result of the IBOR reform; various exceptions and relaxations have been provided in relation to the hedge accounting.

iii) Ind AS 116 Leases – Extension of optional practical expedient in case of rent concessions as a direct consequence of COVID-19 pandemic till June 30, 2022 and guidance on accounting for modification of lease contracts resulting from the IBOR reform.

iv) Ind AS 102 Share based payments – Alignment of liabilities definition with the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.

v) Ind AS 103 Business Combination – Alignment of assets and liabilities definition with the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards

vi) Amendment of definition of term 'recoverable amount' in Ind AS 105, Ind AS 16 and Ind AS 36 from 'fair value less cost to sell' to 'fair value less cost of disposal'.

None of these amendments has any material impact on the financial statements for the current year

b) 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.

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:

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 standalone 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.

c) New Accounting Standards/Amendments Notified but not yet Effective:

The following Accounting Standards have been modified on miscellaneous issues with effect from April 1, 2022. Such changes include clarification/guidance on:

i) Ind AS 103 Business Combination – Identified assets acquired and liabilities assumed (including contingent assets and contingent liabilities) must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the Institute of Chartered Accountants of India (ICAI).

ii) Ind AS 109 Financial Instruments – Guidance provided on identifying substantial modification of the terms of an existing financial liability basis difference in discounted present value of the cash flows between old and new terms (the '10 percent' test).

iii) Ind AS 16 Property, Plant and Equipment (PPE) – Clarification provided on accounting for excess of net sale proceeds of items produced over the cost of testing as deduction from the directly attributable costs considered as part of cost of an item of PPE.

iv) Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Illustrative guidance provided on the cost of fulfilling a contract - incremental costs of fulfilling the contract and allocation of other costs that relate directly to fulfilling contracts, and clarification provided on recognising impairment loss that has occurred on assets used in fulfilling the contract before a separate provision for onerous contract established.

None of these amendments is expected to have any material impact on the financial statements of the Company.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 3 : Investments

	Face Value	March 31, 2022 Holdings no. of Shares	March 31, 2022 ₹ Lakhs	March 31, 2021 Holdings no. of Shares	March 31, 2021 ₹ Lakhs
Trade Investments :					
Fully Paid Unquoted Equity Instruments					
Investments in Subsidiary Companies (At Cost)					
Sheena Investments Private Limited	10.00	1,000,000	23,200.00	1,000,000	23,200.00
ELEL Hotels and Investments Limited	10.00	1,309,896	29,660.95	1,309,896	29,660.95
Luthria and Lalchandani Hotels and Properties Private Limited	100.00	50	0.05	50	0.05
Total Investments			**52,861.00**		**52,861.00**

During the current year, all the shares held in ELEL have been pledged in favour of one of the lenders of the Ultimate Holding Company

Note 4 : Trade and other receivables (Unsecured)

₹ Lakhs

	March 31, 2022	March 31, 2021
Others :		
Considered good	8.50	9.29
Credit impaired	-	-
	8.50	**9.29**

Footnote:
Trade Receivables ageing schedule given below :

₹ Lakhs

	Outstanding for following periods from due date of payment	
	Less than 6 months	Total
Undisputed Trade receivables – considered good	**8.50**	**8.50**
	9.29	*9.29*
	8.50	**8.50**
	9.29	*9.29*

* Figure in italic are for previous year

Note 5 : Cash and cash equivalents

₹ Lakhs

	March 31, 2022	March 31, 2021
Balances with bank in current account	2.56	9.87
Balances with bank in call and short-term deposit accounts (Original maturity less than 3 months)	85.00	60.00
	87.56	**69.87**

Note 6 : Other financial assets

₹ Lakhs

	March 31, 2022	March 31, 2021
Interest receivable		
Bank Deposits	0.24	0.07
	0.24	**0.07**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 7 : Other current assets

₹ Lakhs

	March 31, 2022	March 31, 2021
Indirect tax recoverable	0.36	0.26
	0.36	**0.26**

Note 8 : Share capital

₹ Lakhs

	March 31, 2022	March 31, 2021
Authorised Share Capital		
Equity Shares		
98,01,00,000 (Previous year - 90,01,00,000) Equity Shares of ₹ 10/- each	98,010.00	90,010.00
	98,010.00	**90,010.00**
Issued Share Capital		
97,29,81,324 (Previous year - 89,30,32,160) Equity Shares of ₹ 10/- each	97,298.13	89,303.22
	97,298.13	**89,303.22**
Subscribed and Paid Up		
97,29,81,324 (Previous year - 89,30,32,160) Equity Shares of ₹ 10/- each, Fully Paid	97,298.13	89,303.22
	97,298.13	**89,303.22**

Footnotes:

i) Reconciliation of the shares outstanding at the beginning and at the end of the year :

	March 31, 2022		March 31, 2021	
	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs
As at the beginning of the year	893,032,160	89,303.22	893,032,160	89,303.22
Add : Issued during the year	79,949,164	7,994.91	-	-
As at the end of the year	**972,981,324**	**97,298.13**	**893,032,160**	**89,303.22**

During the year company has issued 7,99,49,164 shares of ₹ 10 each amounting to ₹ 7,994.91 on rights basis to exixting shareholder.

ii) Shares held by Holding Company :

	No. of Shares March 31, 2022	No. of Shares March 31, 2021
Holding Company		
The Indian Hotels Company Limited ("IHCL")	972,981,324	893,032,160

iii) Shareholders holding more than 5% shares in the Company :

	No. of Shares March 31, 2022	No. of Shares March 31, 2021
The Indian Hotels Company Limited	972,981,324	893,032,160
% of Holding	100%	100%

iv) The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 9 : Other equity

₹ Lakhs

	March 31, 2022	March 31, 2021
Retained Earnings		
Opening	(43,956.71)	(43,968.48)
Add: Current year profit	8.73	11.77
Closing	**(43,947.98)**	**(43,956.71)**
Other Reserve		
Opening	(388.93)	(388.93)
Add : During the year	-	-
Closing	**(388.93)**	**(388.93)**
Total	**(44,336.91)**	**(44,345.64)**

Note 10 : Trade payables

₹ Lakhs

	March 31, 2022	March 31, 2021
Micro and Small Enterprises#	-	-
Others		
Vendor Payables	-	-
Accrued expenses and others	0.88	0.83
	0.88	**0.83**

Footnotes:
Trade Payables ageing schedule given below :

₹ Lakhs

	Outstanding for following periods from due date of payment	
	Accrued Expenses	Total
MSME#	-	-
	-	-
Others	**0.88**	**0.88**
	0.83	*0.83*
	0.88	**0.88**
	0.83	*0.83*

* Figure in italic are for previous year
# There are no vendors identified on the basis of information checked by the management who fall under the definition of Micro & Small Enterprises as defined in the "Micro, Small and Medium enterprises Development Act, 2006".

Note 11 : Other financial liabilities

₹ Lakhs

	March 31, 2022	March 31, 2021
Other Payables :		
Related Parties (Refer footnote below)	7.39	7,987.62
Others		
	7.39	**7,987.62**
Other liabilities	1.00	1.00
	8.39	**7,988.62**

Footnote:
Dues to related party has been settled during the year by the company from proceeds from rights issue.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 12 : Other current liabilities

₹ Lakhs

	March 31, 2022	March 31, 2021
Statutory dues	0.68	0.57
	0.68	**0.57**

Note 13 : Revenue from operations

₹ Lakhs

	March 31, 2022	March 31, 2021
Other operating income	94.46	125.41
Total	**94.46**	**125.41**

Note 14 : Other income

₹ Lakhs

	March 31, 2022	March 31, 2021
Interest Income from financial assets at amortised cost		
Deposits with banks	1.94	2.22
Income tax refund	-	0.26
Total	**1.94**	**2.48**

Note 15 : Finance costs

₹ Lakhs

	March 31, 2022	March 31, 2021
Interest Expense at effective interest rate on borrowings	-	-
Interest on ICD borrowed	-	-
Total	**-**	**-**

Note 16 : General expenses

₹ Lakhs

	March 31, 2022	March 31, 2021
General expenses consist of the following :		
Rates and Taxes	0.50	0.09
Professional Fees	0.01	0.14
Brokerages and Commission	-	28.13
Business Support Cost	82.14	82.14
Audit Fees		
As statutory auditors	0.28	0.28
For other services	0.60	0.42
Other Expenses	0.90	0.72
Total	**84.43**	**111.92**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 17 : Earnings Per Share (EPS)

Earnings Per Share is calculated in accordance with IND AS 33 - 'Earnings Per Share'.

₹ Lakhs

	Year Ended March 31, 2022	Year Ended March 31, 2021
Profit after tax - (₹ Lakhs)	8.73	11.77
Weighted Average Number of Equity Shares	972,981,324	893,032,160
Face Value per Equity Share (₹)	10.00	10.00
Earning Per Share - (₹) Basic and Diluted	0.001	0.001

Note 18 : Fair Value of Financial Instruments.

IND AS requires the Company to disclose the fair values of its financial assets and financial liabilities. The carrying amounts of the Company's financial instruments approximate fair values due to interest charged at market rate in respect of borrowings and short term nature of account balances in respect of cash, receivables etc,.

Note 19 : Financial Risk Management Objectives and Policies

Financial instruments held by the company, principally comprise of cash, trade and other receivables, trade and other payables, loans and borrowings. The main purpose of these financial instruments is to manage the operating, investing and financing activities of the company.

Financial risk management of the company is carried out based on guidelines established by the finance division which comes under the purview of the Board of Directors of the company.

The finance division identifies, evaluates and mitigates financial risk in close co-operation with the Group's finance department. The parent company provides guidelines for overall risk management, as well, covering specific areas such as credit risk, investment of excess liquidity, interest rate risk.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company manages and monitors these risks primarily through its operating and financing activities.

Note 20 : Credit Risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its financing activities, including deposits with banks and other financial instruments.

The Company's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

Note 21 : 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 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.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

₹ Lakhs

Particulars	Due within 1 year	
	March 31, 2022	March 31, 2021
Non-derivative financial liabilities		
Trade Payable	0.88	0.83
Other Financial liabilities	8.39	7,988.62
Total	**9.27**	**7,989.45**

Note 22 : Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and price risk. However, market risk is not significant for the company.

Note 23 : Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the company. The company determines the capital requirement based on annual operating plan and long-term and other strategic investment plans. The funding requirements are met primarily through equity.

Note 24 : Segment Reporting:

As there is no reportable segment as envisaged by IND AS 108 “Operating Segment”, no separate disclosure for segment reporting is made in the financial statements of the Company.

Note 25 : Taxation

a) Reconciliation of tax expense with the effective tax

₹ Lakhs

Particulars	March 31, 2022	March 31, 2021
Profit before tax	11.97	15.97
Income-tax rate as applicable @ 25.17% (previous year @ 25.17%)	3.02	4.02
Permanent tax difference		
Effect of expenses that are not deductible in determining taxable profit	0.22	0.18
DTA not created due to lack of reasonable certainty	-	-
	3.24	**4.20**
Prior year taxes	-	-
Income tax expense recognised in statement of profit & loss	**3.24**	**4.20**

b) The Company has not recognized any deferred tax assets on losses incurred considering no tax benefit for business losses claimed under the Income Tax act, 1961 in its tax returns.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 26 : Ratio analysis:

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% of Variance
Current Ratio (Note i)	Current Assets	Current Liabilities excluding current maturities of long term borrowings	9.71 times	0.01 times	NA
Debt – Equity (Note iii)	Non - Current Borrowings + Current Borrowings	Total Equity	NA	NA	NA
Debt service coverage (Note iii)	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt)]	NA	NA	NA
Return on Equity	Profit/(Loss) after tax	Average Total Equity	0.02%	0.03%	(32)%
Inventory Turnover (Note iii)	NA	NA	NA	NA	NA
Trade Receivable Turnover (Note ii)	Revenue from operations	Average Trade Receivables	10.84 times	4.65 times	133%
Trade Payable Turnover (Note i)	Total expenses - Depreciation - Interest - Payrol Cost	Average Trade Payables	98.75 times	6.3 times	1467%
Net Capital Turnover	Net Sales	Working Capital i.e (Average Current Assets - Average Current Liabilities)	(0.02) times	(0.02) times	-
Net Profit Ratio	Profit/(Loss) after tax	Total Income	9.06%	9.20%	(2)%
Return on capital employed	EBIT	Average Equity + Average Debt + Average Leases	0.02%	0.04%	(31)%
Return on Investment (Note iii)	NA	NA	NA	NA	NA

Footnotes :

i) The ratio has improved in the current year vis a vis last year mainly on account of payment of liability.

ii) The ratio has improved due to reduction in debtors and improved collection.

iii) Ratio is not applicable to the company.

Note 27 : Related Party Transactions

a. The names of related parties of the Company are as under:

Holding Company

- The Indian Hotels Company Limited ("IHCL")

Direct Subsidiary Companies

- Sheena Investments Private Limited ("Sheena")
- ELEL Hotels and Investments Private Limited ("ELEL")
- Luthria and Lalchandani Hotel and Properties Private Limited ("Luthria")

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

b. Transactions with related parties:

₹ Lakhs

Particulars of transactions	Holding Company		Subsidiary Companies	
	Transaction amount	Outstanding amount	Transaction amount	Outstanding amount
Payables				
Current Account Due	**82.14**	**7.39**	**-**	**-**
	82.14	*7,987.62*	*-*	*-*
Receivables				
Trade receivables	**94.46**	**8.50**	**-**	**-**
	125.41	*45.77*	*-*	*-*
Issue of Shares				
Allotment of Shares	**7,994.91**	**-**	**-**	**-**
	-	*-*	*-*	*-*

Foot note : Figures in Italics represent previous year figures.

Note 28 : There are no foreign currency transactions during the current and previous year.

In terms of our report of even date

For **Damji Merchant & Co.**
Chartered Accountants
Firm Registration No : 102082W

Karan Vishwakarma
Partner
Membership No. 183499

For and on behalf of the Board

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Rashna Kararia
Company Secretary

Place : Mumbai
Date : April 22, 2022

Form AOC - I

(Pursuant to first provision to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies / joint ventures

Part "A" : Subsidiaries

Sr. No.	Name of Subsidiary Company	The date since when subsidiary was acquired	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	Effective shareholding
				₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	(%)
	Indian													
1	Sheena Investments Private Ltd.	January 15, 2010	INR	100.00	198.31	299.79	1.48	39.85	12.53	10.81	3.17	7.64	-	100.00%
2	ELEL Hotels and Investments Ltd.	January 15, 2010	INR	282.09	53,853.44	60,181.69	6,046.16	0.93	17.28	(1,419.00)	-	(1,419.00)	-	85.72%
3	Luthria and Lalchandani Hotel and Properties Private Ltd.	February 18, 2008	INR	1.00	(5.40)	1.48	5.88	-	-	(0.39)	-	(0.39)	-	87.15%

Footnotes:

i) The financial statements of all subsidiaries are drawn upto the same reporting date as that of the Parent Company, i.e., March 31, 2022

ii) Names of subsidiaries which are yet to commence operations - None

Part "B" : Associates and Joint Ventures Nil

For and on behalf of the Board

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Place : Mumbai
Date : April 22, 2022

Rashna Kararia
Company Secretary

Independent Auditor's Report

To the Members of SHEENA INVESTMENTS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Sheena Investments Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, of the state of affairs of the Company as at 31 March 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Responsibilities of the Management and Those Charged with Governance for Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, 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. 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,

Independent Auditor’s Report (Contd.)

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Independent Auditor’s Report (Contd.)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors’ Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

   (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

   (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

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

      i. The Company does not have any pending litigations as at 31 March 2022 which would impact its financial position.

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

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.

Independent Auditor's Report (Contd.)

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. No dividend declared or paid during the year by the Company and accordingly reporting on compliance with section 123 of the Companies Act, 2013 is not applicable.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

No remuneration has been paid by the Company to its directors during the year and accordingly reporting on compliance with provisions of Section 197 is not applicable.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No. 003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN : 22220369AHQPTY4285

Place of Signature: Mumbai
Date: 22-Apr-2022

Annexure 'A' to the Independent Auditor's Report

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Sheena Investments Private Limited ("the Company") on the financial statements as of and for the year ended 31 March 2022.

(i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) Based on our audit procedures & according to the information and explanation given to us, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees, and securities, as applicable.

(v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities.

(b) According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at 31 March 2022 for a period of more than six months from the date they became payable There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

(viii) Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us and the records of the Company examined by us, there were no term loans taken by the Company and hence the question of the amount of loan so diverted and the purpose for which it is used does not arise. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.

Annexure ‘A’ to the Independent Auditor’s Report (Contd.)

(d) According to the information and explanations given to us and the records of the Company examined by us, there were no funds raised on short term basis by the Company. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any loans during the year on pledge of securities held in its subsidiaries. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the Indian accounting standard Related Party Disclosures (Ind AS 24).

(xiv) In our opinion, the Company is statutorily not required to have an internal audit system as per provisions of the Companies Act 2013. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) On the basis of the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

Annexure ‘A’ to the Independent Auditor’s Report (Contd.)

(b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, there are 6 Core Investment Company (CIC) in the group basis definition of “Companies in the Group” as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.

(xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

(xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company’s capability 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) As the Company is not required to spend any amount under section 135 of the Companies Act for the financial year, paragraph 3(xx) of the Order is not applicable to the Company.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm’s Registration No. 003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN : 22220369AHQPTY4285

Place of Signature: Mumbai
Date: 22-Apr-2022

Annexure 'B' to the Independent Auditor's Report

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

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to financial statements of Sheena Investments Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Annexure ‘B’ to the Independent Auditor’s Report (Contd.)

Meaning of Internal Financial Controls with reference to financial statements

A Company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm’s Registration No. 003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN : 22220369AHQPTY4285

Place of Signature: Mumbai
Date: 22-Apr-2022

Balance Sheet
As at March 31, 2022

₹ Lakhs

	Note	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
Financial assets			
Investments	3	39.85	39.85
Advance income tax (net)		0.21	0.58
		40.06	**40.43**
Current assets			
Financial assets			
Trade receivables	4	-	0.93
Cash and cash equivalents	5	10.29	17.14
Bank balances other than cash and cash equivalents	6	240.00	225.00
Other financial assets	7	9.44	10.14
		259.73	**253.21**
Total		**299.79**	**293.64**
Equity and liabilities			
Equity			
Equity share capital	8	100.00	100.00
Other equity	9	198.31	190.67
Total equity		**298.31**	**290.67**
Current Liabilities			
Financial liabilities			
Trade payables	10		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		1.35	1.39
Other financial liabilities	11	-	1.49
Other current liabilities	12	0.13	0.09
		1.48	**2.97**
Total		**299.79**	**293.64**
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statements			

In terms of our report of even date

For and on behalf of the Board

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Place : Mumbai
Date : April 22, 2022

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

₹ Lakhs

	Note	Year Ended March 31, 2022	Year Ended March 31, 2021
Income			
Revenue from operations	13	1.00	1.00
Other income	14	11.53	12.33
Total Income		**12.53**	**13.33**
Expenses			
Other operating and general expenses	15	1.72	1.79
Total Expenses		**1.72**	**1.79**
Profit/ (Loss) before exceptional items and tax		**10.81**	**11.54**
Exceptional items		-	-
Profit/ (Loss) before tax		**10.81**	**11.54**
Tax expenses			
Current tax		3.16	3.36
Provision for earlier year tax		0.01	-
Total		**3.17**	**3.36**
Profit/ (Loss) after tax		**7.64**	**8.18**
Other comprehensive income, net of tax			
Other comprehensive income for the year		-	-
Total comprehensive Income for the year		**7.64**	**8.18**
Earnings per share:	16		
Basic - (₹)		0.76	0.82
Diluted - (₹)		0.76	0.82
Face value per ordinary share - (₹)		10.00	10.00
Summary of Significant Accounting Policies	2		
The accompanying notes form an integral part of the Financial Statements			

In terms of our report of even date

For and on behalf of the Board

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
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Membership No. 220369

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Place : Mumbai
Date : April 22, 2022

Statement of Changes in Equity
For the Year ended March 31, 2022

₹ Lakhs

Particulars	Equity Share Capital Subscribed	Reserves and Surplus	Total
		Retained Earnings	
Balance as at April 1, 2020	**100.00**	**182.49**	**282.49**
Profit for the year ended March 31, 2021	-	8.18	8.18
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year ended March 31, 2021	**-**	**8.18**	**8.18**
Balance as at March 31, 2021	**100.00**	**190.67**	**290.67**
Profit for the year ended March 31, 2022	-	7.64	7.64
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year ended March 31, 2022	**-**	**7.64**	**7.64**
Balance as at March 31, 2022	**100.00**	**198.31**	**298.31**
Summary of Significant Accounting Policies - Refer Note 2			
The accompanying notes form an integral part of the Financial Statements			

In terms of our report of even date

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369

Place : Mumbai
Date : April 22, 2022

For and on behalf of the Board

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Cash Flow Statement

For the Year ended March 31, 2022

₹ Lakhs

	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash Flow From Operating Activities		
Profit Before Tax	10.81	11.54
Adjustments For:		
Interest Income	(11.53)	(12.33)
	(11.53)	**(12.33)**
Cash Operating Profit before working capital changes	**(0.72)**	**(0.79)**
Adjustments for (increase)/ decrease in operating assets:		
Trade Receivables	0.93	(0.03)
	0.93	**(0.03)**
Adjustments for increase/ (decrease) in operating liabilities:		
Trade Payables	(1.49)	0.77
	(1.49)	**0.77**
Cash Generated from Operating Activities	**(1.28)**	**(0.05)**
Direct Taxes (Paid)/ Refunded	(2.80)	(3.38)
Net Cash Generated From Operating Activities (A)	**(4.08)**	**(3.43)**
Cash Flow From Investing Activities		
Interest Received	12.23	16.14
Bank Balances not considered as Cash and Cash Equivalents	(15.00)	-
Net Cash Generated/(Used) In Investing Activities (B)	**(2.77)**	**16.14**
Cash Flow From Financing Activities		
	-	-
Net Cash Generated/ (Used) In Financing Activities (C)	**-**	**-**
Net Increase/ (Decrease) In Cash and cash equivalents (A + B + C)	**(6.85)**	**12.71**
Cash and Cash Equivalents – Opening	17.14	4.43
Cash and Cash Equivalents – Closing	**10.29**	**17.14**
Summary of Significant Accounting Policies – Refer Note 2		
The accompanying notes form an integral part of the Financial Statements		

In terms of our report of even date

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369

Place : Mumbai
Date : April 22, 2022

For and on behalf of the Board

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Notes to Financial Statements
for the year ended March 31, 2022

Note 1 : Background

Sheena Investments Private Limited (the "Company"), a private limited company was incorporated on February 12, 1990. The Company is primarily engaged in the business of investment and also providing management consultancy.

Note 2 : Significant Accounting Policies

a) Basis of Preparation and Presentation:

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended till date) read with Section 133 of the Companies Act, 2013, on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

b) Critical Accounting Estimates and Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- **Impairment of Investments** The Company reviews its carrying value of investment in subsidiaries carried at cost less impairment (if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the statement of profit or loss.

  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 or loss.

- **Impact of COVID-19 Pandemic - Disruption and Uncertainty in Business**

  The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

c) Revenue Recognition

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividends

Dividend income is recognized when the Company's right to receive the amount is established.

d) Taxes on Income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current Tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Minimum Alternative Tax ("MAT") credit forming part of Deferred tax assets is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

e) Borrowing Costs:

Borrowing costs are charged to Statement of Profit and Loss over the tenure of the borrowing.

f) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date to reflect the current best estimates.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized but only disclosed in the financial statements.

g) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

h) Earnings Per Share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

i) Financial Instruments:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. In case of financial assets subsequently measured at fair value through profit or loss, such transaction costs are not included. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement:

Debt Instruments

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the transaction. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Investment in subsidiaries, joint ventures and associates are carried at cost less impairment, if any. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) the Company has transferred substantially all the risks and rewards of the asset, or
  - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or Losses on Liabilities held for Trading are Recognised in the Statement of Profit and Loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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 Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

j) Recent Accounting Pronouncements

a) New Accounting Standards/Amendments Notified and Adopted by the Company:

The following Accounting Standards have been modified on miscellaneous issues with effect from 18th June 2021. Such changes include clarification/guidance on:

i) Ind AS 107 Financial Instruments: Disclosures – Additional disclosures relating to interest rate benchmark reform (IBOR reform) including nature and extent of risks to which the entity is exposed due to financial instruments subject to interest rate benchmark reform and how the Company manages those risks; the Company's progress in completing the transition to alternative benchmark rates and how the Company is managing the transition.

ii) Ind AS 109 Financial Instruments – Guidance provided on accounting for modifications of contracts resulting from changes in the basis for determining the contractual cash flows as a result of the IBOR reform; various exceptions and relaxations have been provided in relation to the hedge accounting.

iii) Ind AS 116 Leases – Extension of optional practical expedient in case of rent concessions as a direct consequence of COVID-19 pandemic till June 30, 2022 and guidance on accounting for modification of lease contracts resulting from the IBOR reform.

iv) Ind AS 102 Share based payments – Alignment of liabilities definition with the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.

v) Ind AS 103 Business Combination – Alignment of assets and liabilities definition with the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards

vi) Amendment of definition of term 'recoverable amount' in Ind AS 105, Ind AS 16 and Ind AS 36 from 'fair value less cost to sell' to 'fair value less cost of disposal'.

None of these amendments has any material impact on the financial statements for the current year

b) 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.

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:

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 standalone 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.

c) New Accounting Standards/Amendments Notified but not yet Effective:

The following Accounting Standards have been modified on miscellaneous issues with effect from April 1, 2022. Such changes include clarification/guidance on:

i) Ind AS 103 Business Combination – Identified assets acquired and liabilities assumed (including contingent assets and contingent liabilities) must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the Institute of Chartered Accountants of India (ICAI).

ii) Ind AS 109 Financial Instruments – Guidance provided on identifying substantial modification of the terms of an existing financial liability basis difference in discounted present value of the cash flows between old and new terms (the ‘10 percent’ test).

iii) Ind AS 16 Property, Plant and Equipment (PPE) – Clarification provided on accounting for excess of net sale proceeds of items produced over the cost of testing as deduction from the directly attributable costs considered as part of cost of an item of PPE.

iv) Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Illustrative guidance provided on the cost of fulfilling a contract - incremental costs of fulfilling the contract and allocation of other costs that relate directly to fulfilling contracts, and clarification provided on recognising impairment loss that has occurred on assets used in fulfilling the contract before a separate provision for onerous contract established.

None of these amendments is expected to have any material impact on the financial statements of the Company.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 3 : Investments

	Face Value	March 31, 2022 Holdings As at	March 31, 2022 ₹ Lakhs	March 31, 2021 Holdings As at	March 31, 2021 ₹ Lakhs
Non Current Investments					
Trade Investments :					
Fully Paid Unquoted Equity Instruments					
Investments in Fellow Subsidiary Companies (At Cost)					
ELEL Hotels and Investments Limited	10	1,108,145	39.80	1,108,145	39.80
Luthria and Lalchandani Hotels and Properties Private Limited	100	50	0.05	50	0.05
Total			**39.85**		**39.85**

Note 4 : Trade and other receivables (Unsecured)

₹ Lakhs

	March 31, 2022	March 31, 2021
Others :		
Considered good	-	0.93
Credit impaired	-	-
	-	**0.93**

Footnote:
Trade Receivables ageing schedule given below :
Outstanding for following periods from due date of payment

₹ Lakhs

	Less than 6 months	Total
Undisputed Trade receivables – considered good	-	-
	0.93	*0.93*
Undisputed Trade Receivables – credit impaired	-	-
	-	*-*
	-	-
Total	***0.93***	***0.93***

* Figures in italic are for previous year

Note 5 : Cash and Cash Equivalents

₹ Lakhs

	March 31, 2022	March 31, 2021
Balances with bank in current account	10.29	17.14
	10.29	**17.14**

Note 6 : Bank Balances Other than Cash and Cash Equivalents

₹ Lakhs

	March 31, 2022	March 31, 2021
Other Balances with banks		
Call and Short-term deposit accounts	240.00	225.00
	240.00	**225.00**
Less: Term Deposit with Bank maturing after 12 months from the Balance Sheet date and other Earmarked/Margin Money/Pledged deposits classified as Non-Current	-	-
	240.00	**225.00**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 7 : Other Financial Assets

₹ Lakhs

	March 31, 2022	March 31, 2021
Interest receivable		
Bank Deposits	9.44	10.14
Others	-	-
	9.44	**10.14**

Note 8 : Share Capital

₹ Lakhs

	March 31, 2022	March 31, 2021
Authorised / Issues Share Capital		
Equity Shares		
10,00,000 (Previous year - 10,00,000)	100.00	100.00
Equity Shares of ₹ 10/- each		
	100.00	**100.00**
Subscribed and Paid Up		
10,00,000 (Previous year - 10,00,000)	100.00	100.00
Equity Shares of ₹ 10/- each, Fully Paid		
	100.00	**100.00**

Footnotes:

i) There has been no change in the equity structure of the Company. No shares had been issued or bought back during the current and comparative periods.

ii) The ultimate Holiding Company of the Company is "The Indian Hotels Company Limited".

iii) Shares held by Holding Company :

	No. of Shares March 31, 2022	No. of Shares March 31, 2021
Name of the Company		
Holding Company		
Skydeck Properties and Developers Private Limited	1,000,000	1,000,000

iv) Shareholders holding more than 5% shares in the Company :

	No. of Shares March 31, 2022	No. of Shares March 31, 2021
Skydeck Properties and Developers Private Limited	1,000,000	1,000,000
% of Holding	100%	100%

v) The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held.

vi) Disclosure of Shareholding of Promoters as shown below :

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	% of total shares	
Skydeck Properties and Developers Private Limited	1,000,000	100%	-

Note 9 : Other Equity

₹ Lakhs

	March 31, 2022	March 31, 2021
Retained Earnings		
Opening Balance	190.67	182.49
Add: Current year profits	7.64	8.18
	198.31	**190.67**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 10 : Trade Payables

₹ Lakhs

	March 31, 2022	March 31, 2021
Micro and Small Enterprises #	-	-
Others		
Vendor Payables	-	-
Accrued expenses and others	1.35	1.39
	1.35	**1.39**

Footnote :
Trade Payables ageing schedule given below :
Outstanding for following periods from due date of payment

₹ Lakhs

	Unbilled dues	Total
MSME #	-	-
	-	-
Others	**1.35**	**1.35**
	1.39	*1.39*
	1.35	**1.35**
	1.39	*1.39*

* Figures in italic are for previous year
# There are no vendors identified on the basis of information checked by the management who fall under the definition of Micro & Small Enterprises as defined in the “Micro, Small and Medium Enterprises Development Act, 2006”.

Note 11 : Other financial liabilities

₹ Lakhs

	March 31, 2022	March 31, 2021
Payables on Current Account dues :		
Related Parties	-	1.49
	-	**1.49**

Note 12 : Other non financial Liabilities

₹ Lakhs

	March 31, 2022	March 31, 2021
Current		
Statutory dues	0.13	0.09
	0.13	**0.09**

Note 13 : Revenue from Operations

₹ Lakhs

	March 31, 2022	March 31, 2021
Consultancy Fees	1.00	1.00
Total	**1.00**	**1.00**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 14 : Other Income

₹ Lakhs

	March 31, 2022	March 31, 2021
Interest Income from financial assets at amortised cost		
Deposits with banks	11.53	12.33
Total	**11.53**	**12.33**

Note 15 : General expenses

₹ Lakhs

	March 31, 2022	March 31, 2021
General expenses consist of the following :		
Rates and Taxes	0.07	0.09
Professional Fees	-	0.11
Audit Fees		
As statutory auditors	1.48	1.48
As Others services	0.06	0.06
Other Expenses	0.11	0.05
Total	**1.72**	**1.79**

Note 16 : Earnings Per Share "EPS"

Earnings Per Share is calculated in accordance with IND AS 33 – 'Earnings Per Share'.

₹ Lakhs

	March 31, 2022	March 31, 2021
Profit / (Loss) after tax - (₹ Lakhs)	7.64	8.18
Weighted Average Number of Equity Shares	1,000,000	1,000,000
Face Value per Equity Share	10.00	10.00
Earning Per Share - (₹) Basic and Diluted	0.76	0.82

Note 17 : Fair Value of Financial Instruments

IND AS requires the Company to disclose the fair values of its financial assets and financial liabilities. The carrying amounts of the Company's financial instruments, including cash, bank fixed deposits, receivables etc. and approximate fair values due to the short term nature of these account balances.

Note 18 : Financial Risk Management Objectives and Policies

Financial instruments held by the Company, principally comprise of cash, bank fixed deposits, trade and other receivables, trade and other payables. The main purpose of these financial instruments is to manage the operating, investing and financing activities of the Company.

Financial risk management of the Company is carried out based on guidelines established by the finance division which comes under the purview of the Board of Directors of the Company.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

The finance division identifies, evaluates and mitigates financial risk in close co-operation with the Group's finance department. The parent company provides guidelines for overall risk management, as well, covering specific areas such as credit risk, investment of excess liquidity, interest rate risk.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company manages and monitors these risks primarily through its operating and financing activities.

Note 19 : Credit Risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its investing activities, including deposits with banks and other financial instruments.

The Company's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

Note 20 : 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 manages its liquidity and cash flow profiles to ensure the business operations maintain optimum level of liquidity at all times sufficient to meet contractual obligations as and when they fall due. All financial liabilities are expected to be settled as at the reporting period.

Note 21 : Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and price risk. However, market risk is not significant for the company.

Note 22 : Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the company. The Company determines the capital requirement based on annual operating plan and long-term and other strategic investment plans. The funding requirements are met primarily through equity.

As the Company has no borrowings, gearing ratio is not applicable.

Note 23 : Segment Reporting:

As there is no reportable segment as envisaged by IND AS 108 “Operating Segment”, no separate disclosure for segment reporting is made in the financial statements of the Company.

Note 24 : Taxation

Reconciliation of Tax Expense with the Effective Tax

₹ Lakhs

	March 31, 2022	March 31, 2021
Profit before tax	10.82	11.55
Income-tax rate as applicable @ 25.17% (previous year @ 25.17%)	2.73	2.91
Permanent tax difference		
Effect of expenses that are not deductible in determining taxable profit	0.43	0.45
	3.16	**3.36**
Prior Period taxes	0.01	-
Income tax expense recognised in statement of profit & loss	**3.17**	**3.36**

Note 25 : Capital Commitments

As at March 31, 2022, the Company has estimated amount of contracts remaining to be executed on capital account not provided for (net of capital advance) amounted to Nil Lakhs (March 31, 2021 : Nil Lakhs)

Note 26 : Related Party Transactions

a. The names of related parties of the Company are as under :

Ultimate Holding Company
- The Indian Hotels Company Limited

Holding Company
- Skydeck Properties and Developers Private Limited

Subsidiary Companies
- ELEL Hotels and Investments Limited
- Luthria and Lalchandani Hotel and Properties Private Limited

b. Transactions with related parties :

₹ Lakhs

Particulars	Ultimate Holding Company		Subsidiaries	
	Transaction amount	Outstanding amount	Transaction amount	Outstanding amount
Payables	**-**	**-**	**-**	**-**
	-	*1.49*	*-*	*-*
Receivables	**-**	**-**	**1.00**	**-**
	-	*-*	*1.00*	*0.93*

Foot note : Figures in Italics represent previous year figures.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 27 : Ratio Analysis :

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% of Variance
Current Ratio (Note i)	Current Assets	Current Liabilities excluding current maturities of long term borrowings	175.49 times	85.26 times	106%
Debt – Equity (Note iii)	Non - Current Borrowings + Current Borrowings	Total Equity	NA	NA	NA
Debt service coverage (Note iii)	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt)]	NA	NA	NA
Return on Equity	Profit/(Loss) after tax	Average Total Equity	3%	3%	(9)%
Inventory Turnover (Note iii)	NA	NA	NA	NA	NA
Trade Receivable Turnover (Note ii)	Revenue from operations	Average Trade Receivables	26.95 times	14.57 times	85%
Trade Payable Turnover	Total expenses - Depreciation - Interest - Payrol Cost	Average Trade Payables	1.26 times	1.3 times	(3)%
Net Capital Turnover	Net Sales	Working Capital i.e (Average Current Assets - Average Current Liabilities)	0.05 times	0.05 times	0%
Net Profit Ratio	Profit/(Loss) after tax	Total Income	61%	61%	(1)%
Return on capital employed	EBIT	Average Equity + Average Debt + Average Leases	4%	4%	(9)%
Return on Investment (Note iii)	NA	NA	NA	NA	NA

Footnotes :

i) The ratio has improved in the current year vis a vis last year mainly on account of payment of liability.

ii) The ratio has improved due to reduction in debtors and improved collection.

iii) Ratio is not applicable to the company.

Note 28 : There were no foreign currency transactions during the current and previous year.

In terms of our report of even date

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369

Place : Mumbai
Date : April 22, 2022

For and on behalf of the Board

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Form AOC - I

(Pursuant to first provison to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies / joint ventures

Part "A" : Subsidiaries

Sr. No.	Name of Subsidiary Company	The date since when subsidiary was acquired	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	Effective shareholding
				₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	(%)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Footnote
Names of subsidiaries which are yet to commence operations - None

Part "B" : Associates and Joint Ventures

Sr. No.	Name of Associates/ Joint Ventures	Latest Audited Balance sheet date	Date on which the Associate or Joint Venture was associated or acquired	Shares held by the company on the year end			Networth attributable to shareholding as per latest audited Balance Sheet	Profit/ loss for the year		Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
				No. of shares (Refer Note 3)	Amount of Investment	Extent of Holding		Considered in Consolidation (to the extent of Group's effective shareholding)	Not Considered in Consolidation		
					₹ Lakhs	%	₹ Lakhs	₹ Lakhs	₹ Lakhs		
	Associates										
	Indian										
1	ELEL Hotels and Investments Limited (Refer Note (iii))	March 31, 2022	January 15, 2010	1,108,145	39.80	39.28%	21,264.44	NA	NA	Note (ii)	Note (iii)

Notes:
i) Names of Associates/ Joint Venture which are yet to commence operations - None
ii) There is significant influence due to percentage(%) of share holding (more than 20%).
iii) The Company, being intermediate holding company, is exempted from preparing consolidated financial statement.

For and on behalf of the Board

R. H. Parekh
Director
DIN: 01942405

Ashok Binnani
Director
DIN: 03326335

Place : Mumbai
Date : April 22, 2022

Independent Auditor's Report

To the Members of ELEL HOTELS AND INVESTMENTS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ELEL Hotels and Investments Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, of the state of affairs of the Company as at March 31, 2022, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Responsibilities of the Management and Those Charged with Governance for Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Independent Auditor's Report (Contd.)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

   (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

   (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 31 to the Ind AS financial statements.

      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 during the year ended March 31, 2022; and

      iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Independent Auditor's Report (Contd.)

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. No dividend declared or paid during the year by the Company and accordingly reporting on compliance with section 123 of the Companies Act, 2013 is not applicable.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN: 22220369AHOHBD4753

Place of Signature: Mumbai
Date: 21-Apr-2022

Independent Auditor's Report (Contd.)

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of ELEL Hotels and Investments Limited ("the Company") on the financial statements as of and for the year ended March 31, 2022.

(i) (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 Company has a regular programme of physical verification of its Property, Plant and Equipment which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification and the same have been properly dealt with in the books of accounts.

(c) According to the information and explanations given to us and the records of the Company examined by us, there are no immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) held by the Company. Accordingly reporting on clause 3(i)(c) of the Order with respect to owned property is not applicable.

In respect of immovable properties of land taken on lease and disclosed as right of use assets in the financial statements, the lease/license agreements are in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and hence paragraph 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable.

(b) Based on our audit procedures & according to the information and explanation given to us, the Company has not been sanctioned loan in excess of five crore rupees from banks or financial institution on the basis of security of current assets and hence the question of filing quarterly returns or statements by the company with such banks or financial institutions does not arise. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.

(iii) Based on our audit procedures & according to the information and explanation given to us, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees, and securities as applicable.

Independent Auditor's Report (Contd.)

(v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at March 31, 2022, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the Statute	Nature of the Dues	Amount demanded (Rs. in Lakhs)	Amount paid (Rs in Lakhs)	Period to which amount relates*	Forum where dispute is pending
Income Tax Act	Income Tax	13.70	2.74	AY 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act	Income Tax	63.40	-	AY 2014-15	The Company is in the process of filing an appeal against the assessment order passed by National Faceless Assessment Centre, Delhi
Mumbai Municipal Corporation Act	Property Tax	3615.07	1920.50#	2010-22	Bombay High Court

* AY – Assessment year, FY – Financial year

- Paid basis directions from Supreme Court to continue its interim order dated 07.09.2018 till the disposal of the main Writ Petition pending before the Bombay High Court

(viii) Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.

Independent Auditor's Report (Contd.)

(c) According to the information and explanations given to us and the records of the Company examined by us, there were no term loans taken by the Company and hence the question of the amount of loan so diverted and the purpose for which it is used does not arise. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and the records of the Company examined by us, there were no funds raised on short term basis by the Company. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any loans during the year on pledge of securities held in its subsidiaries. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the Indian accounting standard Related Party Disclosures (Ind AS 24).

(xiv) In our opinion, the Company is statutorily not required to have an internal audit system as per provisions of the Companies Act 2013. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) On the basis of the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

Independent Auditor's Report (Contd.)

(xvi) (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

(b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, there are 6 Core Investment Company (CIC) in the group basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.

(xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has incurred cash loss of Rs.305.97 lakhs in the financial year and Rs.302.55 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

(xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) As the Company is not required to spend any amount under section 135 of the Companies Act for the financial year, paragraph 3(xx) of the Order is not applicable to the Company.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN: 21220369AAAAIG5534

Place of Signature: Mumbai
Date: 21-Apr-2022

Independent Auditor's Report (Contd.)

Annexure B

Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to financial statements of **ELEL Hotels and Investments Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN: 22220369AHOHBD4753

Place of Signature: Mumbai
Date: 21-Apr-2022

Balance Sheet
as at March 31, 2022

(₹ Lakhs)

Balance Sheet as at March 31, 2022	Note	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	3	-	-
Right-of-use assets	4	71.54	73.04
Capital work-in-progress	3	4,749.04	4,718.28
Intangible assets	5	53,017.05	54,129.29
		57,837.63	**58,920.61**
Financial assets			
Investments	6 (a)	0.93	0.93
Other financial assets	9 (a)	1.02	1.02
Advance Income Tax		896.18	894.42
Other non-current assets	10 (a)	958.85	958.67
		59,694.61	**60,775.65**
Current assets			
Financial assets			
Investments	6 (b)	-	31.54
Cash and cash equivalents	7	423.66	552.22
Bank Balances other than Cash and Cash Equivalent	8	56.57	53.59
Other financial assets	9 (b)	6.61	8.45
Other current assets	10 (b)	0.24	-
		487.08	**645.80**
Total		**60,181.69**	**61,421.45**
Equity and liabilities			
Equity			
Equity share capital	11	282.09	282.09
Other equity	12	53,853.44	55,272.44
Total equity		**54,135.53**	**55,554.53**
Non-current liabilities			
Financial liabilities			
Lease Liabilities		75.75	75.84
		75.75	**75.84**
Current Liabilities			
Financial liabilities			
Lease Liabilities		0.09	0.08
Trade payables	13		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		13.37	13.13
Other financial liabilities	14	910.90	864.93
Provisions	15	1,605.71	1,535.96
Current tax provisions		3,438.71	3,376.57
Other current liabilities	16	1.63	0.41
		5,970.41	**5,791.08**
Total		**60,181.69**	**61,421.45**
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statements			

In terms of our report of even date
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No.220369
UDIN: 22220369AHOHBD4753
Place: Mumbai
Date: 21-April-2022

For and on behalf of the Board

Beejal Desai
Director
DIN : 03611725

Ashok Binnani
Director
DIN : 03326335

Place: Mumbai
Date: 21-April-2022

Statement of Profit and Loss

for the year ended March 31, 2022

(₹ Lakhs)

	Note	March 31, 2022	March 31, 2021
Income			
Other income	17	17.28	19.15
Total Income		**17.28**	**19.15**
Expenses			
Finance cost	18	7.48	7.49
Depreciation & Amortisation	3 / 4	1,113.74	1,113.74
Other operating and general expenses	19	315.06	313.25
Total Expenses		**1,436.28**	**1,434.48**
Profit/ (Loss) before exceptional items and tax		(1,419.00)	(1,415.33)
Exceptional items		-	-
Profit/ (Loss) before tax		**(1,419.00)**	**(1,415.33)**
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total		**-**	**-**
Profit/ (Loss) after tax		(1,419.00)	(1,415.33)
Other comprehensive income			
other comprehensive Income for the period		-	-
Total comprehensive Income for the period		**(1,419.00)**	**(1,415.33)**
Earnings per share:	20		
Basic - (₹)		(50.30)	(50.17)
Diluted - (₹)		(50.30)	(50.17)
Face value per ordinary share - (₹)		10.00	10.00
Summary of Significant Accounting Policies	2		
The accompanying notes form an integral part of the financial statements			

In terms of our report of even date

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No.220369
UDIN: 22220369AHOHBD4753
Place: Mumbai
Date: 21-April-2022

For and on behalf of the Board

Beejal Desai
Director
DIN : 03611725

Ashok Binnani
Director
DIN : 03326335

Place: Mumbai
Date: 21-April-2022

Statement of Changes in Equity
as at March 31, 2022

(₹ Lakhs)

Particulars	Equity Share Capital Subscribed	Reserves and Surplus			
		Securities Premium	General Reserve	Retained Earnings	Total
Balance as at April 1, 2020	282.09	16,415.23	70,749.87	(30,477.33)	56,687.77
Loss for the year ended March 31, 2021	-	-	-	(1,415.33)	(1,415.33)
Total Comprehensive Income for the year ended March 31, 2021	**-**	**-**	**-**	**(1,415.33)**	**(1,415.33)**
Balance as at March 31, 2021	**282.09**	**16,415.23**	**70,749.87**	**(31,892.66)**	**55,272.44**
Loss for the year ended March 31, 2022	-	-	-	(1,419.00)	(1,419.00)
Total Comprehensive Income for the year ended March 31, 2022	**-**	**-**	**-**	**(1,419.00)**	**(1,419.00)**
Balance as at March 31, 2022	**282.09**	**16,415.23**	**70,749.87**	**(33,311.66)**	**53,853.44**
Summary of Significant Accounting Policies 2					

The accompanying notes form an integral part of the financial statements

In terms of our report of even date
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No.220369
UDIN: 22220369AHOHBD4753
Place: Mumbai
Date: 21-April-2022

For and on behalf of the Board

Beejal Desai
Director
DIN : 03611725

Ashok Binnani
Director
DIN : 03326335

Place: Mumbai
Date: 21-April-2022

Cash Flow Statement
for the year ended March 31, 2022

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Cash Flow From Operating Activities		
Profit Before Tax	(1,419.00)	(1,415.33)
Adjustments For:		
Depreciation and Amortisation	1,112.24	1,112.24
Depreciation on Right-of-use-assets	1.50	1.50
Interest on lease liability	7.48	7.49
Gain on fair value of current investment	(0.63)	(0.89)
Profit on sale of current investment	-	(4.79)
Interest Income	(16.65)	(13.44)
Provision for Contingencies	69.75	69.76
	1,173.69	**1,171.87**
Cash Operating Profit before working capital changes	(245.31)	(243.46)
Adjustments for (increase)/ decrease in operating assets:		
Loans and advances	(0.36)	(0.53)
Other Current Assets	(0.24)	554.73
Other Non-Current Assets	(0.18)	-
	(0.78)	**554.20**
Adjustments for increase/ (decrease) in operating liabilities:		
Trade Payables	0.24	(1.23)
Other Liabilities	109.32	57.16
	109.56	**55.93**
Cash Generated from Operating Activities	(136.53)	366.67
Direct Taxes (Paid) / Refunded	(1.76)	(22.86)
Net Cash Generated From Operating Activities (A)	**(138.28)**	**343.81**
Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment	(30.76)	-
Purchase of current Investments	-	-
Sale of current Investments	32.17	199.99
Bank Balances not considered as Cash & Cash Equivalents	(2.98)	(3.59)
Interest Received	18.85	11.05
Dividend Received	-	-
Net Cash Generated/(Used) In Investing Activities (B)	**17.28**	**207.45**
Cash Flow From Financing Activities		
Payment of lease liabilities	(7.56)	(7.56)
Net Cash Generated/ (Used) In Financing Activities (C)	**(7.56)**	**(7.56)**
Net Increase/ (Decrease) In Cash and cash equivalents (A + B + C)	(128.56)	543.70
Cash and Cash Equivalents - Opening	552.22	8.52
Cash and Cash Equivalents - Closing	423.66	552.22
Summary of Significant Accounting Policies	2	
The accompanying notes form an integral part of the financial statements		

In terms of our report of even date
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No.220369
UDIN: 22220369AHOHBD4753
Place: Mumbai
Date: 21-April-2022

For and on behalf of the Board

Beejal Desai
Director
DIN : 03611725

Ashok Binnani
Director
DIN : 03326335

Place: Mumbai
Date: 21-April-2022

Notes to the Financial Statements

for the year ended March 31, 2022

1. Background

ELEL Hotels & Investments Limited ("ELEL" or the "Company"), is a public limited company domiciled in India and incorporated under the provisions of the Companies Act 1956 on July 9, 1969.

2. Significant Accounting Policies

a) Basis of Preparation and Presentation:

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended till date) read with Section 133 of the Companies Act, 2013.

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

b) Critical Accounting Estimates and Judgements

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- **Useful Lives of Property, Plant and Equipment and Intangible Assets:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and Intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.
- **Impairment Testing:** Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value in use and fair value less cost to disposal. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic comparable recent transactions and other market conditions.
- Impairment of Investments The Company reviews its carrying value of investment in subsidiary carried at cost less impairment (if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the statement of profit or loss.
- 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 or loss.

- **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.
- **Impact of COVID-19 Pandemic - Disruption and Uncertainty in Business**

  The Company has assessed potential impact of COVID-19 on the carrying value of non-current assets, investments and other current assets appearing in the financial statements of the Company. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Company as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets.

  These financial statements represent the separate financial statements of the Company. The Ministry of Corporate Affairs (MCA) through its circular dated July 27, 2016 has exempted a company from preparing and filing of consolidated financial statements if its ultimate or intermediate holding company is filing consolidated financial statements.

  Further Sub - Para (iv) to Para 4 of Ind AS 110 - Consolidated Financial Statements exempts a company from consolidation if its ultimate parent produces Ind AS complied consolidated financial statement, which are available for public use.

  In view of above exemptions, the Company is not required to file the consolidated financial statements.

  The Company has complied with Ind AS 27: Separate financial statements whereby investments in subsidiaries are to be valued either

  - at cost; or
  - in accordance with Ind AS 109.

  The Company has elected to measure its investment in subsidiaries at cost determined in accordance with Ind AS 27 at original cost of investment in subsidiaries.

c) **Revenue Recognition**

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividends

Dividend income is recognized when the Company's right to receive the amount is established.

d) **Property, Plant and Equipment:**

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Depreciation is charged to profit or loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for temporary improvements which are depreciated fully the same year of capitalization.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work in progress represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid.

e) Intangible Assets:

Intangible assets includes lease acquisition rights and cost of acquired software Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use.

Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development.

Intangible assets with finite lives are amortized over their estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation periods are reviewed and impairment evaluations are carried out at least once a year.

Lease acquisition rights are amortised from the acquisition date over the balance period of the lease.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

For transition to Ind AS, the Company has elected to continue with carrying value of all of its intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

f) Impairment of Assets:

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

g) Foreign Currency Transactions

The functional currency of the Company is Indian rupee (₹).

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were fair value measured.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

h) Taxes on Income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current Tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances,

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit forming part of Deferred tax assets is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

i) Borrowing Costs:

Borrowing costs are charged to Statement of Profit and Loss over the tenure of the borrowing.

j) Leases:

On inception of a contract, the Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Company's Balance Sheet as a right-of-use asset and a lease liability.

Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated useful life or lease term. Right-of-use assets are also adjusted for any re-measurement of lease liabilities.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

The Company has opted not to apply the lease accounting model to leases of low value assets or leases which have a term of less than 12 months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease payments are presented as follows in the Company's statement of cash flows:

- short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities and
- payments for the principal and interest elements of recognised lease liabilities are presented within cash flows from financing activities

k) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. Provisions (excluding retirement benefits and compensated absences) are

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date to reflect the current best estimates.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized but only disclosed in the financial statements.

l) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

m) Earnings Per Share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

n) Financial Instruments:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. In case of financial assets subsequently measured at fair value through profit or loss, such transaction costs are not included. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement:

Debt Instruments

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the transaction. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Investment in subsidiaries, joint ventures and associates are carried at cost less impairment, if any. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Impairment of Financial Assets
In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Financial Liabilities
Classification
The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial Recognition and Measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Financial Liabilities at Fair Value Through Profit or Loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on Liabilities held for Trading are Recognised in the Statement of Profit and Loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another on substantially different terms, or the terms of an existing

liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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 Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Recent Accounting and Other Pronouncements

a) New Accounting Standards/Amendments notified and adopted by the Company:

On June 18, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, certain Accounting Standards have been modified on miscellaneous issues with effect from June 18, 2021.

None of these amendments has any material impact on the financial statements for the current year.

b) 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.

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.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

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 standalone 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.

c) New Accounting Standards/Amendments notified but not yet effective:

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022. None of these amendments is expected to have any material impact on the financial statements of the Company

Note 3 : Property, Plant and Equipment (Owned, unless otherwise stated)

(₹ Lakhs)

	Office Equipment	Total	Capital Work in Progress
Cost (Refer Footnote below)			
At April 1, 2020	8.14	8.14	4,718.28
Additions	-	-	-
Adjustment	-	-	-
Disposals/ Transfer	-	-	-
At March 31, 2021	**8.14**	**8.14**	**4,718.28**
Additions	-	-	30.76
Adjustments	-	-	-
Disposals/ Transfer	-	-	-
At March 31, 2022	**8.14**	**8.14**	**4,749.04**
Depreciation			
At April 1, 2020	8.14	8.14	-
Charge for the period	-	-	
Adjustments	-	-	-
Disposals	-	-	
At March 31, 2021	**8.14**	**8.14**	**-**
Charge for the period	-	-	-
Adjustments	-	-	-
Disposals	-	-	
At March 31, 2022	**8.14**	**8.14**	**-**
Net Block			
At March 31, 2021	**-**	**-**	**4,718.28**
At March 31, 2022	**-**	**-**	**4,749.04**

Footnote :

On transition to Ind AS, carrying value of all the tangible assets under the previous GAAP is considered as the deemed cost under Ind AS. All accumulated depreciations were accordingly adjusted from the cost as on April 1, 2015.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

As at March 31, 2022

(i) Capital-Work-in Progress (CWIP)
(a) For Capital-work-in progress, following ageing schedule shall be given: CWIP aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2- 3 years	More than 3 years	
Projects in progress	30.76	-	8.45	4,709.83	4,749.04
Total	**30.76**	**-**	**8.45**	**4,709.83**	**4,749.04**

As at March 31, 2021

(i) Capital-Work-in Progress (CWIP)
(a) For Capital-work-in progress, following ageing schedule shall be given: CWIP aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2- 3 years	More than 3 years	
Projects in progress	-	8.45	-	4,709.83	4,718.28
Total	**-**	**8.45**	**-**	**4,709.83**	**4,718.28**

Note 4 : Right-of-use assets

(₹ Lakhs)

	Land	Total
At April 1, 2020		
Opening Balance	76.04	76.04
Additions	-	-
Deductions for the period	-	-
At March 31, 2021	**76.04**	**76.04**
Additions	-	-
Deductions for the period	-	-
At March 31, 2022	76.04	76.04
Depreciation		
At April 1, 2020	1.50	1.50
Opening Adjustements	-	-
Charge for the period	1.50	1.50
Deduction for the period	-	-
At March 31, 2021	**3.00**	**3.00**
Opening Adjustements	-	-
Charge for the period	1.50	1.50
Deduction for the period	-	-
At March 31, 2022	**4.50**	**4.50**
Net Block		
At March 31, 2021	**71.54**	**71.54**
At March 31, 2022	**73.04**	**73.04**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 5 : Intangible Assets (Acquired)

(₹ Lakhs)

	Leasehold property Rights	Total
Cost (Refer Footnotes below)		
At April 1, 2020	60,802.70	60,802.70
Additions	-	-
Adjustments	-	-
Disposals	-	-
At March 31, 2021	**60,802.70**	**60,802.70**
Additions	-	-
Adjustments	-	-
Disposals	-	-
At March 31, 2022	**60,802.70**	**60,802.70**
Amortisation		
At April 1, 2020	5,561.17	5,561.17
Charge for the period	1,112.24	1,112.24
Adjustments	-	-
Disposals	-	-
At March 31, 2021	**6,673.41**	**6,673.41**
Charge for the period	1,112.24	1,112.24
Adjustments	-	-
Disposals	-	-
At March 31, 2022	**7,785.65**	**7,785.65**
Net Block		
At March 31, 2021	**54,129.29**	**54,129.29**
At March 31, 2022	**53,017.05**	**53,017.05**

Footnote:

i On transition to Ind AS, carrying value of all the intangible assets under the previous GAAP is considered as the deemed cost under Ind AS. All accumulated amortisation was accordingly adjusted from the cost as on April 1, 2015

ii Pursuant to the Scheme of Amalgamation dated April 1, 2006, all the assets and liabilities including the existing assets and liabilities of the Company were recorded by the Company at their respective fair values as on the appointed date i.e. April 1, 2006 determined by an independent Government approved valuer. This resulted into a gain of ₹ 70,652.96 Lakhs on fair valuation of leasehold land owned by the Company. As prescribed in the Scheme of Amalgamation and approved by the Honourable High Court, Mumbai the increase in book value arising on fair valuation of leasehold land of the Company has been credited to General Reserve.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 6 : Investments

(₹ Lakhs)

	Face Value	March 31, 2022		March 31, 2021	
		Holdings no. of Shares	Amount	Holdings no. of Shares	Amount
a) Non Current Investments					
Trade Investments :					
Fully Paid Unquoted Equity Instruments					
Investments in Subsidiary Companies (At Cost)					
Luthria and Lalchandani Hotels and Properties Private Limited	100	900	0.82	900	0.82
			0.82		**0.82**
Others					
National Savings Certificates 'NSC' (Refer note below)			0.11		0.11
Footnote					
NSC pledged as security with Accounts Officer, State Excise, Mumbai					
			0.93		**0.93**

(₹ Lakhs)

	March 31, 2022		March 31, 2021	
	Holdings no. of Shares	Amount	Holdings no. of Shares	Amount
b) Current Investments				
Investments in Mutual Fund Units				
Tata Liquid Fund Regular Plan - Growth	-	-	-	-
Tata Overnight Fund Plan - Growth	-	-	2,911	31.54
Total	-	-		**31.54**

Note 7 : Cash and Cash Equivalents

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Cash on hand	0.04	0.02
Balances with bank in current account	23.62	12.20
Balances with bank in call and short term deposit account (Original maturity less then 3 months)	400.00	540.00
	423.66	**552.22**

Note 8 : Bank Balances other than Cash and Cash Equivalent

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Other Balances with banks		
Call and Short-term deposit accounts	-	-
Margin money deposits	56.57	53.59
	56.57	**53.59**

Term Deposit with Bank maturing after 12 months from the Balance Sheet date and other Earmarked/Margin Money/Pledged deposits classified as Non-Current.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 9 : Other Financial Assets

(₹ Lakhs)

	March 31, 2022	March 31, 2021
a) Non Current		
Deposits with Public Bodies and Others at amortised costs Public Bodies and Others	1.02	1.02
	1.02	**1.02**
b) Current	-	-
Interest receivable	3.13	5.33
Others	-	-
	3.13	**5.33**
On Current Accounts dues:		
Related Parties	3.48	3.12
Others	-	-
	3.48	**3.12**
	6.61	**8.45**

Note 10 : Other Assets

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Non Current		
Capital advances	-	-
Deposits with Government Authoritites	958.85	958.67
	958.85	**958.67**
Current		
Prepaid Expenses		
Others	-	-
	0.24	-
	0.24	-

Footnote:

This includes ₹ 954 Lakhs paid to Muncipal Coporation of Greater Mumbai "MCGM" in respect of a property tax matter which the Company has paid under protest.

Note 11 : Share Capital

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Authorised Share Capital		
Equity Shares		
30,00,000 (Previous year - 30,00,000)	300.00	300.00
Equity Shares of ₹ 10/- each		
	300.00	**300.00**
Issued Share Capital		
28,20,887 (Previous year - 28,20,887)	282.09	282.09
Equity Shares of ₹ 10/- each		
	282.09	**282.09**
Subscribed and Paid Up		
28,20,887 (Previous year - 28,20,887)	282.09	282.09
Equity Shares of ₹ 10/- each, Fully Paid		
	282.09	**282.09**

Footnote:

i There has been no change in the equity structure of the Company. No shares had been issued or buy back during the current and comparative periods.

ii) The Ultimate Holding Company of the Company is "The Indian Hotels Company Limited".

iii) Shares held by the Holding Company along with its subsidiaries and associates Companies are as below:

		No. of Shares March 31, 2022	No. of Shares March 31, 2021
	Name of the Company		
	Intermediate Holding Company		
	Skydeck Properties and Developers Private Limited	13,09,896	13,09,896
	Fellow Subsidiary Company		
	Sheena Investments Private Limited	11,08,145	11,08,145
iv)	Shareholders holding more than 5% shares in the Company Promoter		
	Skydeck Properties and Developers Private Limited	13,09,896	13,09,896
	% of Holding	46.44%	46.44%
	Sheena Investments Private Limited	11,08,145	11,08,145
	% of Holding	39.28%	39.28%
	The Indian Hotels Company Limited	4,02,846	-
	% of Holding	14.28%	-
	Excalibur Assets and Capital Management Pvt. Ltd	-	3,98,090
	% of Holding	-	14.11%

v) The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proporation to their shareholding.

Note 12 : Other Equity

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Securities Premium		
Opening and Closing Balance	16,415.23	16,415.23
General Reserve	-	-
Opening and Closing Balance (Refer footnote (ii) to note 5)	70,749.87	70,749.87
Retained Earnings	-	-
Deficit at the beginning of the year	(31,892.66)	(30,477.33)
Add: Current period loss	(1,419.00)	(1,415.33)
Closing Retained Earnings	**(33,311.66)**	**(31,892.66)**
Reserves and Surplus Total	**53,853.44**	**55,272.44**

Note 13 : Trade Payables

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Trade payable to Micro and Small Enterprises	-	-
Others		
Vendor Payables	7.48	4.16
Accrued expenses and others	5.89	8.97
	13.37	**13.13**

Footnote:
The Company has not received any information from the vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the MSMED Act) and hence disclosure, if any, relating to amounts unpaid as at the year-end together with interest paid / payable under the MSMED Act, have not been given.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Trade Payables ageing schedule

As at March 31, 2022

(₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Unbilled & Not Due	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) Trade Payables - MSME	-	-	-	-	-	-
(ii) Trade Payables - Others	-	6.56	0.00	-	0.91	7.48
(iii) Accrued Expenses	5.89	-	-	-	-	5.89
(iv) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**5.89**	**6.56**	**0.00**	**-**	**0.91**	**13.37**

As at March 31, 2021

₹ Lakhs

Particulars	Outstanding for following periods from due date of payment					
	Unbilled & Not Due	Less than 1 year	1-2 years	2- 3 years	More than 3 years	Total
(i) Trade Payables - MSME	-	-	-	-	-	-
(ii) Trade Payables - Others	-	1.44	1.73	-	0.99	4.16
(iii) Accrued Expenses	8.97	-	-	-	-	8.97
(iv) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**8.97**	**1.44**	**1.73**	**-**	**0.99**	**13.13**

Note 14 : Other Financial Liabilities

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Other payables		
Related Parties	0.12	0.02
Others	903.74	857.87
	903.86	**857.89**
Deposits from others		
Unsecured	7.04	7.04
	7.04	**7.04**
	910.90	**864.93**

Note 15 : Provisions

(₹ Lakhs)

	March 31, 2022	March 31, 2021
A) Short term provisions		
Provision for Contingencies (Refer Footnote (i))	1,605.71	1,535.96
Others	-	-
	1,605.71	**1,535.96**

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

Footnote:

i Provision for Contingencies include provisions for the following:

(₹ Lakhs)

	Opening Balance	Addition	(Deletion)	Closing Balance
Disputed claims for taxes , levies and duties	1,318.26	262.32	192.58	1,388.01
	1,248.50	*262.34*	*192.58*	*1,318.26*
Disputes in respect of Employee settlement	217.70	-	-	217.70
	217.70	*-*	*-*	*217.70*
Total	**1,535.96**	**262.32**	**192.58**	**1,605.71**
	1,466.20	*262.34*	*192.58*	*1,535.96*

a) The above matters are under litigation/ negotiation and the timing of the cash flows cannot be currently determined.

b) Figures in italics are in respect of previous year.

Note 16 : Other non financial Liabilities

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Current		
Statutory dues	1.63	0.41
Others	-	-
	1.63	**0.41**

Note 17 : Other Income

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Interest Income from financial assets at amortised cost		
Inter-corporate deposits	-	-
Deposits with Bank	16.65	13.44
	16.65	**13.44**
Interest on Income Tax Refunds	-	-
Total	**16.65**	**13.44**
Profit on sale of current investment	-	4.79
Gain on Current Investments carried at fair value	0.63	0.89
Others	-	0.03
Total	**17.28**	**19.15**

Note 18 : Finance Cost

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Interest on Lease liability	7.48	7.49
Total	**7.48**	**7.49**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Note 19 : Other operating and general expenses

(₹ Lakhs)

		March 31, 2022	March 31, 2021
(i)	**Operating expenses consist of the following :**		
	Fuel, Power and Light	3.81	3.61
	Repairs to Others	2.27	3.71
	Payment to security Agency	33.79	32.86
	Other Operating Expenses	1.02	0.81
	Total	**40.89**	**40.99**
(ii)	**General expenses consist of the following :**		
	Rent	69.74	69.74
	Rates and Taxes	185.18	188.75
	Printing and Stationery	0.10	-
	Professional Fees	13.26	7.47
	Directors' fees	0.71	1.42
	Payment made to Statutory Auditors (Refer Footnote (a))	4.81	4.66
	Other Expenses	0.37	0.22
		274.17	**272.26**
	Total	**315.06**	**313.25**

Footnotes:

		March 31, 2022	March 31, 2021
a)	**Payment made to Statutory Auditors:**		
	As auditors	4.13	4.13
	For other services	0.68	0.53
		4.81	**4.66**

Note 20 : Earnings Per Share (EPS)

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Earnings Per Share is calculated in accordance with IND AS 33 - 'Earnings Per Share'.		
Profit / (Loss) after tax - (₹ Lakhs)	(1,419.00)	(1,415.33)
Weighted Average Number of Equity Shares	28,20,887	28,20,887
Face Value per Equity Share	10.00	10.00
Earning Per Share - (₹) Basic and Diluted	(50.30)	(50.17)

21. Fair Value of Financial Instruments.

IND AS requires the Company to disclose the fair values of its financial assets and financial liabilities. The carrying amounts of the Company's financial instruments, including cash, receivables etc., approximate fair values due to the short term nature of these account balances.

The current investments in Mutual Funds are valued and carried at the net asset value as published by respective Mutual Fund Houses.

22. Financial Risk Management Objectives and Policies

Financial instruments held by the company, principally comprise of cash, trade and other receivables, trade and other payables. The main purpose of these financial instruments is to manage the operating, investing and financing activities of the company.

Financial risk management of the company is carried out based on guidelines established by the finance division which comes under the purview of the Board of Directors of the company.

The finance division identifies, evaluates and mitigates financial risk in close co-operation with the Group's finance department. The parent company provides guidelines for overall risk management, as well, covering specific areas such as credit risk, investment of excess liquidity, interest rate risk.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The company manages and monitors these risks primarily through its operating and financing activities.

23. Credit Risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its investing activities, including deposits with banks and other financial instruments.

The Company's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

24. 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 manages its liquidity and cash flow profiles to ensure the business operations maintain optimum level of liquidity at all times sufficient to meet contractual obligations as and when they fall due. All financial liabilities are expected to be settled as at the reporting period.

25. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and price risk. However, market risk is not significant for the company.

26. Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plan and long-term and other strategic investment plans. The funding requirements are met primarily through equity

As the Company has no borrowings, gearing ratio is not applicable.

27. Segment Reporting:

As there is no reportable segment as envisaged by IND AS 108 "Operating Segment", no separate disclosure for segment reporting is made in the financial statements of the Company.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

28. Taxation

a) Reconciliation of Tax Expense with the Effective Tax

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Profit / (Loss) before tax	(1419.00)	(1,415.33)
Income-tax rate as applicable @ 26% (previous year @ 26%)	(368.94)	(367.99)
Effect of expenses that are not deductible in determining taxable profit	290.30	290.90
Effect of income that is exempt from taxation (like dividend income)		-
Others	(0.56)	(7.26)
Deferred tax asset not recognised in statement of profit & loss	79.20	84.35
Tax Expenses recognized in Profit & Loss	-	-

b) Deferred Tax

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Unabsorbed tax losses/depreciation for which no deferred tax asset has been recognized	1014.59	1,014.35
Deferred tax asset not created @ 26% (Previous year @ 26%)	263.79	263.73

Footnote:

a. The unabsorbed depreciation can be carried forward indefinitely and unabsorbed business losses can be carried forward for 8 years. Due to continuing losses, no deferred tax asset has been created on prudent basis.

29. Capital Commitments

As on March 31, 2022, the Company has estimated amount of contracts remaining to be executed on capital account not provided for (net of capital advance) amounted to ₹ Nil Lakhs (March 31, 2021: ₹ Nil Lakhs)

30. The Company has issued bank guarantee of ₹ 50 lakhs (March 31, 2021: ₹ 50 Lakhs) to Municipal Corporation of Greater Mumbai for certain development work in site for Solid Waste Management. The Company had deposited equivalent amount with the bank for the issuance of this guarantee.

31. Contingent Liabilities

(₹ Lakhs)

		March 31, 2022	March 31, 2021
a)	Income Tax Including interest) (Demands raised under Income-tax Act, 1961 in respect of assessment years 1988-89, 1989-90, 1991-92, 1992-93, and 1996-97 where the matter is under appeal with High Court)	-	3,126.90
	Demand raised under Income-tax Act, 1961 in respect of assessment year 2017-18 & 2014-15	77.11	13.70
b)	Property tax (Also refer note # 10 for amount paid under protest)	2,148.30	1,932.37

32. The Company is engaged in business of hoteliering. It has the leasehold rights for the site where erstwhile 'Sea Rock' hotel stood which was demolished for redevelopment. Currently, the plan for re-building of the hotel is under consideration pending regulatory approvals.

33. Ind AS – 116 "Leases"

The Company's leased assets mainly comprise land parcel. The term of property lease is 99 years. The lease term remaining as on Balance Sheet date is 47 years.

a. Total Lease Liabilities are Analysed as Follows:

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Indian Rupees	75.84	75.92
	-	-
Total	**75.84**	**75.92**
Analysed as		
Current	00.09	00.08
Non-current	75.75	75.84
Total	**75.75**	**75.92**

b. Amounts Recognised in Profit or Loss

The following amounts were recognised as expense in the year:

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Depreciation of right-of-use assets	1.50	1.50
Expense relating to variable lease payments	69.75	69.75
Expense relating to short-term leases and low-value assets	-	-
Interest on lease liabilities	7.49	7.49
Total recognised in the Statement of profit & loss	**78.74**	**78.74**

Variable lease payments represent amount payable to Govt of Maharashtra towards ground rent for leasehold land, the amount for which is assessed every 15 years.

c. Exposure to Future Cash Flows:

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

(₹ Lakhs)

	March 31, 2022	March 31, 2021
Less than 1 year	7.55	7.55
Between 1 and 2 years	7.55	7.55
Between 2 and 5 years	22.67	22.65
More than 5 years	317.41	324.98
Total	**355.18**	**362.73**

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

34. Ratios

Sr No	Ratio	in times/%	Current Year	Previous Year	Numerator	Denominator	Variance
a)	Current Ratio	in times	0.08	0.11	Current Assets	Current Liabilities excluding current maturities of long term borrowings	(27%) #
b)	Debt - Equity	in times	-	-	Non - Current Borrowings + Current Borrowings	Total Equity	-
c)	Debt service coverage	in times	-	-	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt)]	-
d)	Return on Equity	in %	(2.62)	(2.55)	Profit/(Loss) after tax	Average Total Equity	3%
e)	Inventory Turnover		NA	NA	NA	NA	
f)	Trade Receivable Turnover	in times	-	-	Revenue from operations	* Average Trade Receivables	
g)	Trade Payable Turnover	in times	23.56	23.87	Total expenses - Depreciation - Interest - Payrol Cost	* Trade Payables	1%
h)	Net Capital Turnover	in times	-	-	Net Sales	* Working Capital i.e (Avg Current Assets - Avg Current Liabilities)	
i)	Net Profit Ratio	in %	(82.12)	(73.91)	Profit/(Loss) after tax	Total Income	11%
j)	Return on capital employed	in %	-	-	EBIT	* Avg Equity + Avg Debt + Avg Leases	2%
k)	Return on Investment	in %	NA	NA	NA	NA	

Current ratio is reduced due to Mutual Fund units were redeemed

35. Related Party Transactions

a. **The names of related parties of the Company are as under:**

Ultimate Holding Company

- The Indian Hotels Company Limited

Intermediate Holding Company

- Skydeck Properties and Developers Private Limited

Fellow subsidiary and significant shareholder

- Sheena Investments Private Limited

Subsidiary

- Luthria and Lalchandani Hotel and Properties Private Limited

b. Transactions with related parties:

(₹ Lakhs)

Particulars of transactions	Holding Company		Subsidiary / Fellow subsidiary		Other related Parties	
	Transaction amount	Outstanding amount	Transaction amount	Outstanding amount	Transaction amount	Outstanding amount
Payables					-	-
Current account due	-	0.12	-	-	-	-
	-	0.02	-	-	-	-
Consultancy Fees incurred	-	-	1.00	-	-	-
	-	-	1.00	0.09	-	-
Receivables						
Current account	-	-	-	3.48	-	-
	-	-	-	3.11	-	-

Footnote:

Figures in Italic represent previous year figures.

36. There are no foreign currency transactions during the current and previous year.

In terms of our report of even date
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN: 22220369AHOHBD4753
Place: Mumbai
Date: 21-April-2022

For and on behalf of the Board

Beejal Desai
Director
DIN : 03611725

Ashok Binnani
Director
DIN : 03326335

Place: Mumbai
Date: 21-April-2022

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

Form AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies / joint ventures

Part "A" : Subsidiaries

Sr. No	Name of Subsidiary Company	The date since when subsidiary was acquired	Reporting Currency	Share Capital	Reserves & Surplus	"Total Assets"	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	"Proposed Dividend"	Effective shareholding
				₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	(%)
	Indian													
1	Luthria and Lalchandani Hotel and Properties Private Limited		INR	1.00	(5.40)	1.48	5.88	-	-	(0.39)	-	(0.39)	-	90.00%

Footnotes:

i) The financial statements of the subsidiary is drawn upto the same reporting date as that of the Parent Company, i.e., March 31, 2022

Part "B" : Associates and Joint Ventures

Not applicable

For and on behalf of the Board

Beejal Desai
Director
DIN: 03611725

Ashok Binnani
Director
DIN: 03326335

Place: Mumbai
Date: 21-Apr-2022

Independent Auditor's Report

To the Members of LUTHRIA AND LALCHANDANI HOTEL AND PROPERTIES PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Luthria and Lalchandani Hotel and Properties Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, of the state of affairs of the Company as at 31 March 2022, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Responsibilities of the Management and Those Charged with Governance for Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, 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. 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

Independent Auditor’s Report (Contd.)

accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Independent Auditor's Report (Contd.)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

(f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

  i. The Company does not have any pending litigations as at 31 March 2022 which would impact its financial position.

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

  iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022; and

  iv.(a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

  (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest

Independent Auditor's Report (Contd.)

in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. No dividend declared or paid during the year by the Company and accordingly reporting on compliance with section 123 of the Companies Act, 2013 is not applicable.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

No remuneration has been paid by the Company to its directors during the year and accordingly reporting on compliance with provisions of Section 197 is not applicable.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN: 22220369AHOHBZ8083

Place of Signature: Mumbai
Date: 21 April 2022

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Luthria and Lalchandani Hotel and Properties Private Limited ("the Company") on the financial statements as of and for the year ended 31 March 2022.

(i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) Based on our audit procedures & according to the information and explanation given to us, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) Based on our audit procedures & according to the information and explanation given to us, during the year, the Company has neither given any loan, guarantees or security nor made any investment during the year covered under section 185 and section 186 of the Act. Therefore clause 3(iv) of the Order is not applicable to the Company.

(v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities.

(b) According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at 31 March 2022 for a period of more than six months from the date they became payable There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

(viii) Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us and the records of the Company examined by us, there were no term loans taken by the Company and hence the question of the amount of loan so diverted and the purpose for which it is used does not arise. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.

Annexure A (Contd.)

(d) According to the information and explanations given to us and the records of the Company examined by us, there were no funds raised on short term basis by the Company. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any loans during the year on pledge of securities held in its subsidiaries. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the Indian accounting standard Related Party Disclosures (Ind AS 24).

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

(xv) On the basis of the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

Annexure A (Contd.)

(b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, there are 6 Core Investment Company (CIC) in the group basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.

(xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has incurred cash loss of Rs. 39,400/- in the financial year and Rs. 42,800/- in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

(xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) As the Company is not required to spend any amount under section 135 of the Companies Act for the financial year, paragraph 3(xx) of the Order is not applicable to the Company.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN: 22220369AHOHBZ8083

Place of Signature: Mumbai
Date: 21 April 2022

Annexure B

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

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to financial statements of **Luthria and Lalchandani Hotel and Properties Private Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Annexure B (Contd.)

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm’s Registration No.003990S/S200018

Ramanarayanan J
Partner
Membership No. 220369
UDIN: 22220369AHOHBZ8083

Place of Signature: Mumbai
Date: 21 April 2022

Balance Sheet
as at March 31, 2022

₹ 000

	Note	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
Financial assets			
Other financial assets	3	136.33	136.33
Current assets			
Financial assets			
Cash and cash equivalents	4	11.26	11.26
Total		**147.59**	**147.59**
Equity and liabilities			
Equity			
Equity share capital	5	100.00	100.00
Other equity	6	(540.36)	(500.96)
Total equity		**(440.36)**	**(400.96)**
Current Liabilities			
Financial liabilities			
Trade payables	7		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		29.81	39.31
Other financial liabilities	8	556.14	506.34
Other current liabilities	9	2.00	2.90
		587.95	**548.54**
Total		**147.59**	**147.58**
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statements			

In terms of our report of even date

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No.220369
UDIN : 22220369AHOHBZ8083
Place : Mumbai
Date : April 21, 2022

For and on behalf of the Board

R. H. Parekh
Director
DIN : 01942405

Ashok Binnani
Director
DIN : 03326335

Statement of Profit and Loss

for the year ended March 31, 2022

₹ 000

	Note	Year Ended March 31, 2022	Year Ended March 31, 2021
Income			
Other income	10	-	-
Total Income		**-**	**-**
Expenses			
Other operating and general expenses	11	39.40	42.80
Total Expenses		**39.40**	**42.80**
Profit/ (Loss) before exceptional items and tax		(39.40)	(42.80)
Exceptional items		-	-
Profit/ (Loss) before tax		**(39.40)**	**(42.80)**
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total		**-**	**-**
Profit/ (Loss) after tax		**(39.40)**	**(42.80)**
Other comprehensive income, net of tax			
Other comprehensive income for the year		-	-
Total comprehensive Income for the year		**(39.40)**	**(42.80)**
Earnings per share:	12		
Basic - (₹)		(39.40)	(42.80)
Diluted - (₹)		(39.40)	(42.80)
Face value per ordinary share - (₹)		100.00	100.00
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statements			

In terms of our report of even date

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No.220369
UDIN : 22220369AHOHBZ8083
Place : Mumbai
Date : April 21, 2022

For and on behalf of the Board

R. H. Parekh
Director
DIN : 01942405

Ashok Binnani
Director
DIN : 03326335

Statement of Changes in Equity
as at March 31, 2022

₹ 000

Particulars		Equity Share Capital Subscribed	Reserves and Surplus	Total
			Retained Earnings	
Balance as at April 1, 2020		100.00	(458.16)	(358.16)
Profit for the year ended March 31, 2021		-	(42.80)	(42.80)
Other comprehensive Income		-	-	-
Total Comprehensive Income for the year ended March 31, 2021		**-**	**(42.80)**	**(42.80)**
Balance as at March 31, 2021		**100.00**	**(500.96)**	**(400.96)**
Profit for the year ended March 31, 2022		-	(39.40)	(39.40)
Other Comprehensive Income		-	-	-
Total Comprehensive Income for the year ended March 31, 2022		**-**	**(39.40)**	**(39.40)**
Balance as at March 31, 2022		**100.00**	**(540.36)**	**(440.36)**
Summary of significant accounting policies	2			
The accompanying notes form an integral part of the financial statements				

In terms of our report of even date

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No.220369
UDIN : 22220369AHOHBZ8083
Place : Mumbai
Date : April 21, 2022

For and on behalf of the Board

R. H. Parekh
Director
DIN : 01942405

Ashok Binnani
Director
DIN : 03326335

Statement of Cash Flows
for the Year Ended March 31, 2022

₹ 000

	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash Flow From Operating Activities		
Net Profit Before Tax	(39.40)	(42.80)
Adjustments For :		
Interest Income	-	-
	-	-
Cash Operating Profit before working capital changes	(39.40)	(42.80)
Adjustments for (increase)/ decrease in operating assets:		
Other current assets	-	-
	-	-
Adjustments for increase/ (decrease) in operating liabilities:		
Trade Payables	39.40	42.80
Other Liabilities	-	-
	39.40	**42.80**
Cash Generated from Operating Activities	-	-
Direct Taxes (Paid)/ Refunded	-	-
Net Cash Generated From Operating Activities (A)	-	-
Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment	-	-
Net Cash Generated/(Used) In Investing Activities (B)	-	-
Cash Flow From Financing Activities		
	-	-
Net Cash Generated/ (Used) In Financing Activities (C)	-	-
Net Increase/ (Decrease) In Cash and cash equivalents (A + B + C)	-	-
Cash and Cash Equivalents - Opening	11.26	11.26
Cash and Cash Equivalents - Closing	11.26	11.26
Summary of significant accounting policies		
The accompanying notes form an integral part of the financial statements		

In terms of our report of even date

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No.220369
UDIN : 22220369AHOHBZ8083
Place : Mumbai
Date : April 21, 2022

For and on behalf of the Board

R. H. Parekh
Director
DIN : 01942405

Ashok Binnani
Director
DIN : 03326335

Notes to Financial Statements
for the year ended March 31, 2022

1. Background

Luthria and Lalchandani Hotel and Properties Pvt Ltd ("Luthria & Lalchandani" or the "Company"), a private limited Company was incorporated on February 18, 2008 by conversion of M/s Luthria & Lalchandani, a partnership firm under Part IX of the Companies Act, 1956. The Company is primarily engaged in construction activities and providing Management Consultancy.

2. Significant Accounting Policies

a) Basis of Preparation and Presentation:

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended till date) read with Section 133 of the Companies Act, 2013.

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

b) Critical Accounting Estimates and Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

c) Revenue Recognition

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividends

Dividend income is recognized when the Company's right to receive the amount is established.

d) Taxes on Income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current Tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax :

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit forming part of Deferred tax assets is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

e) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date to reflect the current best estimates.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized but only disclosed in the financial statements.

f) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

g) Earnings Per Share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

h) Financial Instruments:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. In case of financial assets subsequently measured at fair value through profit or loss, such transaction costs are not included. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement:

Debt instruments

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the transaction. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Investment in subsidiaries, joint ventures and associates are carried at cost less impairment, if any. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or Losses on Liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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 Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

i) **Recent Accounting Pronouncements**

a) **New Accounting Standards/Amendments notified and adopted by the Company:**
On June 18, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, certain Accounting Standards have been modified on miscellaneous issues with effect from June 18, 2021.

None of these amendments has any material impact on the financial statements for the current year.

b) **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.

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 standalone 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.

c) **New Accounting Standards/Amendments notified but not yet effective:**
On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022. None of these amendments is expected to have any material impact on the financial statements of the Company.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 3 : Other Financial Assets

₹ 000

	March 31, 2022	March 31, 2021
Non current		
Deposit with Govt. of Maharashtra for leasehold land (Refer note : 13)	136.33	136.33
	136.33	**136.33**

Note 4 : Cash and Cash Equivalents

₹ 000

	March 31, 2022	March 31, 2021
Balances with bank in current account	11.26	11.26
	11.26	**11.26**

Note 5 : Share Capital

₹ 000

	March 31, 2022	March 31, 2021
Authorised / Issued Share Capital		
Equity Shares	100.00	100.00
1,000 (Previous year - 1,000)		
Equity Shares of ₹ 100/- each		
	100.00	**100.00**
Subscribed and Paid Up		
1,000 (Previous year - 1,000)	100.00	100.00
Equity Shares of ₹ 100/- each, Fully Paid		
	100.00	**100.00**

Footnotes:

i) There has been no change in the equity structure of the Company. No shares had been issued or buy back during the current and comparative periods.

ii) The ultimate Holiding Company of the Company is "The Indian Hotels Company Limited".

iii) Shares held by Holding Company along with its subsidiaries and associates Companies promoter

	No. of Shares March 31, 2022	No. of Shares March 31, 2021
Name of the Company		
Holding Company		
ELEL Hotels and Investments Limited	900	900
Subsidiaries of ultimate Holding Company		
Skydeck Properties and Developers Private Limited	50	50
Sheena Investments Private Limited	50	50
iii) Shareholders holding more than 5% shares in the Company		
ELEL Hotels and Investments Limited	900	900
% of Holding	90.00%	90.00%

iv) The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 6 : Other Equity

₹ 000

	March 31, 2022	March 31, 2021
Retained Earnings		
Opening and Closing Balance	(500.96)	(458.16)
Add: Current year profit / (loss)	(39.40)	(42.80)
Total	**(540.36)**	**(500.96)**

Note 7 : Trade Payables

₹ 000

	March 31, 2022	March 31, 2021
Micor and Small Enterprises		
Others		
Vendor Payables	8.50	18.00
Accrued expenses and others	21.31	21.31
	29.81	**39.31**

Footnotes:
There are no vendors identified on the basis of information checked by the management who fall under the definition of Micro & Small Enterprises as defined in the "Micro, Small and Medium Enterprises Development Act, 2006".

Trade Payables ageing schedule

As on March 31, 2022

		Outstanding for following periods from due date of payment				
Particulars	**Unbilled & Not Due**	**Less than 1 year**	**1- 2 years**	**2- 3 years**	**More than 3 years**	**Total**
(i) Trade Payables - MSME	-	-	-	-	-	-
(ii) Trade Payables - Others	-	-	8.50	-	-	8.50
(iii) Accrued Expenses	21.31	-	-	-	-	21.31
(iv) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**21.31**	**-**	**8.50**	**-**	**-**	**29.81**

As on March 31, 2021

		Outstanding for following periods from due date of payment				
Particulars	**Unbilled & Not Due**	**Less than 1 year**	**1- 2 years**	**2- 3 years**	**More than 3 years**	**Total**
(i) Trade Payables - MSME	-	-	-	-	-	-
(ii) Trade Payables - Others	-	-	18.00	-	-	18.00
(iii) Accrued Expenses	21.31	-	-	-	-	21.31
(iv) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**21.31**	**-**	**18.00**	**-**	**-**	**39.31**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 8 : Other Financial Liabilities

₹ 000

	March 31, 2022	March 31, 2021
Other Payables :-		
Related Parties (Refer note 23)	365.81	316.01
Others	190.33	190.33
	556.14	**506.34**

Note 9 : Other Current Liabilities

₹ 000

	March 31, 2022	March 31, 2021
Statutory dues	2.00	2.90
	2.00	**2.90**

Note 10 : Other Income

₹ 000

	March 31, 2022	March 31, 2021
Interest Income from financial assets at amortised cost		
Deposits with banks	-	-
Total	**-**	**-**

Note 11 : General expenses

₹ 000

	March 31, 2022	March 31, 2021
General expenses consist of the following :		
Rates and Taxes	4.00	4.30
Professional Fees	-	9.00
Audit Fees		
As Statutory Auditors	23.60	23.60
Other Expenses	11.80	5.90
Total	**39.40**	**42.80**

Note 12 : Earning Per Share (EPS)

₹ 000

	Year Ended March 31, 2022	Year Ended March 31, 2021
Earnings Per Share is calculated in accordance with IND AS 33 - 'Earnings Per Share'.		
Profit / (Loss) after tax	(39.40)	(42.80)
Weighted Average Number of Equity Shares	1,000.00	1,000.00
Face Value per Equity Share	100.00	100.00
Earning Per Share - (₹) Basic and Diluted	(39.40)	(42.80)

Note 13 : The Company holds the Leasehold Rights of the Property i.e Government Land admeasuring 9,500 sq. mtrs. situated at Lands End at B J Road, Bombay suburban District, originally held by the firm M/S Luthria & Lalchandani, vide allotment Letter for Lease dated January 11, 1968 and Lease Deed Dated May 5, 1976 for a period of 99 years between the Governor of Maharashtra & M/S Luthria & Lalchandani.

The said property has been sub-leased by the then firm M/S Luthria & Lalchandani to the Company ELEL Hotels and Investments Limited by virtue of Sub Lease dated April 3, 1976.

Note 14 : Fair Value of Financial Instruments.

IND AS requires the Company to disclose the fair values of its financial assets and financial liabilities. The carrying amounts of the Company's financial instruments, including cash, receivables etc., approximate fair values due to the short term nature of these account balances.

Note 15 : Financial Risk Management Objectives and Policies

Financial instruments held by the Company, principally comprise of cash, trade and other receivables, trade and other payables. The main purpose of these financial instruments is to manage the operating, investing and financing activities of the Company.

Financial risk management of the Company is carried out based on guidelines established by the finance division which comes under the purview of the Board of Directors of the company.

The finance division identifies, evaluates and mitigates financial risk in close co-operation with the Group's finance department. The parent company provides guidelines for overall risk management, as well, covering specific areas such as credit risk, investment of excess liquidity, interest rate risk.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The company manages and monitors these risks primarily through its operating and financing activities.

Note 16 : Credit Risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its investing activities, including deposits with banks and other financial instruments.

The Company's policy is to place cash and cash equivalents and short-term deposits with reputable banks and financial institutions.

Note 17 : 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 manages its liquidity and cash flow profiles to ensure the business operations maintain optimum level of liquidity at all times sufficient to meet contractual obligations as and when they fall due. All financial liabilities are expected to be settled as at the reporting period.

Note 18 : Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and price risk. However, market risk is not significant for the company.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 19 : Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the company. The company determines the capital requirement based on annual operating plan and long-term and other strategic investment plans. The funding requirements are met primarily through equity.

As the Company has no borrowings, gearing ratio is not applicable.

Note 20 : Segment Reporting:

As there is no reportable segment as envisaged by IND AS 108 "Operating Segment", no separate disclosure for segment reporting is made in the financial statements of the Company.

Note 21 : Taxation

a) Reconciliation of tax expense with the effective tax

₹ 000

	March 31, 2022	March 31, 2021
Loss before tax	(39.40)	(42.80)
Income-tax rate as applicable @ 26% (previous year @ 26%)	(9.92)	(11.13)
Permanent Tax Difference		
Effect of expenses that are not deductible in determining taxable profit	9.92	11.13
Income Tax Expense Recognised in Statement of Profit & Loss	-	-

b) The Company has not recognized any deferred tax assets on losses incurred considering no tax benefit for business losses claimed under the Income Tax act, 1961 in its tax returns.

Note 22 : Capital Commitments

As on March 31, 2022, the Company has estimated amount of contracts remaining to be executed on capital account not provided for (net of capital advance) amounted to ₹ Nil Lakhs (March 31, 2021 : ₹ Nil Lakhs)

Note 23 : Ratio

Sr. No.	Ratio	In Times/%	Current Year	Previous Year	Numerator	Denominator
a)	Current Ratio	in times	0.02	0.02	Current Assets	Current Liabilities excluding current maturities of long term borrowings
b)	Debt - Equity	in times	-	-	Non - Current Borrowings + Current Borrowings	Total Equity
c)	Debt service coverage	in times	-	-	Profit before Tax + Interest (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt)]
d)	Return on Equity	in %	-	-	Profit/(Loss) after tax	Average Total Equity
e)	Inventory Turnover		NA	NA	NA	NA
f)	Trade Receivable Turnover	in times	-	-	Revenue from operations	* Average Trade Receivables

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Sr. No.	Ratio	In Times/%	Current Year	Previous Year	Numerator	Denominator
g)	Trade Payable Turnover	in times	-	-	Total expenses - Depreciation - Interest - Payrol Cost	* Trade Payables
h)	Net Capital Turnover	in times	-	-	Net Sales	* Working Capital i.e (Avg Current Assets - Avg Current Liabilities)
i)	Net Profit Ratio	in %	-	-	Profit/(Loss) after tax	Total Income
J)	Return on capital employed	in %	-	-	EBIT	* Avg Equity + Avg Debt + Avg Leases
k)	Return on Investment	in %	NA	NA	NA	NA

Note 24 : Related Party Transactions

a. The names of related parties of the Company are as under:

Ultimate Holding Company

- The Indian Hotels Company Limited

Holding Company

- ELEL Hotels and Investments Limited

b. Transactions with related parties:

₹ 000

Particulars of transactions	Ultimate Holding Company		Holding Company	
	Outstanding amount	Transaction amount	Transaction amount	Outstanding amount
Payables	-	18.05	-	347.76
	-	*4.30*	-	*311.71*
Receivables	-	-	-	-
	-	-	-	-

Footnote: Figures in Italics represent previous year figures.

Note 25 : There were no foreign currency transactions during the current and previous year.

In terms of our report of even date

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No : 003990S/S200018

Ramanarayanan J
Partner
Membership No.220369
UDIN : 22220369AHOHBZ8083
Place : Mumbai
Date : April 21, 2022

For and on behalf of the Board of Directors

R. H. Parekh
Director
DIN : 01942405

Ashok Binnani
Director
DIN : 03326335

Independent Auditors' Report

To the Shareholders of IHOCO B.V.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of IHOCO B.V. ("the Company"), which comprise the statement of financial position as at March 31, 2022, statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 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 financial statements in, 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 opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditors' report is Directors report, but does not include the financial statements and our auditors' report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Independent Auditors' Report (Contd.)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003
UDIN: 22105003AHPFOD9870

Mumbai
April 22, 2022

Statement of Financial Position
as at March 31, 2022

	Note	March 31, 2022 US$	March 31, 2021 US$
Non-current assets			
Investments	3	258,391,586	257,901,586
Current assets			
Trade and other receivables	4	640,195	1,500,211
Cash and cash equivalents	5	6,666,422	2,176,043
		7,306,617	**3,676,254**
Total Assets		**265,698,203**	**261,577,840**
Equity			
Share capital	6	28,185,546	26,382,855
Share premium		350,188,792	331,891,483
Reserves	7	4,587,118	4,587,118
Retained earnings		(117,296,383)	(101,461,441)
Total Equity		**265,665,073**	**261,400,015**
Current Liabilities			
Trade and other payables	8	33,130	177,825
Total Equity and Liabilities		**265,698,203**	**261,577,840**

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on April 22, 2022.

R. H. Parekh
Director

N. Chandrasekhar
Director

The notes form an integral part of these financial statements.

Statement of Profit or Loss and Other Comprehensive Income
for the year ended March 31, 2022

	Note	March 31, 2022 US$	March 31, 2021 US$
Revenue from operations	9	49,519	159,757
Other Income	10	438	494,618
Total Income		**49,957**	**654,375**
Administrative expenses	11	(144,899)	(174,368)
Impairment of investments	3	(15,740,000)	(38,230,000)
Loss on ordinary activities before taxation		**(15,834,942)**	**(37,749,993)**
Taxation on profit on ordinary activities	12	-	(150,550)
Earlier year tax reversal	12	-	-
Loss for the year		**(15,834,942)**	**(37,900,543)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(15,834,942)**	**(37,900,543)**
Earnings per share:	18		
Basic (US$)		(0.58)	(1.53)
Diluted (US$)		(0.58)	(1.53)
Face value per equity share (US$)		1.00	1.00

The notes form an integral part of these financial statements.

Statement of Changes in Equity
for the year ended March 31, 2022

	Share capital US$	Share premium account US$	Revaluation reserve US$	Profit and loss account US$	Total equity US$
April 1, 2020	23,193,201	298,081,137	4,587,118	(63,560,898)	262,300,558
Total Comprehensive income for the period					
Loss for the period	-	-	-	(37,900,543)	(37,900,543)
Other comprehensive income for the period	-	-	-	-	-
Contributions by and distribution to owners					
Shares issued	3,189,654	33,810,346	-	-	37,000,000
March 31, 2021	**26,382,855**	**331,891,483**	**4,587,118**	**(101,461,441)**	**261,400,015**
Comprehensive income for the period					
Loss for the period	-	-	-	(15,834,942)	(15,834,942)
Other comprehensive income for the period	-	-	-	-	-
Contributions by and distribution to owners					
Shares issued	1,802,691	18,297,309	-	-	20,100,000
March 31, 2022	**28,185,546**	**350,188,792**	**4,587,118**	**(117,296,383)**	**265,665,073**

The notes form an integral part of these financial statements.

Statement of Cash Flows
for the year ended March 31, 2022

	March 31, 2022 US$	March 31, 2021 US$
Cash flows from Operating Activities		
Loss for the year	(15,834,942)	(37,900,543)
Adjustments for:		
Interest Income	(49,889)	(135,351)
Income tax expense	-	150,550
Impairment of investments	15,740,000	38,230,000
Reversal of impairment of investments	-	-
Operating cash flows before movements in working capital	**(144,831)**	**344,656**
Increase/(decrease) in trade and other receivables	36	(210)
Increase/(decrease) in trade and other payables	5,855	(5,002)
Cash generated by operations	**(138,940)**	**339,444**
Income taxes refund received/(paid)	(150,550)	2,675
Net cash from Operating Activities	**(289,490)**	**342,119**
Cash flows from Investing Activities		
Investment in subsidiaries/ JVs/ associates	(16,230,000)	(39,343,403)
Loans advanced to a related party	(626,501)	(1,000,000)
Proceeds from Related Party on refund of loan	1,500,000	-
Interest received	36,370	135,351
Net cash (used in) Investing Activities	**(15,320,131)**	**(40,208,052)**
Cash flows from Financing activities		
Proceeds on issue of shares	20,100,000	37,000,000
Net cash generated from financing activities	**20,100,000**	**37,000,000**
Net increase/(decrease) in cash and cash equivalents	4,490,379	(2,865,933)
Cash and cash equivalents at beginning of year (note 5)	2,176,043	5,041,976
Cash and cash equivalents at end of year (note 5)	**6,666,422**	**2,176,043**

The notes form an integral part of these financial statements.

Notes to the Financial Statements
for the year ended March 31, 2022

1. Accounting Policies

IHOCO B.V. is a private company ('the Company'), limited by shares, incorporated in the Netherlands. The address of the registered office is given on the Company information page and the nature of the Company's operations and principal activities are set out in the report of the Directors.

The management has voluntarily adopted International Financial Reporting Standards ('IFRS') with effect from April 1, 2018. Up to and including the year ended March 31, 2018, the Company prepared its annual financial statements in accordance with United Kingdom Generally Accepted Accounting Principles.

These financial statements were authorised for issue by the Company's Board of Directors on April 22, 2022.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

Going Concern
The Company holds investment in various companies, which faced economic uncertainties due to COVID-19 and also impacted the operations of those entities adversely since March 2020 and onwards. Management of those entities have assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections for those entities and have prepared a range of scenarios to estimate financing requirement, including issuance of any letter of support to those entities. With the pandemic slowly receding in most parts of the world and with airlines re-commencing international flights without the shadow of COVID-19, it is expected that the performance of the operating entities in which the Company has invested would improve. The Company has also received a letter of financial support from its parent Company to help to meet any shortfall. Based on the above, the financial statements of the Company for the year ended March 31, 2022 have been prepared on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business

Group Accounts
The Company is a wholly-owned subsidiary of The Indian Hotels Company Limited. The Company is included in the consolidated financial statements of The Indian Hotels Company Limited. Therefore, the Company has taken exemption from the preparation of consolidated financial statements as permitted by IFRS 10.

The financial statements contain information about the Company as an individual company and so do not contain consolidated financial information as the parent of a group.

The following principal accounting policies have been applied:

Associates and Joint Ventures
An entity is treated as an associated undertaking where the group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

An entity is treated as a joint venture where the group is party to a contractual agreement with one or more parties from outside the group to undertake an economic activity that is subject to joint control.

Revenue
Interest receivable on loans is accrued based on the amounts owed at the effective rate of interest.

Dividend income is recognised when the Company has the right to receive that income.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Valuation of Investments

Investments in subsidiaries and associates are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Certain investments have previously been subject to revaluation (see note 7) however on implementation of IFRS, the directors have elected to treat the brought forward carrying values as being held at deemed cost and do not propose to revalue investments going forward.

Foreign Currency Translation

(a) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') in US dollar.

Shares which were originally issued in Dutch Guilders were restated on October 8, 2015 at the US dollar equivalent at the time of issue with the difference included in a share redenomination reserve. Movements in this reserve represent the changes arising from the retranslation in each period and is transferred to/from the profit and loss reserve.

(b) Transactions and Balances

Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

Financial Liabilities and Equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Current and Deferred Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and its subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Reserves

The Company reserves as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- The share premium account includes the premium on issue of equity shares, net of any issue costs.
- The revaluation reserve represents the difference between the cost of investments at acquisition and the date of revaluation.
- The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

2. Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

In preparing these financial statements, the Directors have made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are viewed on an ongoing basis. Revisions to estimates are recognised prospectively. Management has determined whether there are any indicators of impairment of the Company's investments. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Estimation of uncertainties relating to the global health pandemic from Corona Virus (COVID-19):

IHOCO BV ("the Company") is Wholly-Owned Subsidiary of The Indian Hotels Company Limited ('the parent company'). The Company is an investment company and an intermediate holding company. The Company has investments in 5 subsidiaries and 4 associates as at March 31, 2022. The subsidiaries and associates as given in note 3 operate hotels and resorts.

On March 11, 2020, the World Health Organisation declared COVID-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Governments all over the world have taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across countries, from March 2020.

Whilst there is an overall improvement in business conditions with increased vaccinations and consequent reduction in number of cases and easing of all restrictions as also the resumption of normal international flight operations in almost all jurisdiction, the management continues to keep a close watch on evolving situation and is taking all necessary steps to protect its interests by engaging with its customers, employees and other important stakeholders.

The Company has assessed the possible impact of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The Company will none the same continue to monitor any material changes to future economic conditions.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

The management has adequate funds in form of cash and financing facilities for the next 12 months to prevent disruption of the operating cash flows and to enable the Company meet its obligations as they fall due. Accordingly, the financial results of the Company have been prepared on a going concern basis.

3. Investments

	Subsidiary undertakings US$	Associated undertakings US$	Total US$
Cost			
As at April 1, 2020	**195,819,685**	**59,968,499**	**255,788,184**
Additions	40,343,402	-	40,343,402
Impairments	(29,390,000)	(8,840,000)	(38,230,000)
At March 31, 2021	**206,773,087**	**51,128,499**	**257,901,586**
Additions	16,230,000	-	16,230,000
Impairments	(9,380,000)	(6,360,000)	(15,740,000)
At March 31, 2022	**213,623,087**	**44,768,499**	**258,391,586**

In adopting IFRS, the Company has treated the value of its investments as at April 1, 2017 as deemed costs and translated such costs at the prevailing US$ rate. All investments acquired after that date are stated at cost less impairments.

During the year, the Company impaired its investments in its some of its subsidiaries and associates aggregating US$15,740,000. The impairment is on account of change in economic conditions due to COVID-19 that is prevailing worldwide.

Subsidiary Undertakings and Associated Undertakings
The principal undertakings in which the Company's interest at the year-end are as follows:

Name	Country of Incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business
Subsidiary undertakings			
St. James Court Hotel Limited	United Kingdom	54.01%	Hotel operator
Taj International Hotels Limited	United Kingdom	100.00%	Restaurants and catering
United Overseas Holdings Inc.	Delaware, USA	100.00%	Hotel operator
IHMS Hotels (SA) Proprietary Limited	South Africa	100.00%	Hotel operator
Good Hope Palace Hotels Proprietary Limited	South Africa	100.00%	Hotel Owning
Associated undertakings			
Lanka Island Resorts Limited	Sri Lanka	24.66%	Hotel operator
TAL Hotels and Resorts Limited	Hong Kong	26.67%	Hotel operator
TAL Lanka Hotels PLC	Sri Lanka	24.62%	Hotel operator
Oriental Hotels Limited	India	5.25%	Hotel operator

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

4. Trade and Other Receivables

	March 31, 2022 US$	March 31, 2021 US$
Amounts owed by associated undertakings	-	1,500,000
Amounts owed by subsidiary company	640,020	-
Advance income taxes	-	-
Other Advances	175	211
	640,195	**1,500,211**

All amounts shown under debtors fall due for payment within one year except, Amounts owed by associated undertakings US$ Nil (March 31, 2021 – US$1,500,000) was fully refunded to the Company during the year.

During the year the Company placed a Short-term loan of US$626,501 with its Subsidiary on July 30, 2021 at a floating rate of 3 month US Dollar LIBOR + 3% and maturing on April 30, 2022.

5. Cash and Cash Equivalents

	March 31, 2022 US$	March 31, 2021 US$
Bank balances	**6,666,422**	2,176,043

6. Share Capital

	March 31, 2022 US$	March 31, 2021 US$
Issued and fully paid		
28,185,546 nos. Ordinary shares of US$1 each (Previous year 26,382,855 nos. of US$1 each)	**28,185,546**	26,382,855

The sole shareholder is entitled to dividends as declared from time to time and is entitled to one vote per share at general meetings of the Company. 1,802,691 shares of par value US$1 each were issued (March 31, 2021 – 3,189,654). All shares were issued rank *pari passu*.

Shareholders Holding more than 5% Shares

	March 31, 2022 US$	March 31, 2021 US$
Ordinary share of US$1 each		
The Indian Hotels Company Limited	28,185,546	26,382,855

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

7. Revaluation Reserve

	Revaluation reserve US$
At March 31, 2022 and March 31, 2021	4,587,118

The revaluation reserve represents the difference between cost of the investments at acquisition and the valuation of investments up to March 31, 2014. The valuation of such investments has been treated as deemed cost, following adoption of IFRS.

8. Trade and Other Payables

	March 31, 2022 US$	March 31, 2021 US$
Trade payable	33,130	27,275
Accruals and other payables	-	150,550
	33,130	**177,825**

9. Revenue from Operations

	March 31, 2022 US$	March 31, 2021 US$
Dividend Income	-	24,757
Interest Income	49,519	135,000
	49,519	**159,757**

10. Other Income

	March 31, 2022 US$	March 31, 2021 US$
Exchange Gain	68	494,267
Miscellaneous Income	370	351
	438	**494,618**

11. Administrative Expenses

	March 31, 2022 US$	March 31, 2021 US$
Professional Fees	108,761	98,495
Bank charges	7,189	49,075
Auditors remuneration – audit	28,239	22,273
WHT on dividend	-	4,525
Other expenses	710	-
	144,899	**174,368**

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

12. Taxation

	March 31, 2022 US$	March 31, 2021 US$
Corporation tax	-	150,550
Reversal/(charge) for period	-	-
Taxation on profit on ordinary activities	-	**150,550**

Reconciliation of Effective Tax Rate

	March 31, 2022 US$	March 31, 2021 US$
Loss before tax	(15,834,942)	(37,749,993)
Company's domestic tax rate	24.89%	21.80%
Expected income tax expenses	(3,941,317)	(8,229,852)
Tax effect of:		
Tax exempt Income	-	(5,397)
Earlier year losses set off	-	(33,627)
Earlier year tax reversal	-	-
Non-deductible expenses	3,941,087	8,419,426
Taxation on profit on ordinary activities	**-**	**150,550**

The Company is an investment company and does not normally receive trading income. The Company pays Dutch tax on investment income and deemed interest on net amounts due from related parties.

13. Financial Instruments

	March 31, 2022 US$	March 31, 2021 US$
Financial assets		
Financial assets that are debt instruments measured at amortised cost	7,306,616	3,676,254
Financial liabilities		
Financial liabilities measured at amortised cost	33,130	177,825

Financial assets measured at amortised cost comprise cash at bank and amounts due from associated undertakings. Financial liabilities measured at amortised cost comprise amounts due to group undertakings, accruals and deferred income.

14. Ultimate Parent Undertaking, Controlling and Related Parties

The directors regard The Indian Hotels Company Limited, a company incorporated in India, as the ultimate parent undertaking and ultimate controlling party.

During the year, the Company invested a further US$15,000,000 as capital contribution to United Overseas Holdings Inc.

During the year, the Company also invested US$1,230,000 as capital contribution to Good Hope Palace Hotels Proprietary Limited

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

The names of related parties of the Company are as follows:

Name	Relationship
The Indian Hotels Company Limited	Holding company
United Overseas Holding Inc.	Subsidiary company
Taj International Hotels Limited	Subsidiary company
St. James Court Hotel Limited	Subsidiary company
IHMS Hotels (SA) Proprietary Limited	Subsidiary company
Good Hope Palace Hotels Proprietary Limited	Subsidiary company
TAL Hotels & Resorts Limited	Associate company
Lanka Island Resorts Limited	Associate company
Oriental Hotels Limited	Associate company
TAL Lanka Hotels Plc	Associate company

The transactions with related parties for the year end are as follows:

	March 31, 2022 US$	March 31, 2021 US$
Dividend received from:		
Oriental Hotels Limited	-	24,757
Interest Income received from:		
TAL Hotels and Resorts Limited	36,000	135,000
St. James Court Hotel Limited	13,519	-
Amounts due from:		
TAL Hotels and Resorts Limited	-	1,500,000
St. James Court Hotel Limited	640,020	-

Letter of Support

The Company has issued a Letter of Support to Good Hope Palace Hotels Proprietary Limited for shortfall in its operational and debt service requirements as mentioned in the Letter of Support.

The Company has received a Letter of Support from The Indian Hotels Company Limited for providing financial support to meet any shortfall in the Company's fund requirements.

15. Employee Benefits

There were no employees of the Company as at March 31, 2022 and March 31, 2021.

16. Capital Commitments and Contingent Liabilities

There are no capital commitments of the Company as at March 31, 2022 and March 31, 2021.

There are no contingent liabilities of the Company as at March 31, 2022 and March 31, 2021.

The Company has issued Letter of Support to one of its subsidiary companies to provide financial support, if required.

17. Operating Segment

The Company is an investment holding company for foreign operations of The Indian Hotels Company Limited and as such it has no segments as the investing activity is monitored under one single segment. The Directors review the internal management reports of each investment on a quarterly basis.

18. Earnings Per Share

	March 31, 2022 US$	March 31, 2021 US$
Profit/(Loss) after tax	(15,834,942)	(37,900,543)
Opening balance	26,382,855	23,193,201
Effect of fresh issue of equity shares	1,802,691	3,189,654
Total number of equity shares	28,185,546	26,382,855
Weighted average number of equity shares	27,186,958	24,831,958
Earnings per share:		
Basic US $	(0.58)	(1.53)
Diluted US $	(0.58)	(1.53)

The calculation of basic earnings per share ('EPS') has been based on the above loss after tax attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding. The calculation of diluted EPS has been based on the above loss after tax attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

19. Other Notes

(a) Group financial statements of The Indian Hotels Company Limited can be obtained from their website at: www.ihcltata.com/investors.html.

Independent Auditor's Report

Board of Directors,
UNITED OVERSEAS HOLDINGS, INC.

Opinion

We have audited the accompanying consolidated financial statements of United Overseas Holdings, Inc. and its subsidiaries, (collectively referred to as "the Company") which comprise the consolidated balance sheets as of March 31, 2022 and March 31, 2021, and the related consolidated statements of loss, changes in stockholder's equity and consolidated cash flows for the years then ended and the related notes to the consolidated financial statements, (hereinafter referred to as "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the consolidated financial position of the Company as of March 31, 2022, and March 31, 2021, and the consolidated results of its operations and its cash flows for the years then ended, in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a period of twelve months from the date the consolidated financial statements are issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

Independent Auditor's Report (Contd.)

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

Atlanta, Georgia
April 18, 2022

Consolidated Balance Sheets

(All amounts are stated in United States Dollars, unless otherwise stated)

	As at	
	March 31, 2022	**March 31, 2021**
Assets		
Current assets		
Cash and cash equivalents	2,734,259	1,932,947
Accounts receivable		
Guest ledger	261,095	178,458
City ledger	639,994	124,877
Other receivables	-	358,729
Inventories	505,934	620,934
Employee retention credit receivable	379,980	379,980
Prepaid expenses	702,658	825,380
Other receivables	1,595,568	-
Total current assets	**6,819,488**	**4,421,305**
Property and equipment		
Investment in cooperative apartments	1,500,000	1,500,000
Land	14,000,000	14,000,000
Building and improvements	154,207,446	143,345,494
Furniture, fixtures, and equipment	34,229,606	33,667,899
Construction in progress	2,300,890	2,832,009
	206,237,942	**195,345,402**
Less: accumulated depreciation	(82,503,410)	(77,552,220)
Property and equipment, net	**123,734,532**	**117,793,182**
Other assets		
Deferred costs	60,000	60,000
Security deposits	117,966	120,406
Due from related parties	83,443	53,596
Total assets	**130,815,429**	**122,448,489**
Liabilities And Stockholder's Equity		
Current liabilities		
Accounts payable		
Trade	1,211,969	1,896,812
Other taxes payable	353,836	52,515
Accrued expenses		
Payroll and related	1,482,698	836,083
Vacation, gratuities, and incentives	3,845,635	3,084,638
Interest	132,304	79,802
Utilities	258,110	302,648
Capital projects	2,733,356	-
Other	1,047,313	631,831
Tenants' security deposits	143,300	147,000
Advance deposits and other credit balances	6,277,968	5,916,888
Current portion of long-term debt	1,900,815	-
Note payable to related party	7,000,000	7,000,000
Line of credit	4,000,000	20,500,000
Total current liabilities	**30,387,304**	**40,448,217**
Long-term debt	24,553,129	5,698,092
Total liabilities	**54,940,433**	**46,146,309**
Stockholder's equity		
Common stock, par value $1 per share, 100 shares authorized, issued and outstanding	100	100
Additional paid-in-capital	220,223,741	205,223,741
Accumulated deficit	(144,348,845)	(128,921,661)
Total stockholder's equity	**75,874,996**	**76,302,180**
Total liabilities and stockholder's equity	**130,815,429**	**122,448,489**

(The accompanying notes are an integral part of these consolidated financial statements)

Consolidated Statements of Loss

(All amounts are stated in United States Dollars, unless otherwise stated)

	For the year ended	
	March 31, 2022	March 31, 2021
Revenue		
Rooms	24,807,783	4,493,839
Food and beverages	6,849,775	530,459
Others	9,784,473	8,060,686
Total revenue	**41,442,031**	**13,084,984**
Departmental Expenses		
Rooms	12,806,071	7,846,860
Food and beverages	12,186,550	8,006,016
Others	1,278,370	1,109,698
Total departmental expenses	**26,270,991**	**16,962,574**
Income (loss) before unallocated operating expenses & fixed charges	**15,171,040**	**(3,877,590)**
Unallocated Operating Expenses		
Administrative and general	8,788,013	6,986,342
Sales and marketing	3,008,866	2,299,480
Repairs and maintenance	4,988,844	3,572,863
Utilities expense	2,537,559	2,146,851
Total unallocated operating expenses	**19,323,282**	**15,005,536**
Loss before fixed charges	**(4,152,242)**	**(18,883,126)**
Fixed Charges		
Real estate and other taxes	729,353	729,067
Insurance	803,650	734,413
Rent and license fees	4,383,862	5,786,002
Depreciation	5,216,875	6,266,346
Amortization	-	42,278
Interest and finance costs	1,004,406	853,165
Total fixed charges	**12,138,146**	**14,411,271**
Loss before other income	**(16,290,388)**	**(33,294,397)**
Other income		
Sales & marketing, and management fees	867,276	886,831
Total other income	**867,276**	**886,831**
Loss before income tax	**(15,423,112)**	**(32,407,566)**
Income tax expense	4,072	12,779
Net loss	**(15,427,184)**	**(32,420,345)**

(The accompanying notes are an integral part of these consolidated financial statements)

Consolidated Statements of Stockholder's Equity

(All amounts are stated in United States Dollars, unless otherwise stated)

	Common stock				Additional paid-in capital	Accumulated deficit	Total stockholder's equity
	Authorized		Issued & outstanding				
	Shares	Value	Shares	Value			
Balance as of April 01, 2020	100	100	100	100	184,723,741	(96,501,316)	88,222,525
Contribution from shareholder					20,500,000	-	20,500,000
Net loss for the year					-	(32,420,345)	(32,420,345)
Balance as of March 31, 2021	**100**	**100**	**100**	**100**	**205,223,741**	**(128,921,661)**	**76,302,180**
Balance as of April 01, 2021	**100**	**100**	**100**	**100**	**205,223,741**	**(128,921,661)**	**76,302,180**
Contribution from shareholder					15,000,000	-	15,000,000
Net loss for the year					-	(15,427,184)	(15,427,184)
Balance as of March 31, 2022	**100**	**100**	**100**	**100**	**220,223,741**	**(144,348,845)**	**75,874,996**

(The accompanying notes are an integral part of these consolidated financial statements)

Consolidated Statements of Cash Flows

(All amounts are stated in United States Dollars, unless otherwise stated)

	For the year ended	
	March 31, 2022	March 31, 2021
Cash flows from operating activities		
Net loss	(15,427,184)	(32,420,345)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	5,216,875	6,308,624
Amortization of debt initiation cost	106,995	352
Loss on disposal of assets	-	7,777
Changes in net operating assets and liabilities		
Accounts receivable	(239,025)	95,716
Inventories	115,000	49
Prepaid expenses and other receivables	(1,472,846)	296,405
Security deposits	(1,260)	(2,360)
Restoration obligation, net	-	(1,035,000)
Accounts payable	(684,843)	(1,815,017)
Other taxes payable	301,321	(205,176)
Accrued expenses	4,564,414	(1,868,869)
Deferred costs	-	42,278
Advance deposits and other credit balances	361,079	(30,628)
Employee retention credit receivable	-	(379,980)
Due from related parties, net	(29,847)	(33,327)
Net cash used in operating activities	**(7,189,321)**	**(31,039,501)**
Cash flows from investing activities		
Property, equipment, and construction in progress	(11,158,225)	(2,459,533)
Net cash used in investing activities	**(11,158,225)**	**(2,459,533)**
Cash flows from financing activities		
Additional paid-in capital	15,000,000	20,500,000
Withdrawals of line of credit	5,000,000	7,000,000
Repayment of line of credit	(21,500,000)	(1,500,000)
Proceeds from bank loan	14,000,000	6,000,000
Deferred financing costs paid	(225,000)	(302,261)
Loan proceeds from 795 Corp	7,000,000	-
Loan repaid to 795 Corp	(126,142)	-
Net cash provided by financing activities	**19,148,858**	**31,697,739**
Net increase (decrease) in cash and cash equivalents	801,312	(1,801,295)
Cash and cash equivalents at the beginning of the year	1,932,947	3,734,242
Cash and cash equivalents at the end of the year	**2,734,259**	**1,932,947**
Supplemental cash flow information		
Income tax paid	2,400	-
Interest paid	1,030,666	919,137

(The accompanying notes are an integral part of these consolidated financial statements)

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Note A - Organization and Nature of Operations

United Overseas Holdings Inc. (the "Company") was incorporated in August 2015 under the laws of the State of Delaware as a wholly owned subsidiary of The International Hotel Management Services, Inc., ("The IHMS Inc.") which subsequently has become a wholly owned subsidiary of the IHOCO B.V., a wholly owned subsidiary of The Indian Hotels Company Limited ("The IHCL") ("ultimate parent company"), a public listed company based in Mumbai, India.

As part of the international restructuring being implemented by the IHCL, on October 02, 2015, the Company through a contribution deed (the "Restructuring") was assigned the assets of and assumed the liabilities of, The International Hotel Management Services, LLC (formerly The International Hotel Management Services, Inc.) at its net book value at the date of the Restructuring. The Restructuring also included the assignment of The IHMS Inc.'s interest in its subsidiaries namely, the IHMS, LLC ("the New York LLC"), the IHMS (Boston) LLC ("the Boston LLC"), the IHMS (SF) LLC ("the San Francisco LLC"), and the IHMS (USA) LLC ("the Manager") to the Company at their respective net book values at the date of the Restructuring.

The IHCL has agreed to provide financial support to the Company for working capital deficits.

Note B - Subsidiaries Operations

The New York LLC d/b/a The Pierre New York, ("Hotel Pierre") was formed in June 2005 under the laws of the State of Delaware, to acquire the lease with 795 Fifth Avenue Corporation ("795 Corp."), its affiliate 795 Fifth Avenue Limited Partnership ("795 Partnership"), Barney's New York ("Barney's"), and individual apartment owners (collectively "the Lessors"), which encompass the facilities of the Hotel Pierre located in New York, New York. In July 2005, the New York LLC acquired the lease from affiliates of Four Seasons Hotel Limited.

The San Francisco LLC was formed in March 2007 under the laws of the State of Delaware. In April 2007, the San Francisco LLC acquired the Campton Place Hotel ("the San Francisco Hotel") located in San Francisco, California from an unrelated third party.

The Boston LLC was formed in September 2006 under the laws of the State of Delaware. In January 2007, the Boston LLC acquired the Ritz Carlton Boston Hotel ("the Boston Hotel") located in Boston, Massachusetts from an unrelated third party.

IHMS (USA) LLC is a non-operating entity.

On July 12, 2016, the Company sold its entire membership interest in the Boston LLC to AS Holdings LLC, an unrelated third party.

The Pierre New York and the San Francisco Hotel are collectively referred to herein as the "Hotel Properties". The New York LLC, the IHMS (USA) LLC and the San Francisco LLC are collectively referred to herein as the "subsidiaries".

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Note C - Significant Accounting Policies

The significant accounting policies are detailed below:

1. Basis of preparation

a. The accompanying consolidated financial statements are prepared on the accrual basis of accounting in accordance with the accounting and reporting requirements of generally accepted accounting principles in the United States of America ("US GAAP") to reflect the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company.

b. The consolidated financial statements are for the fiscal years ended March 31, 2022, and March 31, 2021.

c. Certain reclassifications, regroupings and reworking have been made in the consolidated financial statements of prior year to conform to the classifications used in the current year. These changes had no impact on previously reported net loss or consolidated stockholder's equity.

2. Going concern

In view of the continued support from the parent company, the management considers that it is appropriate to prepare these consolidated financial statements on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The Company has received funding from parent company amounting to $15,000,000 during the current year in the form of contribution of additional paid in capital, for meeting the cash flow requirements. During the year ended March 31, 2022, the Hotel Properties had suspended its operations for some period of time as a result of the pandemic. The Hotel Properties are open and operational as of the issuance of these consolidated financial statements. Further, during the year ended March 31, 2022, the distributions of vaccinations and overall easing of travel restrictions, generated a renewed interest in travel and tourism activities around the globe and thus the management believes that there will be a positive impact on the domestic business, thereby mitigating the substantial doubt about the Company's ability to continue as a going concern.

3. Use of estimates

The preparation of consolidated financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements. Significant items subject to such estimates and assumptions include the collectability of accounts receivable, the allocation of interest costs, the useful lives and recoverability of costs of property and equipment, the provision for doubtful accounts, the valuation allowance for deferred tax assets, and other contingencies. Management believes that the estimates used in the preparation of the consolidated financial statements are reasonable. Although these estimates are based upon management's best knowledge of current events and actions, the uncertainty created by the novel coronavirus (COVID-19) and efforts to contain it has made such estimates more difficult and subjective. Accordingly, actual results could differ from these estimates. Any changes in estimates will be adjusted prospectively in the consolidated financial statements.

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

4. Principles of consolidation

The consolidated financial statements include the accounts of United Overseas Holdings, Inc., and its wholly owned subsidiaries, the IHMS (SF) LLC, the IHMS LLC & the IHMS (USA) LLC. Upon consolidation, all intercompany accounts and transactions are eliminated.

5. Cash and cash equivalents

Cash equivalents consist of highly liquid investments with an initial maturity of three months or less. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments. Cash balances in bank accounts are insured by Federal Deposit Insurance Corporation up to an aggregate of $250,000 per depositor at each financial institution.

6. Accounts receivable

Accounts receivable primarily represents receivables from the Hotel Properties' guests who occupy rooms and utilize the hotel amenities. An allowance for doubtful accounts is provided based on management's evaluation when it is determined that it is more likely than not a specific account will not be collected.

7. Inventories

Inventories which consist of food, beverages, chinaware, glassware, silverware and retail and guest supplies are valued at the lower of cost or net realizable value on a first-in, first-out basis.

8. Property and equipment, net

Property and equipment are stated at cost less accumulated depreciation. Cost of items of property, and equipment comprise cost of purchase and other costs necessarily incurred to bring it to the condition and location necessary for its intended use.

Major maintenance projects that extend the life of the related equipment are capitalized. Cost of maintenance and repairs are charged to expense when incurred.

The Company depreciates property and equipment over the estimated useful life using the straight-line method. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the accounts and the resulting gain or loss is credited or charged to consolidated statement of loss.

The estimated useful life used to determine depreciation is:

Building improvements*	25-40 years
Co-operative apartments	30 years
Furniture, fixtures, and equipment	5-10 years

*In case of Hotel Pierre, the building improvements are depreciated over the period of lease.

Deposits paid towards the acquisition of property and equipment outstanding as of each balance sheet date and the cost of property and equipment not ready for use before such date are disclosed under construction in progress. The amount of fully depreciated assets still in use by the Company are $25,867,046 as at March 31, 2022 and $25,465,306 as at March 31, 2021.

9. Capitalized interest

Interest costs associated with major construction projects are capitalized and included in the cost of the projects. When no debt is incurred specifically for construction projects, the Company capitalizes interest on amounts expended using the weighted average cost of the outstanding borrowings. Capitalization of interest ceases when the project is substantially complete, or construction activity is suspended for more than a brief period.

10. Long-lived assets

Long-lived assets be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Such assets are considered to be impaired if the carrying amount of the assets is higher than the future undiscounted net cash flows expected to be generated from the assets. The impairment amount to be recognized is measured by the amount by which the carrying value of the assets exceeds its fair value.

11. Deferred costs

The Company has capitalized lease acquisition costs incurred to acquire the lease of Hotel Pierre and secure the extension of the lease agreement with Barney's, the sub-lessor. The lease acquisition cost is amortized using a method which approximates the interest method over the initial lease period of Pierre lease.

The deferred cost includes liquor license costs capitalized with indefinite life amounting to $60,000 for the San Francisco Hotel.

12. Intangible assets

Intangible assets are stated at cost less accumulated amortization. The Company amortizes intangible assets over their estimated useful lives unless such lives are determined to be indefinite. Amortizable intangible assets are amortized over their estimated useful lives in proportion to the economic benefits consumed in each period. Intangible assets with indefinite lives are tested at least annually for impairment and written down to the fair value as required.

13. Revenue recognition

The Company primarily derives revenue from the products and services provided to the customers and revenue is generally recognized when control of the product or service has been transferred to the customer. The customers include guests at the Hotel Properties. A summary of the revenue streams is as follows:

a. Owned & leased Hotel Properties revenues

The Company identifies following performance obligations in connection with the owned and leased Hotel Properties revenues, for which revenue is recognized as the respective performance obligations are satisfied, which results in recognizing the amount that the Company expects to be entitled for providing the goods or services.

Owned & leased Hotel Properties revenues primarily consist of hotel room sales, revenue from accommodations sold in conjunction with other services (e.g., package reservations), food and beverage sales and other ancillary goods and services (e.g., parking, laundry) related to owned Hotel Property. Revenue is recognized when rooms are occupied or goods and services have been delivered or rendered, respectively. Payment terms typically align with when the goods and services are provided.

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Contract balances

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs services under the contract.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

b. Other revenues

Other revenues include revenues generated by the incidental support of hotel operations for leased and owned, Hotel Properties, and other operating income.

Other revenues from leased Hotel Property represent amounts, in the nature of management fees that are contractually paid to the Company by property owners. The fees cover payment for services provided to the 795 Corp. owners pursuant to the management contract entered between the IHMS LLC and the 795 Corp. Revenue is recognized over time as services are rendered.

c. Taxes and fees collected on behalf of governmental agencies

The Company is required to collect certain taxes and fees from customers on behalf of governmental agencies and remit these back to the applicable governmental agencies on a periodic basis. The Company has a legal obligation to act as a collection agent. The Company does not retain these taxes and fees and, therefore, they are not included in the measurement of revenues from the Hotel Properties. The Company presents revenue, net of sales taxes, and other similar taxes. The Company records a liability when the amounts are collected and relieves the liability when payments are made to the applicable taxing authority or other appropriate governmental agency.

14. Operating leases

As lessees

The Company's operating lease rentals include (i) fixed lease payments, or minimum payments as contractually stated in the lease agreement; (ii) variable lease payments, or contingent rentals, which are generally based on a percentage of the leased Hotel Properties' operating and maintenance expense and are dependent on changes in Consumer Price Index (CPI). In addition, the Company is required to pay some, or all, of the capital costs for furniture, equipment, and leasehold improvements in the hotel during the term of the lease as defined by the lease agreement. The management has determined that the difference between lease rentals recognized on straight line basis and in accordance with the lease terms is not material. For operating leases, lease expense relating to fixed or minimum payments & variable payments are recognized when the lease expenses are incurred.

Lease rent expenses on other operating leases are charged to expense over the lease term. Certain operating lease agreements provide for scheduled rent increases over the lease term. Rent expense for such leases is recognized on a straight-line basis over the lease term in the rent and license fees in the consolidated statement of loss.

As lessors

The Company derives income from leasing of its hotel properties. For operating leases, lease income relating to fixed or minimum lease rentals are recognized as lease income over the lease term. Certain operating lease agreements provide for scheduled rent increases over the lease term. Rental income for such leases is recognized on a straight-line basis over the lease term under other income in the statement of loss.

15. Income taxes

The Company files income tax returns on a consolidated basis. The Company records income tax expense, if any, on an individual company basis in order to properly reflect its portion of consolidated income tax expense.

The Company recognizes deferred tax assets and liabilities based on the differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements that will result in taxable or deductible amounts in future years. The Company's temporary differences giving rise to deferred taxes result primarily from net loss carryforwards, employee related benefits and depreciation and amortization. Deferred tax assets and liabilities are measured using the enacted tax rates in effect for the year in which the temporary differences are expected to be recovered or settled.

The Company is also subject to various other taxation requirements imposed by the State and the City of New York.

16. Fair value measurements and financial instruments

Assets and liabilities recorded at fair value in the consolidated financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels which are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.

Level 2 – inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.

Level 3 – unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date.

This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable, related party balances, and accrued liabilities. The estimated fair value of cash, accounts receivable, accounts payable, borrowings, line of credit and accrued liabilities approximate their carrying amounts due to the nature of these instruments. None of these instruments are held for trading purposes.

17. Commitments and contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the consolidated financial statements.

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Note D - Line of Credit

The Company entered into a $15,000,000 line of credit agreement with J.P. Morgan Bank, N.A on December 24, 2018, which was set to expire on December 23, 2020. The credit facility was renewed for another year expiring on December 23, 2021. Interest payments required on the credit facility are at a variable rate, equal to (a) the base rate, plus a margin offered by the bank, (b) a floating rate equal to the Eurodollar rate, plus a margin offered by the bank, or (c) a fixed rate offered by the bank and accepted by the Company. The Company repaid the line of credit facility amounting to $15,000,000 during the year ended March 31, 2022. However, the credit facility of $15,000,000 was again renewed up to December 23, 2022, out of which $5,000,000 has been withdrawn and $1,000,000 was repaid by the Company during the year ended March 31, 2022. The amount outstanding on the credit facility as of March 31, 2022 and March 31, 2021 was $4,000,000 and $15,000,000, respectively. The average interest rate for the outstanding credit facility was approximately 4.10% and 4.31% for the year ended March 31, 2022 and March 31, 2021, respectively. The total interest expense for the year ended March 31, 2022, and March 31, 2021, were $359,774 and $779,933, respectively.

On April 30, 2020, the Company obtained uncommitted temporary facility for short term loans from JP Morgan Chase Bank, North America, amounting to $7,000,000, under the continuing agreement for commercial and standby letter of credit, between the Company and JP Morgan Chase Bank, North America. The temporary short-term facility was set to expire on October 30, 2020. JP Morgan Chase Bank, North America, on the request of the Company, extended the term of the facility till April 30, 2021. During the year ended March 31, 2022, the Company repaid the short-term facility amounting to $5,500,000. The amount outstanding on the temporary short-term facility as of March 31, 2022, and March 31, 2021, were $NIL and $5,500,000, respectively. The average interest rate on the facility for the years ended March 31, 2022, and March 31, 2021, was 4.18% and 4.25%, respectively.

Note E - Long-Term Debt

The following is a summary of the Company's borrowings as at March 31, 2022 and March 31, 2021:

	As at	
	March 31, 2022	March 31, 2021
Long-term maturities of term loan (a)	18,500,000	6,000,000
Loan from 795 Corp – non-current portion (b)	6,473,043	-
Current maturities of term loan (a)	1,500,000	-
Loan from 795 Corp – current portion (b)	400,815	-
Unamortized debt issuance cost (a)	(419,914)	(301,908)
	26,453,944	**5,698,092**

Debt maturities

Year ending March 31,	Debt (a)	Debt (b)
2023	1,500,000	400,815
2024	3,000,000	421,570
2025	4,500,000	441,973
2026	6,000,000	462,565
2027	5,000,000	484,116
Thereafter	-	4,662,819
	20,000,000	**6,873,858**

(All amounts are stated in United States Dollars, unless otherwise stated)

(a) Term loan from Bank of Baroda

The Company entered into a loan agreement with the Bank of Baroda, New York branch on February 12, 2021, for a total loan amount of $30,000,000. The term of the loan is six years, i.e., till March 31, 2027. The Company has withdrawn an amount of $6,000,000 as of March 31, 2021. During the year ended March 31, 2022, the Company withdrew an additional $14,000,000 from the loan facility. The debt issuance cost amounting to $527,261 on the aforesaid loan is presented as a deduction from the loan thereby reducing the proceeds of borrowing and increasing the effective interest rate to 4.34%. The loan amount outstanding (net of debt issuance cost) as on March 31, 2022, and March 31, 2021, is $19,580,086 and $5,698,092, respectively. Interest expense (including debt issuance cost) during the year ended March 31, 2022, and March 31, 2021, was $724,992 and $15,227, respectively.

Debt covenants and guarantees:

The IHCL, acts as a guarantor for the loan taken from Bank of Baroda, New York Branch. Per the terms of the agreement, the Company shall not use the proceeds of the loan to repay any of the existing loan facility of the Company and it shall utilize the proceeds exclusively for general corporate, miscellaneous capex carried out during the normal course of business and working capital purpose of its subsidiaries. The Company has mortgaged its subsidiary's Hotel Property, Taj Campton Place, San Francisco property.

The loan agreement contains several covenants that among other things restricts, subject to certain exceptions, the Company's ability to create or assume any debt, guarantees, lien, make any loans and advances, enter into any leases, or declare, make, or pay any dividend or issue any shares, without the written consent of the lender.

(b) Loan from 795 Fifth Avenue Corporation:

During the year-ended March 31, 2022, New York LLC received a loan amounting to $7,000,000 from 795 Fifth Avenue Corporation to cover a portion of the costs of the Ballroom project. The $7,000,000 loan bears an interest rate equal to 4.5% per annum. The $7,000,000 loan, together with the interest on the outstanding principal amount of the loan, is repayable in monthly installments on the first day of each month commencing from January 01, 2022, till December 31, 2034. As of March 31, 2022, the loan amount outstanding is $6,873,858.

Note F - Operating Leases

As lessors

The San Francisco LLC and the New York LLC, as lessors under various operating leases, will receive base rents over the next five years and thereafter as follows:

Year ending March 31,	IHMS (SF) LLC	IHMS LLC	Total
2023	58,659	330,092	388,751
2024	58,659	307,290	365,949
2025	58,659	307,290	365,949
2026	58,659	307,290	365,949
2027	58,659	307,290	365,949
	293,295	**1,559,252**	**1,852,547**

Certain of the Company's sub-leases contain provisions for additional rents and extension options. The Company recognized the rental income amounting to $399,704 and $423,621 for the years ended March 31, 2022, and 2021, respectively, in other revenue in the consolidated statement of loss.

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

As lessees

Lease agreement with 795 Corp. and 795 Partnership

The New York LLC's lease agreements with the 795 Corp. and the 795 Partnership are for certain facilities of the Hotel Pierre for the purpose of operating a hotel business. The leases were originally scheduled to terminate on June 30, 2015 and may be extended for two additional ten-year terms. In November 2007, the New York LLC, entered a lease modification with 795 Corp. The principal modification extended the lease term for an additional 10 years, to June 30, 2025.

The lease agreements provide for the 795 Corp. and the 795 Partnership to receive rental payments with respect to the Hotel Pierre's facilities. Rental payments consist of minimum rentals and additional rentals measured by a formula based upon the 795 Corp.'s and the 795 Partnership's costs.

On August 31, 2017, the New York LLC, entered a lease amendment with the 795 Corp. which among other things extended the lease term to June 30, 2035, and has the following provisions:

- The 795 Fifth Avenue Corporation to spend not less than $6,000,000 in the aggregate over the course of not more than seven years towards the replacement and retrofitting of the electro-mechanical equipment servicing the Hotel Pierre.
- The New York LLC and the 795 Fifth Avenue Corporation to share the cost of the replacement and installation of an emergency generator, where the New York LLC's obligation is subject to a maximum of $950,000, and any amount in excess to be spent by the 795 Fifth Avenue Corporation.
- The New York LLC and the 795 Fifth Avenue Corporation to split the costs associated with the façade repair work to the exterior of the Hotel Pierre as required under Local Law 11, on a 50/50 basis.
- For the lease years, as defined, post June 30, 2025, the cost of repair and replacement of the building systems, as defined, and MEP equipment, as defined, will be shared by the New York LLC and the 795 Fifth Avenue Corporation in the ratio of 35% and 65%, respectively.
- Increase in management fees payable to the New York LLC, for servicing the cooperative apartments.

On September 14, 2020, the New York LLC, entered into a lease amendment with the 795 Corp. and secured certain concessions in view of the COVID-19 pandemic. These concessions include:

- Reduction of lease rentals to the tune of 50% of adjusted minimum rent, for the period starting April 2020 to August 2020.
- Further reduction of 25% discount, on the applicable adjusted minimum rent for the period from September 2020 to August 2022. Rent forbearance totaling $4,000,000 was agreed over for the period April 2020 to August 2022.
- Pursuant to bankruptcy of Barneys, the New York LLC had decided to surrender the Hotel Pierre Ballroom as a result of which the Hotel Pierre Ballroom is required to be reconfigured and renovated after the surrender of the leased space. The lease agreement with landlord for such lease expired on March 31, 2021, and the Company surrendered the leased space of the Hotel Pierre Ballroom back to the landlord.
- As part of the 2017 lease amendment with the 795 Corporation, the New York LLC had negotiated that upon termination of the Hotel Pierre Ballroom lease and on surrender of the Hotel Pierre ballroom lease to the landlord, the 795 Corporation will reduce the lease rentals payable to them by $700,000 per year. The reduction in lease rental has commenced effective April 01, 2021.
- The New York LLC will spend around $12,000,000 in reconfiguration and renovation of the ball room (including $1,000,000 for segregation of the Hotel ballroom lease and construction of the demised wall). The New York LLC shall be responsible for payment and funding of 100% of the first $3,000,000 of the costs and expenses of the Ballroom project.

(All amounts are stated in United States Dollars, unless otherwise stated)

- Per the lease amendment dated September 14, 2020, the 795 Corporation has agreed to advance a loan of $7,000,000 to facilitate the completion of the construction of the ball room and contribute $2,000,000 for high end finishes of the ball room space.
- The $7,000,000 loan from the 795 Corporation bears an interest rate of 4.50% and repayable in monthly installment from date of completion of the ball room till December 2034. The IHCL, acts as a guarantor for the loan taken from the 795 Corporation.

On June 24, 2021, the New York LLC entered into a further lease amendment wherein the New York LLC and 795 Fifth Avenue Corporation agreed to the following provisions:

- 795 Fifth Avenue Corporation agrees to fund an amount of $2,000,000 (as "Lessor's Ballroom contribution") as a non-refundable contribution from lessor to the New York LLC to pay a portion of the costs and expenses for the Ballroom renovation project. Additionally, an amount of up to (and in no event more than) $2,000,000 ("Lessor's additional Ballroom contribution") together with Lessor's original Ballroom contribution, collectively, ("Lessor's Ballroom contribution) as a non-refundable contribution from Lessor to the Company to pay a portion of the costs and expenses for the Ballroom renovation project.

As of March 31, 2022, the total capital work in progress amounts to $2,060,077. The amount spent on capital work in progress includes $1,451,142 on the restoration of the building façade and $411,047 on the generator.

During the year ended March 31, 2022, the Ballroom project costs amounting to $10,861,953 has been capitalized under building improvements.

During the year-ended March 31, 2022, New York LLC received a loan amounting to $7,000,000 from 795 Fifth Avenue Corporation to cover a portion of the costs of the Ballroom project. The $7,000,000 loan bears an interest rate equal to 4.5% per annum. The $7,000,000 loan, together with the interest on the outstanding principal amount of the loan, is repayable in monthly installments on the first day of each month commencing from January 01, 2022, till December 31, 2034. As of March 31, 2022, the outstanding balance payable including interest accrued on the loan is $6,900,494.

	As at	
	March 31, 2022	**March 31, 2021**
Non-current portion	6,473,043	-
Current portion of long-term debt	400,815	-
Interest accrual (included in "other current liabilities")	26,636	-
	6,900,494	-

During the year-ended March 31, 2022, New York LLC received $2,865,786 in non-refundable financial contributions from 795 Fifth Avenue Corporation, out of the $5,000,000 contribution from 795 Fifth Avenue Corporation to cover a portion of the costs and expenses for the Ballroom project. As of March 31, 2022, $1,595,568 is receivable from 795 Fifth Avenue Corporation based on the work completed and is shown as other receivables under current assets.

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

The future minimum lease payments, excluding additional variable rentals measured by formulae under lease agreement with the 795 Corp. and the 795 Partnership for the Hotel Pierre are as follows:

March 31,	795 Corporation	795 Partnership	Individual Shareholders	Rent Reduction	Total
2023	1,709,728	1,852,203	137,418	(700,000)	2,999,349
2024	1,758,153	1,904,666	137,418	(700,000)	3,100,237
2025	1,758,153	1,904,666	137,418	(700,000)	3,100,237
2026	1,758,153	1,904,666	137,418	(700,000)	3,100,237
2027	1,758,153	1,904,666	137,418	(700,000)	3,100,237
Thereafter	31,646,756	34,283,986	2,473,524	(12,600,000)	55,804,266
	40,389,096	**43,754,853**	**3,160,614**	**(16,100,000)**	**71,204,563**

Lease on Ballroom

The New York LLC assumed a lease agreement with Barney's, which was renewed on March 12, 2012, for the use of the Hotel Pierre's Ballroom. The lease agreement with Barney's was amended wherein, among other things, the scheduled expiration was extended to December 31, 2018 and the annual fixed rent was increased to $1,700,000 ("Amended Lease Agreement"). In addition, the Amended Lease Agreement required a one-time rent adjustment fee of $1,000,000 ("Rent Adjustment"). The Rent Adjustment is reported under deferred costs and is amortized over the term of the Amended Lease Agreement. As of March 31, 2020, and 2019, the Rent Adjustment was fully amortized.

Since the Amended Lease Agreement expired on December 31, 2018, the New York LLC and Barney's reached an understanding for the extension of the Amended Lease Agreement for a period of 10 years ("Lease MOU"), with a 10% increase in the first 5 years and an additional 5% increase beginning in the 6th year of the Lease MOU.

The New York LLC also reached an understanding with the 795 Corp. and the 795 Partnership, whereby the 795 Corp. and the 795 Partnership would bear 50% of the increase in the annual fixed rent over and above the previous annual fixed rent. The annual fixed rent was an increase to $1,870,000 on renewal of the lease term as per Lease MOU.

In August 2019, Barneys, the sub-lessor of the Hotel Pierre's Ballroom lease declared bankruptcy and surrendered their master lease of Barney's store with the order of the court and the lease arrangement with the sub lessor ended on February 28, 2020. Thereafter, the New York LLC entered into a new short-term lease with Flagship 660 Owner LLC, a Delaware limited liability company, ("landlord").

The short-term lease for Hotel Pierre's Ballroom with the landlord was for a fixed expiration date term till March 31, 2021. The New York LLC paid annual fixed rentals amounting to $1,870,000 for Hotel Pierre's Ballroom over the lease term.

The New York LLC surrendered the Ballroom lease space back to the landlord in white box condition thereby incurring the expenses for restoration work in conjunction with the plans and specification as approved by the landlord.

The Company estimated the restoration cost amounting to $1,035,000. The Company recognized an asset retirement obligation for the aforesaid cost under property and equipment and the same was depreciated over the remaining term of the Hotel Pierre's Ballroom lease. As of March 31, 2021, the Company surrendered the leased space back to the landlord and has accounted for the segregation cost.

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Note G - Income Taxes

The Company files federal and state tax returns as per regulations applicable to Chapter C corporations in the United States of America. The Company is a member of the UOH consolidated federal tax group.

The Company files combined state tax returns with affiliated group companies in certain states. While in certain states, the Company files the tax returns at a separate entity level.

	For year ended	
	March 31, 2022	March 31, 2021
Current taxes		
State	4,072	12,779
Total provision for income taxes	**4,072**	**12,779**

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's net deferred income taxes are as follows:

	As at	
	March 31, 2022	March 31, 2021
Non-current deferred tax liabilities:		
Property & equipment	(71,763)	(58,233)
Total deferred tax liabilities	**(71,763)**	**(58,233)**
Non-current deferred tax assets:		
Net operating losses ('NOL's')	125,636,341	116,126,800
Advance deposits	676,734	953,868
Accrued employee compensation	1,398,140	1,109,902
Interest disallowances	886,699	500,895
Total deferred tax assets	**128,597,914**	**118,691,465**
Net deferred taxes	128,526,151	118,633,231
Less: deferred tax asset valuation allowance	(128,526,151)	(118,633,231)
Total	-	-

Realization of net deferred tax assets is dependent upon generation of sufficient taxable income in future years, benefit from the reversal of taxable temporary differences and tax planning strategies. Management assesses the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets. The amount of net deferred tax assets considered realizable is subject to adjustment in future periods if estimates of future taxable income change.

Based on the history of losses and current year significant losses, the management believes that it is more likely than not that the deferred tax assets may not be realized during foreseeable future and accordingly, a valuation allowance of $128,526,151 and $118,633,231 has been recognized as of March 31, 2022, and March 31, 2021 respectively.

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

No deferred tax assets were recognized as of March 31, 2022, and March 31, 2021.

The Company has federal NOLs of $413,558,856 and $399,173,849 as of March 31, 2022, and March 31, 2021, respectively. The NOLs of $63,266,081 generated from 2018-19 onwards will be carried forward indefinitely and can be carried back to 5 years and NOLs prior to 2018-19 will be expire between tax year 2026 to 2037.

The Company has state net operating loss carryforwards of approximately $635,692,878 and $609,740,413 as of March 31, 2022, and March 31, 2021, respectively, which if unutilized will expire based on the various state statutes.

Accounting for uncertain tax position

The Company recognizes the benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority. The Company has no unrecognized tax positions as of March 31, 2022, and March 31, 2021.

The tax years of 2018 through 2020 remain subject to examination by the taxing authorities.

Note H - Revenue from Contracts with Customers

The following table presents revenue disaggregated by product line:

	Year ended March 31, 2022	Year ended March 31, 2021
Rooms	24,807,783	4,493,839
Food & beverages	6,849,775	530,459
Others	9,784,473	8,060,686
Total revenue by product line	**41,442,031**	**13,084,984**

The following table presents revenue disaggregated by timing of recognition:

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue transferred at a point in time	32,926,905	5,024,298
Revenue transferred over time	8,515,126	8,060,686
Total revenue by timing of revenue recognition	**41,442,031**	**13,084,984**

The entire revenue is attributable to the United States of America. No other geographies are involved.

Contract balances

The following table provides information about contract assets and liability balances:

	As at March 31, 2022	As at March 31, 2021
Accounts receivable		
Guest ledger	261,095	178,458
City ledger	639,994	124,877
Other receivables	-	358,729
Contract liability (Advance deposits)	6,277,968	5,916,888

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Note I - Advertising and Marketing Expense

Advertising costs are presented as part of sales and marketing expenses in the consolidated statement of loss. Advertising costs are expensed as incurred. The amount of advertising and marketing cost incurred by the Company for the year ended March 31, 2022 and March 31, 2021 are $824,097 and $417,724, respectively.

Note J - Employee Benefits Plans

Multi-Employer Defined Benefit Plans

The New York LLC is a party to the Industrywide Collective Bargaining Agreement between the New York Hotel Trades Council ("Union") and the Hotel Association of New York City, Inc. The collective bargaining agreement provides for Union sponsored multi-employer defined benefit plans (the "Plans") which the New York LLC makes contributions for the benefit of its employees covered by the collective bargaining agreement. The New York LLC has not received information from the Plans' administrator to determine its share of unfunded benefit obligations, if any. The New York LLC has not undertaken to terminate, withdraw or partially withdraw from the Plans.

a. The risks of participating in the multi-employer plan are different from a single-employer plan in the following aspects: Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.

b. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

c. If an employer chooses to stop participating in some of its multi-employer plans, the employer may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The New York LLC's participation in the Plans for the plan years ended December 31, 2021 and 2020 is outlined in the table below. The "EIN Number" column provides the Employer Identification Number (EIN). The most recent Pension Protection Act (PPA) zone status available is for the Plan's year-end at December 31, 2021 and 2020. The zone status is based on information that the New York LLC received from the Plan and is certified by the actuaries of the 1199 Plan. Among other factors, pension plans in the red zone are generally less than 65% funded, pension plans in the yellow zone are less than 80% funded, and pension plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates pension plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is pending or has been implemented. The New York LLC's contributions to the Plans did not exceed more than 5% of the total contributions made to the Plans by all participating employers.

Pension fund	Pension Protection Act Zone Status				FIP/RP Status Pending/ Implemented	Contributions by the Company Amount in USD	
	EIN number	Plan number	2021	2020		2021	2020
Pension Fund (1)	13-1764242	001	Green	Green	Yes	1,571,580	1,859,270
Health Benefits Fund (2)	13-6126923	501	N/A	N/A	Yes	2,963,787	7,569,220
Prepaid Legal Services Fund (3)	13-3418414	508	N/A	N/A	Yes	29,004	54,253
						4,564,371	**9,482,743**

(1) -New York Hotel Trades Council and Hotel Association of New York City, Inc. Pension Fund

(2) -New York Hotel Trades Council and Hotel Association of New York City, Inc. Health Benefits Fund

(3) -New York Hotel Trades Council and Hotel Association of New York City, Inc. Prepaid Legal Services Fund

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Defined contribution 401(k) plan

The Company and the Subsidiaries have a defined contribution plan for the benefit of its eligible employees pursuant to Section 401(k) of the Internal Revenue Code. In addition to employee 401(k) contributions, the plan requires employer contributions of 3% of each eligible participants' plan compensation for each year. The employer may also make a profit-sharing contribution of a uniform percentage of eligible participants' plan compensation based on profits as defined. The employer contribution charged to the Company's and the subsidiaries' operations amounts to the following for the years ended March 31:

	2022	2021
The San Francisco LLC	62,827	40,586
The New York LLC	123,861	95,073
The Company	22,763	20,718
Total	**209,451**	**156,377**

Employee retention credit

During the previous year, the Company availed the benefit under the ERC (Employee Retention Credit) scheme, a benefit given by the Federal government under the COVID stimulus package which allows businesses to take credit of the wages paid to employees on furlough and not working. The total ERC credit claimed by the Company for the year ended March 31, 2022 and March 31, 2021 amounts to $543,556 ($384,718 for the IHMS LLC and $158,838 for the IHMS (SF) LLC), and $3,075,439 ($2,745,430 for the IHMS LLC and $330,009 for the IHMS (SF) LLC). As of March 31, 2022, and March 31, 2021, $379,980 is receivable from IRS.

Deferral of employment taxes

Section 2302 of the CARES Act provides that employers may defer the deposit and payment of the employer's portion of Social Security taxes. The payroll tax deferral period began on March 27, 2020 and ended on December 31, 2020. Section 2302(a)(2) of the CARES Act provides that the deferred deposits of the employer's share of social security tax must be 50 percent deposited by December 31, 2021, and the remaining amount must be deposited by December 31, 2022. The Company has deferred the employment taxes amounting to $308,187 as of March 31, 2022, and $480,583 as on March 31, 2021, respectively.

Note K - Related Party Transactions

A. Ultimate parent company

The Indian Hotels Company Limited (owning 100% of common stock of the IHOCO B.V.)

B. Parent company

IHOCO B.V. (Owning 100% of common stock of United Overseas Holdings, Inc.)

C. Affiliate company

Taj International Hotels (HK) Limited

Amount due to related parties have no specified date of repayment.

The Company has following transactions with the related parties:

The Indian Hotels Company Limited ("The IHCL")

The Company has outstanding receivable from the IHCL amounting to $83,443 and $53,596 as at March 31, 2022 and 2021, respectively.

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Taj International Hotels (HK) Limited

The Company has obtained advances from TAJ International Hotels (HK) Limited amounting to $7,000,000 at 3.5% p.a. The aforesaid loan was converted into interest free advances effective November 01, 2019.

IHOCO B.V.

The parent company contributed in the form of additional paid-in capital amounting to $15,000,000, during the year ended March 31, 2022.

Note L - Commitments & Contigencies

Claims and legal actions

The Company is a party to claims that arise in the normal course of business. Management of the Company believes that the ultimate outcome of these claims will not have a material effect on the consolidated financial statements.

Management agreement with landlord

On July 1, 2005, 795 Corp. entered into a management agreement (the "Management Agreement") with the New York LLC. Under the Management Agreement, the New York LLC agreed to manage the Hotel Pierre as agent for the 795 Corp. and provide the shareholders of the 795 Corp. with certain services.

Under the Management Agreement, the 795 Corp. is required to pay a base annual management fee of $3,907,362. This fee, subject to annual adjustments, reflects increases in costs of management over the prior year.

The Management Agreement was originally scheduled to expire on June 30, 2025. On August 31, 2017, the New York LLC entered into a modified Management Agreement which extended the term of the agreement by ten years to June 30, 2035. In connection with the modified Management Agreement, the base annual management fee required to be paid by the 795 Corp. was increased to $5,744,690, with annual increases thereafter. In addition, the New York LLC is no longer required to provide certain services to the shareholders of the 795 Corp.

Management fees, including other reimbursements and fees charged to the 795 Corp. totaled to $8,422,285 and $7,425,228 for the years ended March 31, 2022, and 2021, respectively and are included in other revenue. The Management Agreement is co-terminus with the lease agreements with 795 Corp. and 795 Partnership.

The Company has extended a letter of credit amounting to $5,000,000 to 795 Corp. to ensure that the Company performs its lease obligation pursuant to its lease agreement.

Capital commitments

The commitments for the Ballroom project as of March 31, 2022, is $1,311,427. The net capital commitment for Generator Set, Façade and PTAC units (Packaged Terminal Air Conditioner) at the Hotel Pierre amounted to $538,953, $926,790, and $197,888, respectively. The net capital commitment for the IHMS (SF) LLC is $153,238.

Notes to Consolidated Financial Statements (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Note M - Risk and Uncertainties

The Company's future results of operations involve several risks and uncertainties. Factors that could affect the Company's future operating results and cause actual results to vary materially from expectations include, competitive factors, including but not limited to pricing pressures; deterioration in general economic conditions; the Company's ability to effectively manage operating costs and increase operating efficiencies; declines in revenues; technological and market changes; the ability to attract and retain qualified employees and the Company's ability to execute on its business plan.

The management of the Company has also evaluated the possible effect of COVID – 19 on the carrying amount of trade receivables and other assets and believes that the current COVID-19 scenario will not materially impact the consolidated financial statements of the Company for the year ended on March 31, 2022. The Company will continue to monitor developments to identify significant uncertainties surrounding COVID-19 and its impact on performance of the Company for future periods. Also, considering the various reliefs provided by the government on account of COVID 19 situation and vaccination being made easily available to the people especially in the United States of America, the management believes there will be a positive impact on the domestic business, thereby mitigating the substantial doubt about the Company's ability to continue as a going concern.

Note N - Subsequent Events

The Company evaluated all events or transactions that occurred after March 31, 2022, up to the date of the consolidated financial statements were issued. Based on this evaluation, the Company is not aware of any events or transactions that should require recognition or disclosure in the consolidated financial statements.

Independent Auditor’s Report on Supplementary Information

To the Board of Directors and Stockholder of
United Overseas Holdings, Inc.

We have audited the consolidated financial statements of United Overseas Holdings, Inc. as of and for the years ended March 31, 2022 and March 31, 2021 and our report thereon dated April 18, 2022 expresses an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidated balance sheets and consolidated statements of loss and cash flows (“supplementary information”) are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The supplementary information is the responsibility of the Company’s management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Atlanta, Georgia.
April 18, 2022

Supplementary Information

(All amounts are stated in United States Dollars, unless otherwise stated)

Consolidated balance sheets	As at March 31, 2022					
	IHMS (SF) LLC	IHMS LLC	IHMS (USA) LLC	United Overseas Holdings, Inc.	Eliminations	Consolidated
Assets						
Current assets						
Cash	407,376	1,921,335	4,864	400,684	-	2,734,259
Accounts receivable						
Guest ledger	106,110	154,985	-	-	-	261,095
City ledger	69,267	570,727	-	-	-	639,994
Inventories	173,099	332,835	-	-	-	505,934
Employee retention credit receivable	-	379,980	-	-	-	379,980
Prepaid expenses	203,761	487,697	-	11,200	-	702,658
Other receivables	-	1,595,568	-	-	-	1,595,568
Total current assets	**959,613**	**5,443,127**	**4,864**	**411,884**	**-**	**6,819,488**
Property and equipment						
Investment in cooperative apartments	-	1,500,000	-	-	-	1,500,000
Land	14,000,000	-	-	-	-	14,000,000
Building and improvements	45,771,617	108,435,829	-	-	-	154,207,446
Furniture, fixtures, and equipment	4,124,978	30,026,565	-	78,065	-	34,229,606
Construction in progress	240,812	2,060,077	-	-	-	2,300,890
	64,137,407	**142,022,471**	**-**	**78,065**	**-**	**206,237,942**
Less: accumulated depreciation	20,379,661	62,051,505	-	72,244	-	82,503,410
Property and equipment, net	**43,757,746**	**79,970,966**	**-**	**5,821**	**-**	**123,734,532**
Other assets						
Deferred costs, net	60,000	-	-	-	-	60,000
Security deposits	30,650	87,316	-	-	-	117,966
Investment in subsidiaries	-	-	-	110,918,386	(110,918,386)	-
Due from related parties	(662)	7,907	8,330,520	117,420,462	(125,674,785)	83,443
Total assets	**44,807,347**	**85,509,316**	**8,335,384**	**228,756,553**	**(236,593,171)**	**130,815,429**
Liabilities And Stockholder's Equity (Deficit)						
Current liabilities						
Accounts payable trade	52,516	1,159,453	-	-	-	1,211,969
Other tax payable	110,463	243,373	-	-	-	353,836
Accrued expenses						
Payroll and related	315,993	1,166,705	-	-	-	1,482,698
Vacation, gratuities, and incentives	256,835	3,376,323	-	212,478	-	3,845,635
Interest	-	26,636	-	105,668	-	132,304
Utilities	32,018	226,092	-	-	-	258,110
Capital projects	-	2,733,356	-	-	-	2,733,356
Other	298,357	748,954	-	-	-	1,047,313
Tenants' security deposits	-	143,300	-	-	-	143,300
Advance deposits and other credit balances	605,590	5,628,233	-	44,145	-	6,277,968
Current portion of long-term debt	-	400,815	-	1,500,000	-	1,900,815
Notes payable to related parties	-	-	-	7,000,000	-	7,000,000
Line of credit	-	-	-	4,000,000	-	4,000,000
Total current liabilities	**1,671,774**	**15,853,240**	**-**	**12,862,291**	**-**	**30,387,304**
Due to related parties	18,650,305	98,018,823	-	9,005,655	(125,674,784)	-
Long term debt	-	6,473,043	-	18,080,086	-	24,553,129
Total liabilities	**20,322,079**	**120,345,106**	**-**	**39,948,032**	**(125,674,784)**	**54,940,433**
Stockholder's equity (deficit)						
Common stock, par value $1 per share, 100 shares authorized, issued and outstanding	-	-	-	100	-	100
Additional paid-in-capital	53,741,941	236,803,509	-	220,223,741	(290,545,450)	220,223,741
Accumulated surplus (deficit)	(29,256,673)	(271,639,299)	8,335,384	(31,415,320)	179,627,063	(144,348,845)
Total stockholder's equity (deficit)	**24,485,268**	**(34,835,790)**	**8,335,384**	**188,808,521**	**(110,918,387)**	**75,874,996**
Total liabilities and stockholder's equity (deficit)	**44,807,347**	**85,509,316**	**8,335,384**	**228,756,553**	**(236,593,171)**	**130,815,429**

Supplementary Information (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Consolidated balance sheets	As at March 31, 2021					
	IHMS (SF) LLC	IHMS LLC	IHMS (USA) LLC	United Overseas Holdings, Inc.	Eliminations	Consolidated
Assets						
Current assets						
Cash	227,396	609,025	629	1,095,896	-	1,932,947
Accounts receivable						
Guest ledger	78,581	99,876	-	-	-	178,458
City ledger	22,909	101,968	-	-	-	124,877
Other receivables	-	358,729	-	-	-	358,729
Inventories	211,973	408,961	-	-	-	620,934
Employee retention credit receivable	-	379,980	-	-	-	379,980
Prepaid expenses	226,041	592,821	-	6,517	-	825,380
Total current assets	**766,900**	**2,551,361**	**629**	**1,102,414**	**-**	**4,421,305**
Property and equipment						
Investment in cooperative apartments	-	1,500,000	-	-	-	1,500,000
Land	14,000,000	-	-	-	-	14,000,000
Building and improvements	45,771,617	97,573,876	-	-	-	143,345,493
Furniture, fixtures, and equipment	3,997,051	29,592,785	-	78,064	-	33,667,899
Construction in progress	204,437	2,627,572	-	-	-	2,832,009
	63,973,105	**131,294,233**	**-**	**78,064**	**-**	**195,345,402**
Less: accumulated depreciation	18,947,917	58,533,558	-	70,745	-	77,552,220
Property and equipment, net	**45,025,188**	**72,760,675**	**-**	**7,319**	**-**	**117,793,182**
Other assets						
Deferred costs, net	60,000	-	-	-	-	60,000
Security deposits	33,090	87,316	-	-	-	120,406
Investment in subsidiaries	-	-	-	110,918,386	(110,918,386)	-
Due from related parties	14,313	660,274	8,335,520	105,763,227	(114,719,738)	53,596
Total assets	**45,899,492**	**76,059,626**	**8,336,150**	**217,791,345**	**(225,638,124)**	**122,448,489**
Liabilities And Stockholder's Equity (Deficit)						
Current liabilities						
Accounts payable trade	38,823	1,857,989	-	-	-	1,896,812
Other tax payable	30,188	22,327	-	-	-	52,515
Accrued expenses						
Payroll and related	178,677	657,406	-	-	-	836,083
Vacation, gratuities, and incentives	187,936	2,801,454	-	95,248	-	3,084,638
Interest	-	-	-	79,802	-	79,802
Utilities	35,708	266,939	-	-	-	302,648
Other	335,462	296,370	-	-	-	631,832
Tenants' security deposits	-	147,000	-	-	-	147,000
Advance deposits and other credit balances	208,051	5,057,632	-	651,206	-	5,916,888
Notes payable to related parties	-	-	-	7,000,000	-	7,000,000
Line of credit	-	-	-	20,500,000	-	20,500,000
Total current liabilities	**1,014,845**	**11,107,117**	**-**	**28,326,256**	**-**	**40,448,218**
Due to related parties	17,264,906	88,444,175	-	9,010,656	(114,719,738)	-
Long term debt	-	-	-	5,698,092	-	5,698,092
Total liabilities	**18,279,752**	**99,551,292**	**-**	**43,035,003**	**(114,719,738)**	**46,146,309**
Stockholder's equity (deficit)						
Common stock, par value $1 per share, 100 shares authorized, issued and outstanding	-	-	-	100	-	100
Additional paid-in-capital	53,741,941	236,803,509	-	205,223,741	(290,545,450)	205,223,741
Accumulated surplus (deficit)	(26,122,201)	(260,295,175)	8,336,150	(30,467,498)	179,627,064	(128,921,661)
Total stockholder's equity (deficit)	**27,619,740**	**(23,491,667)**	**8,336,150**	**174,756,342**	**(110,918,386)**	**76,302,180**
Total liabilities and stockholder's equity (deficit)	**45,899,492**	**76,059,626**	**8,336,150**	**217,791,345**	**(225,638,124)**	**122,448,489**

Supplementary Information (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Consolidated statements of loss	For the year ended March 31, 2022					
	IHMS (SF) LLC	IHMS LLC	IHMS (USA) LLC	United Overseas Holdings, Inc.	Eliminations	Consolidated
Revenue						
Rooms	4,392,904	20,414,879	-	-	-	24,807,783
Food and beverage	1,049,133	5,800,642	-	-	-	6,849,775
Other	602,691	9,181,782	-	-	-	9,784,473
Total revenue	**6,044,728**	**35,397,303**	**-**	**-**	**-**	**41,442,031**
Departmental Expenses						
Room	2,031,410	10,774,661	-	-	-	12,806,071
Food and beverages	1,306,243	10,880,307	-	-	-	12,186,550
Others	195,050	1,083,320	-	-	-	1,278,370
Total departmental expenses	**3,532,703**	**22,738,288**	**-**	**-**	**-**	**26,270,991**
Income before unallocated operating expenses & fixed charges	**2,512,025**	**12,659,015**				**15,171,040**
Unallocated Operating Expenses						
Administrative and general	1,516,014	6,626,999	766	644,234	-	8,788,013
Sales and marketing	435,621	1,471,080	-	1,102,166	-	3,008,867
Repairs and maintenance	752,713	4,236,131	-	-	-	4,988,844
Utilities expense	412,132	2,125,426	-	-	-	2,537,558
Total unallocated operating expenses	**3,116,480**	**14,459,636**	**766**	**1,746,400**	**-**	**19,323,282**
Loss before fixed charges	**(604,455)**	**(1,800,621)**	**(766)**	**(1,746,400)**	**-**	**(4,152,242)**
Fixed Charges						
Real estate and other taxes	729,352	-	-	-	-	729,352
Insurance	326,572	477,078	-	-	-	803,650
Rent and license fees	33,873	4,282,789	-	67,200	-	4,383,862
Depreciation	1,431,744	3,783,632	-	1,499	-	5,216,875
Interest and finance costs	6,835	997,572	-	-	-	1,004,407
Total fixed charges	**2,528,376**	**9,541,071**	**-**	**68,699**	**-**	**12,138,146**
Loss before other income	**(3,132,831)**	**(11,341,692)**	**(766)**	**(1,815,099)**	**-**	**(16,290,388)**
Other income						
Sales and marketing, and management fees	-	-	-	867,276	-	867,276
Total other income	**-**	**-**	**-**	**867,276**	**-**	**867,276**
Loss before tax	**(3,132,831)**	**(11,341,692)**	**(766)**	**(947,823)**	**-**	**(15,423,112)**
Income tax expense	1,640	2,432				4,072
Net loss	**(3,134,471)**	**(11,344,124)**	**(766)**	**(947,823)**	**-**	**(15,427,184)**

Supplementary Information (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Consolidated statements of loss	For the year ended March 31, 2021					
	IHMS (SF) LLC	IHMS LLC	IHMS (USA) LLC	United Overseas Holdings, Inc.	Eliminations	Consolidated
Revenue						
Rooms	1,094,969	3,398,870	-	-	-	4,493,839
Food and beverage	92,104	438,354	-	-	-	530,459
Other	113,092	7,947,594	-	-	-	8,060,686
Total revenue	**1,300,166**	**11,784,818**	**-**	**-**	**-**	**13,084,984**
Departmental Expenses						
Room	746,254	7,100,607	-	-	-	7,846,860
Food and beverages	611,264	7,394,752	-	-	-	8,006,016
Others	107,579	1,002,119	-	-	-	1,109,698
Total departmental expenses	**1,465,096**	**15,497,478**	**-**	**-**	**-**	**16,962,575**
Loss before unallocated operating expenses & fixed charges	**(164,931)**	**(3,712,660)**	**-**	**-**	**-**	**(3,877,591)**
Unallocated Operating Expenses						
Administrative and general	1,126,469	5,067,010	759	792,104	-	6,986,342
Sales and marketing	304,587	842,287	-	1,152,606	-	2,299,480
Repairs and maintenance	863,276	2,709,587	-	-	-	3,572,863
Utilities expense	278,305	1,868,545	-	-	-	2,146,851
Total unallocated operating expenses	**2,572,638**	**10,487,429**	**759**	**1,944,710**	**-**	**15,005,536**
Loss before fixed charges	**(2,737,568)**	**(14,200,089)**	**(759)**	**(1,944,710)**	**-**	**(18,882,676)**
Fixed Charges						
Real estate and other taxes	729,067	-	-	-	-	729,067
Insurance	332,276	402,138	-	-	-	734,414
Rent and license fees	36,175	5,701,387	-	48,440	-	5,786,002
Depreciation	1,476,971	4,787,766	-	1,609	-	6,266,346
Amortization	-	42,278	-	-	-	42,278
Interest and finance costs	58,357	794,808	-	-	-	853,165
Total fixed charges	**2,632,846**	**11,728,377**	**-**	**50,049**	**-**	**14,411,272**
Loss before other income	**(5,370,414)**	**(25,928,466)**	**(759)**	**(1,994,759)**	**-**	**(33,294,399)**
Other income						
Sales and marketing, and management fees	-	-	-	886,832	-	886,832
Total other income	**-**	**-**	**-**	**886,832**	**-**	**886,832**
Loss before tax	**(5,370,414)**	**(25,928,466)**	**(759)**	**(1,107,927)**	**-**	**(32,407,566)**
Income tax expense	1,626	11,153	-	-	-	12,779
Net loss	**(5,372,040)**	**(25,939,619)**	**(759)**	**(1,107,927)**	**-**	**(32,420,345)**

Supplementary Information (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

Consolidated statements of cash flows	For the year ended March 31, 2022					
	IHMS (SF) LLC	IHMS LLC	IHMS (USA) LLC	United Overseas Holdings, Inc.	Eliminations	Consolidated
Cash flows from operating activities						
Net loss	(3,134,472)	(11,344,124)	(766)	(947,822)	-	(15,427,184)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities						
Depreciation and amortization	1,431,744	3,783,632	-	1,499	-	5,216,875
Amortization of debt initiation cost	-	-	-	106,995	-	106,995
Changes in certain other accounts						
Accounts receivable	(73,887)	(165,138)	-	-	-	(239,025)
Inventories	38,874	76,126	-	-	-	115,000
Prepaid expenses and other receivables	22,280	(1,490,444)	-	(4,683)	-	(1,472,847)
Security deposits	2,440	-	-	-	-	2,440
Accounts payable	13,694	(698,536)	-	-	-	(684,842)
Taxes payable, other than income	80,275	221,046	-	-	-	301,321
Accrued expenses	165,420	4,255,899	-	143,096	-	4,564,415
Advance deposits and other credit balances	397,539	566,901	-	(607,061)	-	357,379
Due from related parties, net	1,400,374	10,227,014	5,000	(11,662,235)	-	(29,847)
Net cash used in operating activities	**344,281**	**5,432,376**	**4,234**	**(12,970,211)**	**-**	**(7,189,320)**
Cash flows from investing activities						
Property, equipment, and construction in progress	(164,302)	(10,993,923)	-	-	-	(11,158,225)
Net cash used in investing activities	**(164,302)**	**(10,993,923)**	**-**	**-**	**-**	**(11,158,225)**
Cash flows from financing activities						
Additional paid-in capital	-	-	-	15,000,000	-	15,000,000
Withdrawals on line of credit	-	-	-	5,000,000	-	5,000,000
Repayment of line of credit	-	-	-	(21,500,000)	-	(21,500,000)
Proceeds from long term debt	-	-	-	14,000,000	-	14,000,000
Deferred financing costs paid	-	-	-	(225,000)	-	(225,000)
Loan received from 795 Corp	-	7,000,000	-	-	-	7,000,000
Loan repaid to 795 Corp	-	(126,142)	-	-	-	(126,142)
Net cash provided by financing activities	**-**	**6,873,858**		**12,275,000**	**-**	**19,148,858**
Net change in cash	179,980	1,312,310	4,234	(695,211)	-	801,312
Cash at the beginning of year	227,396	609,025	629	1,095,896	-	1,932,947
Cash at the end of year	**407,376**	**1,921,335**	**4,863**	**400,685**	**-**	**2,734,259**
Supplemental cash flow information						
Income tax paid	800	1,600	-	-	-	2,400
Interest paid	6,835	1,023,831	-	-	-	1,030,666

Supplementary Information (Contd.)

(All amounts are stated in United States Dollars, unless otherwise stated)

	For the year ended March 31, 2021					
	IHMS (SF) LLC	IHMS LLC	IHMS (USA) LLC	United Overseas Holdings, Inc.	Eliminations	Consolidated
Cash flows from operating activities						
Net loss	(5,372,040)	(25,939,619)	(759)	(1,107,927)	-	(32,420,345)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities						
Depreciation and amortization	1,476,971	4,830,044	-	1,609	-	6,308,624
Amortization of debt initiation cost	-	-	-	352	-	352
Loss on disposal of assets	-	7,777	-	-	-	7,777
Changes in certain other accounts						
Accounts receivable	3,463	92,254	-	-	-	95,716
Inventories	16,479	(16,430)	-	-	-	49
Prepaid expenses	89,746	201,976	-	4,683	-	296,405
Security deposits	(2,360)	-	-	-	-	(2,360)
Restoration obligations, net	-	(1,035,000)	-	-	-	(1,035,000)
Employee retention credit receivable	-	(379,980)	-	-	-	(379,980)
Deferred costs, net	-	42,278	-	-	-	42,278
Accounts payable	(173,646)	(1,641,371)	-	-	-	(1,815,017)
Taxes payable, other than income	(35,035)	(170,142)	-	-	-	(205,177)
Accrued expenses	(464,844)	(1,283,808)	-	(120,217)	-	(1,868,869)
Advance deposits and other credit balances	3,914	(685,747)	-	651,206	-	(30,628)
Due to related parties, net	1,735,839	10,339,475	-	(12,108,641)	-	(33,327)
Net cash used in operating activities	**(2,721,514)**	**(15,638,293)**	**(759)**	**(12,678,935)**	**-**	**(31,039,502)**
Cash flows from investing activities						
Purchase of property and equipment	(208,127)	(2,251,406)	-	-	-	(2,459,533)
Net cash used in investing activities	**(208,127)**	**(2,251,406)**	**-**	**-**	**-**	**(2,459,533)**
Cash flows from financing activities						
Additional paid-in capital	2,800,001	17,700,000	-	-	-	20,500,000
Proceeds from short-term debt	-	-	-	7,000,000	-	7,000,000
Repayment of short-term debt	-	-	-	(1,500,000)	-	(1,500,000)
Proceeds from term loan	-	-	-	6,000,000	-	6,000,000
Deferred financing costs paid	-	-	-	(302,261)	-	(302,261)
Net cash provided by financing activities	**2,800,001**	**17,700,000**	**-**	**11,197,739**	**-**	**31,697,739**
Net decrease in cash	(129,640)	(189,699)	(759)	(1,481,195)	-	(1,801,295)
Cash at the beginning of year	357,037	798,725	1,389	2,577,092	-	3,734,242
Cash at the end of year	**227,397**	**609,025**	**629**	**1,095,896**	**-**	**1,932,947**
Supplemental cash flow information						
Income tax paid	-	-	-	-	-	-
Interest paid	-	919,137	-	-	-	919,137

Independent Auditor’s Report

Opinion

We have audited the financial statements of St James Court Hotel Limited (the ‘Company’) for the year ended March 31, 2022, which comprise the Statement of Profit and Loss and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company’s affairs as at 31st March, 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act, 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, 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 opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor’s Report (Contd.)

Opinions on other matters prescribed by the Companies Act, 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors’ Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors’ Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors’ Report.

We have nothing to report in respect of the following matters where the Companies Act, 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors’ Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit is capable of detecting irregularities, including fraud

We design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations – this responsibility lies with management with the oversight of the Directors.

Based on our understanding of the Company and industry, discussions with management, we identified Companies Act, 2006, Financial Reporting Standard 102, Employment law and UK taxation legislation as having a direct effect on the amounts and disclosures in the financial statements.

Independent Auditor's Report (Contd.)

As part of the engagement team discussion about how and where the Company's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- enquiry of management about the Company's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the Board of directors minutes;
- enquiry of management of any legal matters;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

The ultimate parent of the Company is listed in India and it has a comprehensive legal and compliance framework that is monitored for all its subsidiaries.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organised schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities is available on the Financial Reporting Council's website at:www.frc.org.uk/auditors responsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act, 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Amanjit Singh FCA (Senior Statutory Auditor)
For and on behalf of KNAV LLP, Statutory Auditor

Hygeia Building
Ground Floor
66-68 College Road
Harrow
Middlesex
HA1 1BE

Date: April 22, 2022

Profit and Loss Account and Other Comprehensive Income

for the year ended March 31, 2022

	Note	2022 £	2021 £
Turnover	4	19,730,597	3,339,670
Cost of sales		(13,227,256)	(7,284,138)
Gross profit/(loss)		**6,503,341**	**(3,944,468)**
Administrative expenses		(9,792,581)	(6,391,219)
Other operating income	5	707,785	3,687,981
Operating loss	6	**(2,581,455)**	**(6,647,706)**
Interest receivable and similar income		290	1,464
Interest payable and similar expenses	10	(1,962,349)	(1,091,561)
Loss before tax		**(4,543,514)**	**(7,737,803)**
Tax on loss	11	2,925,663	926,052
Loss for the financial year		**(1,617,851)**	**(6,811,751)**

The Profit and Loss Accounts has been prepared on the basis that all operations are continuing operations. No other comprehensive income was recognised during the year or the prior year.

The notes on pages 739 to 751 form part of these financial statements.

Balance Sheet
as at March 31, 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	12		105,749,447		106,090,040
Current assets					
Stocks	13	371,311		374,437	
Debtors	14	12,523,743		8,597,495	
Cash and cash equivalents	15	1,600,883		78,777	
		14,495,937		9,050,709	
Creditors: amounts falling due within one year	16	**(5,602,640)**		**(51,240,800)**	
Net current assets/(liabilities)			8,893,297		(42,190,091)
Total assets less current liabilities			**114,642,744**		**63,899,949**
Creditors: amounts falling due after more than one year	17		(52,579,890)		(219,244)
Net assets			**62,062,854**		**63,680,705**
Capital and reserves					
Called up share capital	20		56,527,912		56,527,912
Share premium	21		1,191,976		1,191,976
Profit and loss account	21		4,342,966		5,960,817
			62,062,854		**63,680,705**

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

N. Chandrasekhar
Director

Date: April 22, 2022

The notes on pages 739 to 751 form part of these financial statements.

Statement of Changes in Equity

for the Year Ended March 31, 2022

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At 1st April, 2021	56,527,912	1,191,976	5,960,817	63,680,705
Comprehensive loss for the year				
Loss for the year and total comprehensive income	-	-	(1,617,851)	(1,617,851)
At March 31, 2022	**56,527,912**	**1,191,976**	**4,342,966**	**62,062,854**

for the Year Ended March 31, 2021

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At April 1, 2020	56,527,912	1,191,976	12,772,568	70,492,456
Comprehensive loss for the year				
Loss for the year and total comprehensive income	-	-	(6,811,751)	(6,811,751)
At March 31, 2021	**56,527,912**	**1,191,976**	**5,960,817**	**63,680,705**

The notes on pages 739 to 751 form part of these financial statements.

Notes to the Financial Statements

for the year ended March 31, 2022

1. General information

St James Court Hotel Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act, 2006. The Company registration number and address of the registered office is given on the Company information page and the nature of the Company's operations and principal activity are set out in the strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act, 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (See Note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 – reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 7 Statement of Cash Flows.

This information is included in the consolidated financial statements of The Indian Hotels Company Limited as at March 31, 2022 and these financial statements may be obtained from Mandlik House, Mandlik Road, Mumbai – 400 001, India. They are also available from www.ihcltata.com.

2.3 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on pages 1 – 5 of these financial statements. These financial statements have been prepared on a going concern basis notwithstanding the loss for the financial year of £1.6m (2021: £6.8m) and net current liabilities, excluding the deferred tax asset, of £2.01 million (2021 – £50.17 million).

As at 31st March, 2022, the Company reported net assets of £62.06 million (2021 – £63.68 million).

The Company's external financing facilities were refinanced during the year in August 2021, with Barclays Bank Plc and Standard Chartered Bank. The Company's overall Facility requirements were determined and structured considering the pandemic, the likelihood of its prevalence for some time thereafter and its impact on the financial performance. The Company's current financing arrangement includes three tranches, comprising a term loan of £52 million (availed to refinance the extent of borrowings on maturity date), a Revolver Credit Facility of £4 million and a Capital Expenditure Facility of £4 million. As at the date of approval of these financial statements, the Company has drawn down the entire Term Loan and £1 million each under the other two facilities. While the Revolver Credit Facility is to be settled each year, the Company has no repayment obligations under its other tranches until May 2024. The Company meets its day to day working capital requirements through use of its available cash, operating earnings and lines of credit available under the above facilities.

Further, the successful vaccination and booster programmes of the UK Government enabled the lifting of all lock downs and the removal of all restrictions that the Government had imposed on both international travel and domestic gatherings to contain the pandemic and mitigate its spread. The Hotel industry is expected to return to normal (pre-pandemic) levels of activity within the next 12 to 15 months. In assessing the appropriateness of the going concern assumption, the directors have prepared detailed cash flow forecasts for the period until June 2023 that the Company will be able to meet its obligations as they fall due.

Resultantly, the Directors are of the view that it is appropriate to prepare the financial statements on a going concern basis.

2.4 Turnover

Turnover represents amounts receivable for accommodation, food and beverage sales and ancillary hotel services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Turnover is recognised at the point at which goods and services are delivered to the customer.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	–	Over term of lease
Fixtures, fittings and equipment	–	5% to 20% straight-line
Leasehold building surfaces	–	30 years straight-line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

The Company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

2.6 Leased assets

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the income statement so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

2.7 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivables as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.11 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset’s carrying amount and the present value of estimated cash flows discounted at the asset’s original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset’s carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.12 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.14 Hedge accounting

The Company used variable to fixed interest rate swaps to manage its exposure to interest rate cash flow risk on its variable rate debt. These derivatives are measured at fair value at each balance sheet date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the year.

As at the year end, no hedging instruments were being used by the Company.

2.15 Government grants

Money received in the form of a government grant is treated as revenue grant. Therefore, grant income is recorded within other income in the income statement on a systematic basis in the same periods as the related expenses incurred.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

2.16 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.18 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the Company either as a lessor or a lessee are operating or lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Company’s tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected

future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

- Determine the likelihood of future taxable profits are profitable to utilise against the deferred tax asset.

Other key sources of estimation uncertainty

- Tangible fixed assets (See Note 12)

  Tangible fixed assets are reviewed for impairment if there are any indicators to suggest the carrying value may not be recoverable. Recoverable amounts are based on fair values which have been derived from external valuations.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Room revenue	15,483,818	2,624,468
Food and beverage	3,601,079	534,496
Other	645,700	180,706
	19,730,597	**3,339,670**

All turnover arose within the United Kingdom.

5. Other operating income

	2022 £	2021 £
Other operating income	707,785	3,687,981

The Company has received grants under the Government's furlough scheme which has been created for the purpose of supporting businesses during the pandemic. The grants are given for specified staff over a specified period of time during which they are not permitted to work for the Company. The grants are recognised on a time basis consistent with the period of furlough experienced by staff. The grant is not repayable providing the conditions of grant have been met; the Company believes it has met all the required conditions.

6. Operating loss/(profit)

The operating profit is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	3,986,272	3,852,497
Other operating lease rentals	874,897	879,967
Exchange gains	1,910	13,039
Defined contribution pension cost	182,433	201,748

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

7. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	30,000	42,800
Audit-related assurance services	100,074	**100,013**

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2022 £	2021 £
Wages and salaries	6,502,800	5,946,636
Social security costs	576,145	526,012
Cost of defined contribution scheme	182,433	201,748
	7,261,378	**6,674,396**

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Operations	204	221
Administration	31	32
	235	**253**

9. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	182,036	293,755

The highest paid director received remuneration of £182,036 (2021 - £155,357).

Directors remuneration for the current year includes amounts paid to Manchan Limited, a company controlled by a director.

10. Interest payable and similar charges

	2022 £	2021 £
Bank interest payable	1,765,433	1,077,181
Other loan charges payable	246,397	140,088
Finance leases and hire purchase contracts	11,278	14,872
Derivative fair value changes	(60,759)	(140,580)
	1,962,349	**1,091,561**

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

11. Taxation

	2022 £	2021 £
Deferred tax		
Origination and reversal of timing differences	(405,379)	(911,209)
Adjustments in respect of prior periods	(111)	(14,843)
Effect of tax rate change on opening balance	(2,520,173)	-
Taxation on loss on ordinary activities	**(2,925,663)**	**(926,052)**

Factors affecting tax charge/(credit) for the year

The tax assessed for the year is higher than (2021 – higher than) the standard rate of corporation tax in the UK of 19% (2021 – 19%). The differences are explained below:

	2022 £	2021 £
Loss on ordinary activities before tax	(4,543,514)	(7,737,803)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(863,268)	(1,470,183)
Effects of:		
Expenses not deductible for tax purposes	14,001	1,558
Fixed asset differences	541,179	557,416
Remeasurement of deferred tax for changes in tax rates	(2,617,464)	-
Adjustments to tax charge in respect of prior periods - deferred tax	(111)	(14,843)
Total tax charge/(credit) for the year	**(2,925,663)**	**(926,052)**

Factors that may affect future tax charges

As at March 31, 2022 the Company had unrelieved trading losses of approximately £40.7m (2021 – £39.4m) available to set off against future profits. See further details in note 19.

The March 2021 Budget announced a further increase to the main rate of corporation tax to 25% from April 1, 2023. As this rate was substantively enacted at the current balance sheet date, the deferred tax asset in respect of tax losses has increased by £2.6m.

12. Tangible fixed assets

	Long-term leasehold property £	Furniture, fittings and equipment £	Assets under course of construction £	Total £
Cost				
At April 1, 2021	132,451,400	20,204,230	3,748,483	156,404,113
Additions	-	365,231	3,280,448	3,645,679
Transfers between classes	4,439,607	2,550,074	(6,989,681)	-
At March 31, 2022	**136,891,007**	**23,119,535**	**39,250**	**160,049,792**
Depreciation				
At April 1, 2021	37,046,954	13,267,119	-	50,314,073
Charge for the year on owned assets	2,601,441	1,384,831	-	3,986,272
At March 31, 2022	**39,648,395**	**14,651,950**	**-**	**54,300,345**
Net book value				
At March 31, 2022	**97,242,612**	**8,467,585**	**39,250**	**105,749,447**
At March 31, 2021	95,404,446	6,937,111	3,748,483	106,090,040

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Furniture, fittings and equipment	208,839	299,085

Depreciation on assets held under finance leases or hire purchase contracts amounts to £90,246 (2021 – £90,246).

The recoverable amounts of the properties are determined from value in use calculations or fair value less costs to sell. Management makes use of an external valuation performed by a RICS qualified valuer in assessing the recoverable amount of the properties. The key assumptions used are in relation to discount and growth rates. Growth rates incorporate occupancy, room rate, volume and direct cost changes. Management used a pre-tax discount factor of 7.50% (2021 – 7.50%) over the forecast period. Consideration of impairment to the carrying value of assets has been made and the directors concluded that the individual carrying values of the operating assets are supportable by the value in use or fair value less costs to sell. The impact of the current economic conditions and rebuild in trade following reopening as a result of Covid-19 has also been considered in arriving at this conclusion.

13. Stocks

	2022 £	2021 £
Stocks	371,311	374,437

The stocks consist of food and beverage, merchandise for sale, housekeeping and maintenance materials. The directors are of the opinion that the replacement cost of these stocks is not significantly different to their carrying value.

14. Debtors

	2022 £	2021 £
Trade debtors	897,444	51,289
Amounts owed by group undertakings	149,104	55,193
Other debtors	213,092	352,118
Prepayments and accrued income	358,002	158,457
Deferred taxation (See Note 19)	10,906,101	7,980,438
	12,523,743	**8,597,495**

Deferred taxation asset due after one year amounts to £10,906,101 (2021 - £7,980,438).

All other amounts shown under debtors fall due for payment within one year.

Included within other debtors are amounts owed by directors to the Company of £46,033 (2021 - £41,033).

Amounts due from group undertakings are interest free, unsecured and repayable on demand.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

15. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	1,600,883	78,777

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	1,000,000	48,703,363
Trade creditors	583,503	694,146
Amounts owed to group undertakings	769,320	161,973
Other taxation and social security	482,640	125,052
Obligations under finance lease and hire purchase contracts	90,246	88,498
Other creditors	657,881	686,795
Accruals and deferred income	2,019,050	657,862
Financial instruments	-	123,111
	5,602,640	**51,240,800**

Accruals and deferred income above includes interest payable of £57,771 (2021 – £113,152).

Included within amounts owed to group undertakings are loan balances, amounting to £500,000. These amounts are unsecured, repayable in the coming financial year and attract an interest of USD 3 Month Libor + 3% Margin base. The remaining amounts included within amounts owed to group undertakings are unsecured, interest free and repayable on demand.

17. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	52,450,892	-
Net obligations under finance leases and hire purchase contracts	128,998	219,244

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Within one year	1,000,000	48,750,000
Within 2-5 years	53,000,000	-
Less: issue costs	(549,108)	(46,637)
	53,450,892	**48,703,363**

During the year, the brought forward loan balance was refinanced in August 2021, with Standard Chartered Bank and Barclays Bank. The Company entered three facilities under the agreement;

- Facility A which was for £52m towards repaying the brought forward facilities;

- Facility B which is a revolving loan facility of £4m for general corporate purposes, of which £1m has been utilised;

- Facility C which is loan facility of £4m towards capital expenditure, of which £1m has been utilised.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

The interest payable on each facility is 3.4% + a compounded reference rate (the percentage rate per annum which is the aggregate of the Daily Non-Cumulative Compounded RFR Rate for that Business Day).

18. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	**2,860,523**	**296,217**
Financial liabilities		
Derivative financial instruments designed as hedges of variable interest rate risk	-	(123,111)
Financial liabilities measured at amortised cost	(56,940,286)	(50,958,326)
	(56,940,286)	**(51,081,437)**

Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio comprise an interest rate swap.

19. Deferred taxation

	2022 £	2021 £
At beginning of year	7,980,438	7,054,386
Credited/(charged) to the profit or loss	2,925,663	926,052
At end of year	**10,906,101**	**7,980,438**

The deferred tax asset is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	665,512	449,893
Short-term timing differences	44,984	46,061
Tax losses carried forward	10,195,605	7,484,484
	10,906,101	**7,980,438**

A deferred tax asset has been recognised for the anticipated utilisation of tax losses in the future financial years, as the directors believe it is more likely than not that sufficient taxable profits will be generated, once the COVID-19 pandemic is over.

20. Share capital

	2022 £	2021 £
Authorised, allotted, called up and fully paid		
56,527,912 (2021 – 56,527,912) Ordinary shares of £1 each	56,527,912	56,527,912

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

21. Reserves

Share premium account
The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit & loss account
Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

22. Capital commitments

At March 31, 2022 the Company had capital commitments as follows:

	2022 £	2021 £
Contracted for but not provided in these financial statements	162,340	3,066,287

23. Commitments under operating leases

At March 31, 2022 the Company had future minimum lease payments due under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	878,070	878,883
Later than 1 year and not later than 5 years	3,416,642	3,440,725
Later than 5 years	75,791,666	76,641,666
	80,086,378	**80,961,274**

24. Related party transactions

The following entities are related parties of the Company by virtue of being under the control of The Indian Hotels Company Limited.

The Company also charged £64,000 (2021 - £17,000) in respect of rent and £35,289 (2021 – £Nil) in respect of utilities to Taj International Hotels Limited. Taj International Hotels Limited recharged salary and related costs of £58,669 (2021 - £80,950) and sold goods of £157,489 (2021 - £34,410) to the Company.

The Indian Hotels Company Limited charged the Company £139,805 (2021 – £84,925) for expenses it incurred on behalf of the Company, £591,917 (2021 - £100,191) in management fees. The Indian Hotels Company Limited also charged £113,903 (2021 – charged £7,500) in respect of incentive fees. The Company during the year recovered costs of £279,889 (2021 – £272,777) which it incurred on behalf of The Indian Hotels Company Limited. The Company charged £20,250 (2021 – £Nil) as The Chambers membership fees from The Indian Hotels Company Limited.

The Company accepted a short-term loan from IHOCO BV of £447,000 (2021 - £Nil). Against which the Company has incurred an interest expense of £10,279 (2021 – £Nil).

The Company accepted a short-term loan from OHL of £53,000 (2021 – £Nil). Against which the Company has incurred an interest expense of £1,219 (2021 – £Nil).

The Company had the following balances with other related parties:

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

	2022 £	2021 £
Amount due from Taj International Hotels Limited	(12,400)	3,020
Amount due to The Indian Hotels Company Limited	(110,614)	(111,697)
Amount due from The Taj Trade and Transport Limited	1,897	1,897
Amount due to OHL International (HK) Ltd.	54,219	-
Amount due to IHOCO BV	457,279	-

25. Controlling party

The ultimate parent undertaking and the ultimate controlling party is the Indian Hotels Company Limited, incorporated in India. The financial statements of The Indian Hotels Company Limited are available from Mandlik House, Mandlik Road, Mumbai – 400 001, India.

Independent Auditor's Report

To the Shareholders of Good Hope Palace Hotels (Pty) Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Good Hope Palace Hotels (Pty) Ltd** (the company) set out on pages 754 to 787 which comprise the statement of financial position as at 31 March 2022, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Good Hope Palace Hotels (Pty) Ltd as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008 of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Good Hope Palace Hotels (Pty) Ltd financial statements for the year ended 31 March 2022", which includes the Directors' Report as required by the Companies Act 71 of 2008 of South Africa. The other information does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008 of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report (Contd.)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Morar Incorporated has been the auditor of Good Hope Palace Hotels (Pty) Ltd for 1 year.

Morar Incorporated
Roshan Morar CA (SA)
Director
Chartered Accountants (SA)
Registered Auditor

Date: May 3, 2022
Pietermaritzburg

Statement of Financial Position
as at March 31, 2022

	Note(s)	2022 R	2021 R
Assets			
Non-current assets			
Property, plant and equipment	2	260,796,761	268,782,544
Right of use assets	3	5,682,406	8,474,444
Intangible assets	4	128,437	347,426
Deferred tax	5	2,040,112	-
		268,647,716	**277,604,414**
Current Assets			
Inventories	6	21,857,367	21,059,210
Trade and other receivables	7	6,605,774	3,676,956
Cash and cash equivalents	8	3,481,119	3,233,541
		31,944,260	**27,969,707**
Total Assets		**300,591,976**	**305,574,121**
Equity and Liabilities			
Equity			
Share capital	9	317,060,114	299,208,909
Accumulated loss		(714,808,699)	(695,884,563)
		(397,748,585)	**(396,675,654)**
Liabilities			
Non Current Liabilities			
Loans from group companies	10	314,014,855	315,627,446
Loans and other borrowings	11	348,672,470	351,241,748
Lease liabilities	12	2,987,064	6,112,485
		665,674,389	**672,981,679**
Current Liabilities			
Lease liabilities	12	3,125,420	2,898,586
Trade and other payables	13	21,540,752	15,369,510
Bank overdraft	8	8,000,000	11,000,000
		32,666,172	**29,268,096**
Total Liabilities		**698,340,561**	**702,249,775**
Total Equity and Liabilities		**300,591,976**	**305,574,121**

Statement of Profit or Loss and Other Comprehensive Income

for the year ended March 31, 2022

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	Note(s)	2022	2021
Revenue	14	51,062,901	12,701,521
Cost of sales	15	(12,579,832)	(3,415,763)
Gross profit		**38,483,069**	**9,285,758**
Other operating income	16	8,582,860	470,801
Other operating expenses		(61,076,358)	(50,585,586)
Impairment loss on trade receivables		(197,766)	(692,257)
Foreign exchange gain unrealised	14	6,015,957	167,768,984
Foreign exchange loss unrealised		-	(33,807,503)
Foreign exchange gain/(loss) realised		-	9,017,420
Operating (loss) profit	17	**(8,192,238)**	**101,457,617**
Investment income		7,580	66,129
Finance costs	18	(12,779,590)	(20,859,354)
(Loss) profit before taxation		**(20,964,248)**	**80,664,392**
Taxation	19	2,040,112	-
Total comprehensive (loss) income for the year		**(18,924,136)**	**80,664,392**

Statement of Changes in Equity

for the year ended March 31, 2022

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Particulars	Share capital	Accumulated loss	Total equity
Balance at April 1, 2020	**1,000**	**(776,548,955)**	**(776,547,955)**
Profit for the year	-	80,664,392	80,664,392
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**80,664,392**	**80,664,392**
Issue of shares	299,207,909	-	299,207,909
Total contributions by and distributions to owners of company recognised directly in equity	**299,207,909**	**-**	**299,207,909**
Balance at April 1, 2021	**299,208,909**	**(695,884,563)**	**(396,675,654)**
Loss for the year	-	(18,924,136)	(18,924,136)
Other comprehensive income	-	-	-
Total comprehensive Loss for the year	**-**	**(18,924,136)**	**(18,924,136)**
Issue of shares	17,851,205	-	17,851,205
Total contributions by and distributions to owners of company recognised directly in equity	**17,851,205**	**-**	**17,851,205**
Balance at March 31, 2022	**317,060,114**	**(714,808,699)**	**(397,748,585)**
Note(s)	9		

Statement of Cash Flows

for the Year Ended March 31, 2022

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	Note(s)	2022	2021
Cash flows from operating activities			
Cash used in operations	20	863,106	(33,855,093)
Interest received		7,580	66,129
Interest paid		(12,841,831)	(22,012,797)
Net cash from operating activities		**(11,971,145)**	**(55,801,761)**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(2,064,057)	(1,199,556)
Purchase of other intangible assets	4	-	(74,310)
Net cash from investing activities		**(2,064,057)**	**(1,273,866)**
Cash flows from financing activities			
Proceeds on share issue	9	17,851,205	299,207,909
Net movement of borrowings		3,000,000	(240,240,000)
Payment on lease liabilities		(3,568,425)	(3,850,759)
Net cash from financing activities		**17,282,780**	**55,117,150**
Total cash movement for the year		**3,247,578**	**(1,958,477)**
Cash at the beginning of the year		(7,766,459)	(5,807,982)
Total cash at end of the year	**8**	**(4,518,881)**	**(7,766,459)**

Notes to Financial Statements

for the year ended March 31, 2022

1. Significant Accounting Policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of Preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act 71 of 2008 of South Africa, as amended.

These accounting policies are consistent with the previous period.

1.2 Significant Judgements and Sources of Estimation Uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical Judgements in Applying Accounting Policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key Sources of Estimation Uncertainty

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 the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Impairment Testing

The Company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Useful Lives of Property, Plant and Equipment

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on company replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters.

1.3 Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Upon initial recognition assets are recognised at cost. Subsequent to initial recognition the asset is accounted for in accordance with the accounting policy applicable to that asset.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Installation and other costs, which comprise materials and direct labour costs necessarily incurred in order to acquire property, plant and equipment and capitalised borrowing costs, are also included in cost.

When parts of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses on the disposal of property, plant and equipment, comprising the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss.

The assets' residual values, if not insignificant, and useful lives are reviewed and adjusted if appropriate, at each reporting date.

Property, plant and equipment are depreciated on the straight line basis over their expected useful live to their estimated residual value.

Subsequent costs

Subsequent expenditure relating to an item of property, plant and equipment is capitalised when it is probable that future economic benefits embodied with the item will flow to the Company and its cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	65 years
Plant and machinery	Straight line	12 20 years
Furniture and fixtures	Straight line	6 years
Office furniture and equipment	Straight line	6 years
Hotel operating equipment	Straight line	2 3 years
IT equipment	Straight line	4 years
Artwork	Straight line	20 years
Audio and video	Straight line	6 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the Company holds for rentals to others and subsequently routinely sells as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available for sale. These assets are not accounted for as non current assets held for sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

1.4 Intangible Assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software, other	Straight line	6 years

1.5 Financial Instruments

Financial instruments held by the Company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Note 23 Financial instruments and risk management presents the financial instruments held by the Company based on their specific classifications.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Company are presented below:

Trade and Other Receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 7).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Company's business model is to collect the contractual cash flows on trade and other receivables.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Recognition and Measurement
Trade and other receivables are recognised when the Company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment
The Company recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The Company measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and Recognition of Expected Credit Losses
The Company makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 7.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance (note 7).

Write off Policy
The Company writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit Risk
Details of credit risk are included in the trade and other receivables note (note 7) and the financial instruments and risk management note (note 23).

Borrowings and Loans from Related Parties
Classification
Loans from group companies (note 5), and borrowings (note 11) are classified as financial liabilities subsequently measured at amortised cost.

Recognition and Measurement

Borrowings and loans from related parties are recognised when the Company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised 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 amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 18.)

Borrowings expose the Company to liquidity risk and interest rate risk. Refer to note 23 for details of risk exposure and management thereof.

Trade and Other Payables

Classification

Trade and other payables (note 13), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and Measurement

They are recognised when the Company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised 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 amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 18).

Trade and other payables expose the Company to liquidity risk and possibly to interest rate risk. Refer to note 23 for details of risk exposure and management thereof.

Cash and Cash Equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Derecognition

Financial Assets

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

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.6 Tax

Current Tax Assets and Liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax Assets and Liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused STC credits can be utilised.

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

Tax Expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.7 Leases

The Company assesses whether a contract is, or contains a lease, at the inception of the contract.

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. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Company as Lessee

A lease liability and corresponding right of use asset are recognised at the lease commencement date, for all lease agreements for which the Company is a lessee, except for short term leases of 12 months or less, or leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense (note 17) on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand alone prices of the lease components and the aggregate stand alone price of the non lease components (where non lease components exist).

However, as an exception to the preceding paragraph, the Company has elected not to separate the non lease components for leases of land and buildings.

Details of leasing arrangements where the Company is a lessee are presented in note 12 Leases (company as lessee).

Lease Liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right of use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 12).

The lease liability is presented as a separate line item on the Statement of Financial Position.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 18).

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right of use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the Company will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recognised in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Right of use Assets

Right of use assets are presented as a separate line item on the Statement of Financial Position.

Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the Company incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right of use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Company expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right of use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right of use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.8 Inventories

Inventories are measured at the lower of cost and net realisable value on the first in first out basis.

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

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write down or loss occurs. The amount of any reversal of any write down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.9 Share Capital and Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised as no par value and classified as 'share capital' in equity. Dividends are recognised as a liability in the Company in which they are declared.

1.10 Employee Benefits

Short term Employee Benefits

The cost of short term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

1.11 Provisions and Contingencies

Provisions are recognised when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Provisions are not recognised for future operating losses.

1.12 Revenue

Revenue from contracts with customers

Revenue is income arising in the course of an entity's ordinary activities.

A contract with a customer is recognised when all of the following criteria are met:

- the contract has been approved and all parties to the contract are committed to performing their respective obligations;
- each party's rights regarding the goods or services to be transferred are identifiable;
- payment terms for the goods or services to be transferred are identifiable;
- the contract has commercial substance; and
- it is probable that the consideration in exchange for the goods or services that will be transferred will be collected.

At the inception of a contract, the goods or services promised in the contract are assessed and a performance obligation is identified for each promise to transfer to the customer either:

- a good or service that is distinct; or
- a series of distinct goods or services that are substantially the same and that have the same pattern of transfer.

Sale of goods

Revenue is recognised on a contract by contract basis.

The performance obligation of the entity is the delivery of goods to the customer. The entity's revenue is derived from selling goods. Revenue recognition is deferred to the point when control transfers to the customer.

There is no variable consideration and is therefore not part of the contract.

Rendering of services

Revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring services to a customer. Revenue is recognised on a contract by contract basis.

The performance obligation of the entity is the delivery of services to the customer. The entity's revenue is derived from providing accommodation and other services. Revenue recognition occurs when the performance obligation to the customer is satisfied.

1.13 Finance Income and Finance Costs

The Company's finance income and finance costs include:

- interest income;
- interest expense, and
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised using the effective interest method.

The "effective interest rate" is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or

- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset when the asset is not credit impaired or to the amortised cost of the liability. However, the financial assets that have become credit-impaired subsequent to the inital recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

1.14 Translation of Foreign Currencies

Foreign Currency Transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented with finance costs.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 2 : Property, Plant and Equipment

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	March 31, 2022			March 31, 2021		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land	24,738,306	-	24,738,306	24,738,306	-	24,738,306
Buildings	280,097,279	(76,708,565)	203,388,714	280,097,279	(73,134,162)	206,963,117
Plant and machinery	80,075,842	(53,874,532)	26,201,310	79,199,653	(48,610,152)	30,589,501
Furniture and fixtures	38,052,625	(34,089,452)	3,963,173	36,580,928	(33,135,050)	3,445,878
Office furniture and equipment	1,059,069	(1,054,180)	4,889	1,059,069	(1,047,787)	11,282
Hotel operating equipment	10,264,387	(9,634,081)	630,306	10,489,210	(9,364,075)	1,125,135
IT equipment	4,566,570	(4,268,014)	298,556	4,468,806	(4,046,391)	422,415
Artwork	3,208,898	(1,942,936)	1,265,962	3,208,898	(1,782,491)	1,426,407
Audio and video	7,835,774	(7,530,229)	305,545	7,543,244	(7,489,683)	53,561
Capital work in progress	-	-	-	6,942	-	6,942
Total	**449,898,750**	**(189,101,989)**	**260,796,761**	**447,392,335**	**(178,609,791)**	**268,782,544**

Reconciliation of property, plant and equipment 2022

	Opening balance	Additions	Transfers	Depreciation	Total
Land	24,738,306	-	-	-	24,738,306
Buildings	206,963,117	-	-	(3,574,403)	203,388,714
Plant and machinery	30,589,501	-	512	(4,388,703)	26,201,310
Furniture and fixtures	3,445,878	1,471,697	-	(954,402)	3,963,173
Office furniture and equipment	11,282	-	-	(6,393)	4,889
Hotel operating equipment	1,125,135	80,897	(305,720)	(270,006)	630,306
IT equipment	422,415	97,764	-	(221,623)	298,556
Artwork	1,426,407	-	-	(160,445)	1,265,962
Audio and video	53,561	292,529	-	(40,545)	305,545
Capital work in progress	6,942	-	(6,942)	-	-
	268,782,544	**1,942,887**	**(312,150)**	**(9,616,520)**	**260,796,761**

Reconciliation of property, plant and equipment 2021

	Opening balance	Additions	Disposals	Depreciation	Total
Land	24,738,306	-	-	-	24,738,306
Buildings	210,537,518	-	-	(3,574,401)	206,963,117
Plant and machinery	35,098,228	28,855	-	(4,537,582)	30,589,501
Furniture and fixtures	3,855,097	585,236	-	(994,455)	3,445,878
Office furniture and equipment	19,619	-	-	(8,337)	11,282
Hotel operating equipment	1,019,072	499,661	-	(393,598)	1,125,135
IT equipment	602,024	85,804	-	(265,413)	422,415
Artwork	1,586,852	-	-	(160,445)	1,426,407
Audio and video	98,634	-	-	(45,073)	53,561
Capital work in progress	656,590	-	(649,648)	-	6,942
	278,211,940	**1,199,556**	**(649,648)**	**(9,979,304)**	**268,782,544**

The land relates to Interest of section 150 (previously section 100) in Erf 169470 registered in the township of Cape Town with Title Deed Number ST8233/2013 forming part of a sectional title scheme known long term as “Taj Cape Town” with Sectional Plan Number D235/2012. The property, plant and equipment are held as security for the loan. See note 10.

Registers with details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered office of the Company.

Note 3 : Right of Use Assets

	2022			2021		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
CCTV Cameras	-	-	-	876,189	(750,213)	125,976
Leasehold building	13,123,286	(7,440,880)	5,682,406	13,123,286	(4,774,818)	8,348,468
Total	**13,123,286**	**(7,440,880)**	**5,682,406**	**13,999,475**	**(5,525,031)**	**8,474,444**

Reconciliation of right of use assets 2022

	Opening balance	Transfers	Depreciation	Total
CCTV Cameras	125,976	(512)	(125,464)	-
Leasehold building	8,348,468	-	(2,666,062)	5,682,406
	8,474,444	**(512)**	**(2,791,526)**	**5,682,406**

Reconciliation of right of use assets 2021

	Opening balance	Depreciation	Total
CCTV Cameras	503,903	(377,927)	125,976
Leasehold building	11,014,532	(2,666,064)	8,348,468
	11,518,435	**(3,043,991)**	**8,474,444**

The Company has two leases, as detailed below:

- One of the leases is for a portion of a floor in the adjacent building, as well as 10 specifically identifiable parking pays for the exclusive use of the Company. The lease expires in January 2024, and the Company does not intend to extend the lease by the renewal period.

- The other lease is for CCTV cameras. The lease expired in July 2021, and ownership of the CCTV cameras has transferred to the Company and as such the right of use asset in relation to this lease has been transferred to property, plant and equipment in the current year.

Note 4 : Intangible Assets

	2022			2021		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	3,615,893	(3,487,456)	128,437	3,615,893	(3,268,467)	347,426

Reconciliation of intangible assets 2022

	Opening balance	Amortisation	Total
Computer software	**347,426**	**(218,989)**	**128,437**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Reconciliation of right of use assets 2021

	Opening balance	Additions	Amortisation	Total
Computer software	570,630	74,310	(297,514)	347,426

Note 5 : Deferred Tax

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	March 31, 2022	March 31, 2021
Deferred tax liability		
Prepaid expenses	(72,218)	-
Lease	(27,921)	-
Total deferred tax liability	**(100,139)**	**-**
Deferred tax asset		
Provisions	184,375	-
Bad debt provision	544,036	-
Income received in advance	1,411,840	-
Deferred tax balance from temporary differences other than unused tax losses	**2,140,251**	**-**
Total deferred tax asset	**2,140,251**	**-**
The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:		
Deferred tax liability	(100,139)	-
Deferred tax asset	2,140,251	-
Total net deferred tax asset	**2,040,112**	**-**
Reconciliation of deferred tax asset / (liability)		
Taxable / (deductible) temporary difference on Income received in advance	1,411,840	-
Taxable / (deductible) temporary difference on prepaid expenses	(27,921)	-
Taxable / (deductible) temporary difference on lease	(72,218)	-
Taxable / (deductible) temporary difference on provisions	184,375	-
Taxable / (deductible) temporary difference on doubtful debt provision	544,036	-
	2,040,112	**-**

Note 6 : Inventories

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	March 31, 2022	March 31, 2021
Food and beverage	3,078,589	1,445,124
Other supplies	1,721,877	2,402,385
Health Center supplies	996,947	1,151,747
Apartments held for sale	16,059,954	16,059,954
	21,857,367	**21,059,210**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 7 : Trade and Other Receivables

	March 31, 2022	March 31, 2021
		R
Financial instruments:		
Trade receivables	5,117,118	3,176,844
Loss allowance	(2,590,648)	(2,392,882)
Trade receivables at amortised cost	**2,526,470**	**783,962**
Other receivables	3,663,326	2,660,991
IHMS Hotels (SA) Proprietary Limited	25,000	-
Non-financial instruments:		
Prepayments	390,978	232,003
Total trade and other receivables	**6,605,774**	**3,676,956**
Financial Instrument and Non-Financial Instrument Components of Trade and Other Receivables		
Financial instruments at amortised cost	6,214,796	3,370,360
Non-financial instruments	390,978	232,003
	6,605,774	**3,602,363**

Exposure to credit risk

Trade receivables inherently expose the Company to credit risk, being the risk that the Company will incur financial loss if customers fail to make payments as they fall due.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The Company measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

The Company's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

	2022	2022	2021	2021
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Less than 30 days past due: 28% (2021: 0%)	951,772	-	510,441	-
31 - 60 days past due: 10% (2021: 0%)	560,579	-	136,444	-
61 - 90 days past due: 62% (2021: 94%)	5,093,443	(2,590,648)	2,529,959	(2,392,882)
Total	**6,605,794**	**(2,590,648)**	**3,176,844**	**(2,392,882)**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 8 : Cash and Cash Equivalents

R

		March 31, 2022	March 31, 2021
Cash and cash equivalents consist of:			
Cash on hand		25,348	41,291
Bank balances		3,425,588	3,176,273
Petty cash		30,183	15,977
Bank overdraft		(8,000,000)	(11,000,000)
		(4,518,881)	**(7,766,459)**
Current assets		3,481,119	3,233,541
Current liabilities		(8,000,000)	(11,000,000)
		(4,518,881)	**(7,766,459)**
Revolving credit facility details			
Beneficiary	Good Hope Palace Hotels (Pty) Ltd		
Facility type	Revolving Term Facility Loan		
Bank approval facility amount	R11 000 000		
Actual drawdown amount	R 8 000 000		
SCB indicated interest rate	All in rate 10.50%		

Note 9 : Share Capital

R

	March 31, 2022	March 31, 2021
Authorised		
500 000 000 Ordinary shares of no par value	500,000,000	500,000,000
Reconciliation of number of shares issued:		
Reported as at April 1, 2021	299,208,909	1,000
Issue of shares – ordinary shares	17,851,205	299,207,909
	317,060,114	**299,208,909**
Issued		
Ordinary shares of no par value	**317,060,114**	**299,208,909**

During the year the Company issued ordinary shares of 17,851,205 of no par value to IHOCO BV.

During last year as per restructuring agreement the loan of $ 18.35 million equivalent to R 277,085,000 have been converted into equity shares of 277,085,000 of the Company, issued to IHOCO B.V. The R loan of R 22 122 909 from IHOCO B.V. to IHMS Hotels (SA) (Pty) Ltd delegated to Good Hope Palace Hotels (Pty) Ltd and adjusted against loan account. The said delegated loan was capitalized. As a result, the total number of shares increased from 1000 to 299,208,909 as on the balance sheet date. With this restructuring process Good Hope Palace Hotels (Pty) Ltd becomes wholly owned subsidiary of IHOCO BV.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 10 : Loans from Group Companies

		R
	March 31, 2022	March 31, 2021
IHMS Hotels (SA) Proprietary Limited	(163,468,610)	(163,468,610)
The loan is unsecured, interest free and the shareholder has undertaken to provide ongoing financial support.		
Taj International Hotels (H.K.) Limited	(150,546,245)	(152,158,836)
The loan is unsecured, interest free and denominated in US$ 8 778 047.02 and ZAR22 122 910. The maturity of the loan is April 1, 2024.		
	(314,014,855)	**(315,627,446)**
Roll forward of loan from group companies: IHMS Hotels (SA) Proprietary Limited		
Opening balance	(163,468,610)	(193,061,665)
Adjustment for current account dues	-	7,470,145
Loan capitalised	-	22,122,910
	(163,468,610)	**(163,468,610)**
Roll forward of loans from group companies: Taj International (H.K.) Limited		
Opening balance	(152,158,836)	(178,775,688)
Foreign exchange gain	1,612,591	26,616,852
	(150,546,245)	**(152,158,836)**

Note 11 : Loans and Other Borrowings

		R
	March 31, 2022	March 31, 2021
Held at amortised cost		
Standard Chartered Bank	351,121,387	355,530,364
The amount outstanding is US$ 24 000 000. Interest is calculated half yearly. The loan repayment is due on July 31, 2023.		
Interest is charged at 6 months USD LIBOR plus 2.25% per annum.		
Refer to note 2 for the detail on security held for the Standard Chartered Bank loan.		
Debt raising fee	(2,448,917)	(4,288,616)
	348,672,470	**351,241,748**
Split between non current and current portions		
Non current liabilities	348,672,470	351,241,748
Roll forward of loans from bank		
Opening balance	355,530,364	678,146,920
Repayment	-	(240,240,000)
Exchange gain	(4,408,977)	(82,376,556)
	351,121,387	**355,530,364**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 12 : Lease Liabilities
Refer to note 3 for a description of the lease held and the associated right of use asset.

R

	March 31, 2022	March 31, 2021
Lease liabilities		
The maturity analysis of lease liabilities is as follows:		
Within one year	3,125,420	2,898,586
One to two years	2,987,064	3,125,420
Two to three years	-	2,987,065
	6,112,484	**9,011,071**
Non-current liabilities	2,987,064	6,112,485
Current liabilities	3,125,420	2,898,586
	6,112,484	**9,011,071**
Roll forward of lease liabilities		
Opening balance	9,011,071	11,879,620
Repayments	(3,568,425)	(3,850,759)
Interest	669,838	982,210
	6,112,484	**9,011,071**

It is company policy to lease certain buildings.

The average lease term is 10 years and the average effective borrowing rate is 9.25% (2021: 9.25%).

Note 13 : Trade and Other Payables

R

	March 31, 2022	March 31, 2021
Financial instruments:		
Trade payables	12,213,155	7,267,042
Accrued expenses	2,692,061	3,012,023
Interest accrued but not yet due	1,593,251	1,669,296
Non-financial instruments:		
Amounts received in advance	5,042,285	3,421,149
	21,540,752	**15,369,510**
Financial instrument and non financial instrument components of trade and other payables		
At amortised cost	16,498,467	11,948,361
Non-financial instruments	5,042,285	3,421,149
	21,540,752	**15,369,510**

Trade and other payables classified as financial liabilities are measured at amortised cost and their carrying amount approximates their fair value. The average credit period is 30 days. No interest is charged on trade payables for the first 30 days from the date of the invoice. The Company has financial risk management in place to ensure that all payables are paid within the credit timeframe.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 14 : Revenue

	March 31, 2022	March 31, 2021
		R
Rendering of services over time	39,393,203	9,531,109
Sale of goods at a point in time	11,669,698	3,170,612
	51,062,901	**12,701,721**
Disaggregation of revenue from contracts with customers		
The Company disaggregates revenue from customers as follows:		
Revenue split		
Room income	34,780,334	7,859,160
Banqueting room hire	469,405	65,039
Banqueting equipment hire	273,397	110,236
Health club	3,383,017	1,314,406
Guest dry cleaning / Laundry	189,300	72,108
Transport	227,684	25,498
Other income	70,065	84,662
Food and beverage income	11,669,699	3,170,612
Total revenue from contracts with customers in South Africa	**51,062,901**	**12,701,721**
Foreign exchange gain unrealised		
Foreign exchange gain	6,015,957	167,768,984

Note 15 : Cost of Sales

	March 31, 2022	March 31, 2021
		R
Sale of food	4,398,911	1,517,705
Sale of beverages	627,582	352,762
Other	7,553,339	1,545,296
	12,579,832	**3,415,763**

Note 16 : Other Operating Income

	March 31, 2022	March 31, 2021
		R
Commissions received on forex	8,279	-
Parking	644,862	470,801
Insurance claim	7,929,719	-
	8,582,860	**470,801**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 17 : Operating Profit (loss)

Operating (loss) profit for the year is stated after charging (crediting) the following, amongst others:

R

	March 31, 2022	March 31, 2021
Auditor's remuneration - external		
Audit fees	181,000	181,000
Employee costs		
Salaries, wages, bonuses and other benefits	24,794,757	18,798,291
Depreciation and amortisation		
Depreciation of right of use assets	2,791,525	3,043,991
Depreciation of property, plant and equipment	9,616,520	9,979,304
Amortisation of intangible assets	218,989	297,514
Total depreciation and amortisation	**12,627,034**	**13,320,809**
Other		
Other operating costs	3,827,305	2,727,431
Repairs and maintenance	2,660,755	2,111,069
Advertising and publicity	1,502,356	2,004,622
Travel agent commission	2,158,242	1,081,924
Credit card commission	765,432	195,112
Insurance	741,306	958,191
Municipal taxes	2,629,483	2,073,078
Professional fees	1,800,567	1,161,126
Power and fuel	6,479,119	5,415,716
Printing and stationery	361,137	325,609
TV channel subscription	547,863	231,607
	23,473,565	**18,285,485**

Note 18 : Finance Costs

R

	March 31, 2022	March 31, 2021
Lease liabilities	669,838	982,210
Interest on third party borrowings	12,109,752	19,877,144
Total finance costs	**12,779,590**	**20,859,354**

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 19 : Taxation

		R
	March 31, 2022	March 31, 2021
Major components of the tax income		
Deferred		
Income received in advance	(1,411,840)	-
Prepaid expenses	72,218	-
Lease	27,921	-
Provisions	(184,375)	-
Bad debt provision	(544,036)	-
	(2,040,112)	**-**
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting loss	(20,964,248)	80,664,392
Tax at the applicable tax rate of 28% (2021: 28%)	(5,869,989)	22,586,030
Tax effect of adjustments on taxable income		
Donations	787	-
Interest and penalties in respect of taxes	121,157	-
Tax losses carried forward	-	(22,586,030)
Effect of tax loss brought forward	3,707,933	-
	(2,040,112)	**-**

No provision has been made for 2022 tax as the Company has no taxable income. The estimated tax loss available for set off against future taxable income is R730 868 485 (2021: R717,625,863).

Note 20 : Cash Generated from/(used in) Operations

		R
	March 31, 2022	March 31, 2021
Loss before taxation	(20,964,248)	80,664,392
Adjustments for:		
Depreciation and amortisation	12,627,034	13,320,809
Gains on foreign exchange	(6,015,957)	-
Unrealised foreign exchange (gain)	-	(167,768,984)
Unrealised foreign exchange loss	-	33,807,503
Interest income	(7,580)	(66,129)
Finance costs	12,779,590	20,859,354
Changes in working capital:		
Inventories	(798,157)	(81,988)
Trade and other receivables	(2,928,818)	9,389,027
Trade and other payables	6,171,242	(23,979,077)
	863,106	**(33,855,093)**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 21 : Related Parties

Relationships	
Holding company	IHOCO B.V.
Ultimate holding company	The Indian Hotels Company Limited (IHCL)
Fellow subsidiaries	Taj International Hotels (H.K.) Limited
	IHMS Hotels (SA) Proprietary Limited
Directors	Nagarajan Chandrasekhar
	Puneet Chhatwal
	Mark James Wernich
	J.J. Oldenburger
	R H Parekh (Resigned June 7, 2021)

Related party balances

R

	March 31, 2022	March 31, 2021
Amounts owing to related parties		
Taj International Hotels (H.K.) Limited	150,546,245	152,158,836
IHMS Hotels (SA) Proprietary Limited	163,468,610	163,468,610
The Indian Hotels Company Limited	8,881	12,146
Amounts receivable from related parties		
Transactions with IHMS Hotels (SA) Proprietary Limited	25,000	662,126
Receipt of loan financing	17,851,205	277,085,000
IHOCO B.V. (Converted into Equity)	-	22,122,909
Loan from Ihoco Bv to IHMS delegated to GHPH and adjusted against Loan (Converted to Equity)		
Transactions with IHCL during the year	125,375	561,471

Note 22 : Directors' Emoluments
Executive

2022

Services as Director	Emoluments	Bonus	Total
Nagarajan Chandrasekhar*	-	-	-
Puneet Chhatwal*	-	-	-
R.H. Parekh*	-	-	-
Mark James Wernich	1,986,153	-	1,986,153
J.J. Oldenburger	1,068,112	-	1,068,112
	3,054,265	**-**	**3,054,265**

2021

Services as Director	Emoluments	Bonus	Total
Nagarajan Chandrasekhar*	-	-	-
R H Parekh*	-	-	-
Puneet Chhatwal*	-	-	-
Mark James Wernich	1,723,223	210,924	1,934,147
J.J. Oldenburger	866,604	156,159	1,022,763
	2,589,827	**367,083**	**2,956,910**

Director - South African

2022

Services as Director	Emoluments	Bonus	Total
Mark James Wernich	1,986,153	-	1,986,153

2021

Services as Director	Emoluments	Bonus	Total
Mark James Wernich	1,723,223	210,924	1,934,147

* directors did not receive any remuneration from Good Hope Palace Hotels (Pty) Ltd for being a director, they are being paid a nil directors remuneration for services performed for this entity. These directors are remunerated at the parent level and none of their remuneration can be apportioned for this entity.

Note 23 : Financial Instruments and Risk Management

Categories of Financial Instruments

Categories of Financial Assets

2022

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	7	6,214,796	6,214,796	-
Cash and cash equivalents	8	3,481,119	3,481,119	-
		9,695,915	**9,695,915**	**-**

2021

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	7	3,444,953	3,444,953	-
Cash and cash equivalents	8	3,370,360	3,370,360	-
		6,815,313	**6,815,313**	**-**

Categories of Financial Assets

2022

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	13	16,498,467	16,498,467	-
Loans from group companies	10	314,014,855	314,014,855	-
Borrowings	11	348,672,470	348,672,470	-
Finance lease obligations	12	6,112,484	6,112,484	-
Bank overdraft	8	8,000,000	8,000,000	-
		693,298,276	**693,298,276**	**-**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

2021

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	13	11,948,361	11,948,361	-
Loans from group companies	10	315,627,446	315,627,446	-
Borrowings	11	351,241,748	351,241,748	-
Finance lease obligations	12	9,011,071	9,011,071	-
Bank overdraft	8	11,000,000	11,000,000	-
		698,828,626	**698,828,626**	**-**

Pre tax gains and losses on financial instruments
Gains and losses on financial assets
2022

	Note(s)	Amortised cost	Total
Recognised in profit or loss:			
Interest income		7,580	7,580

2021

	Note(s)	Amortised cost	Total
Recognised in profit or loss:			
Interest income		66,129	66,129

Gains and losses on Financial Liabilities
2022

	Note(s)	Amortised cost	Leases	Total
Recognised in profit or loss:				
Finance costs	18	(12,109,752)	(669,838)	(12,779,590)
Gains (losses) on foreign exchange		6,015,613	-	6,015,613
Net gains (losses)		**(6,094,139)**	**(669,838)**	**(6,763,977)**

2021

	Note(s)	Amortised cost	Leases	Total
Recognised in profit or loss:				
Finance costs	18	(19,877,144)	(982,210)	(20,859,354)
Gains (losses) on foreign exchange		142,978,902	-	142,978,902
Net gains (losses)		**123,101,758**	**(982,210)**	**122,119,548**

Capital Risk Management
The Company's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Company's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The Company manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the Company may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

The capital structure and gearing ratio of the Company at the reporting date was as follows:

	Note	March 31, 2022 R	March 31, 2021 R
Loans from group companies	10	314,014,855	315,627,446
Borrowings	11	348,672,470	351,241,748
Lease liabilities		6,112,484	9,011,071
Trade and other payables	13	21,540,752	15,369,510
Total borrowings		**690,340,561**	**691,249,775**
Bank overdraft	8	8,000,000	11,000,000
Net borrowings		**698,340,561**	**702,249,775**
Equity		(378,824,449)	(477,340,046)
Gearing ratio		(184)%	(147)%

Financial Risk Management

Overview

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing with well-established financial institutions with high credit ratings.

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss. Credit loss allowances are also recognised for loan commitments and financial guarantee contracts.

In order to calculate credit loss allowances, management determine whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12 month expected credit losses. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

Management apply the principle that if a financial asset's credit risk is low at year end, then, by implication, the credit risk has not increased significantly since initial recognition. In all such cases, the loss allowance is based on 12 month expected credit losses. Credit risk is assessed as low if there is a low risk of default (where default is defined as occurring when amounts are 90 days past due). When determining the risk of default, management consider information such as payment history to date, industry in which the customer is employed, period for which the customer has been employed, external credit references etc. In any event, if amounts are 30 days past due, then the credit risk is assumed to have increased significantly

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

since initial recognition. Credit risk is not assessed to be low simply because of the value of collateral associated with a financial instrument. If the instrument would not have a low credit risk in the absence of collateral, then the credit risk is not considered low when taking the collateral into account. Trade receivable and contract assets which do not contain a significant financing component are the exceptions and are discussed below.

Where necessary, the assessment for a significant increase in credit risk is made on a collective basis. Management typically adopt this approach when information relevant to the determination of credit risk is not available on an individual instrument level. Often, the only information available on individual instruments which could indicate an increase in credit risk, is “past due” information. It is typical that more forward-looking information is generally more readily available on a collective basis. Therefore, making the determination on a collective basis, helps to ensure that credit loss allowances are determined on the basis of lifetime expected credit losses before they reach the point of being past due. Forward looking, macro-economic information is applied on a collective basis when it is readily available without undue cost or effort. When loss allowances are determined on a collective basis, management determines the loss allowances by grouping financial instruments on the basis of shared credit risk characteristics.

For trade receivables and contract assets which do not contain a significant financing component, the loss allowance is determined as the lifetime expected credit losses of the instruments. For all other trade receivables, contract assets and lease receivables, IFRS 9 permits the determination of the credit loss allowance by either determining whether there was a significant increase in credit risk since initial recognition or by always making use of lifetime expected credit losses. Management have chosen as an accounting policy, to make use of lifetime expected credit losses. Management does therefore not make the annual assessment of whether the credit risk has increased significantly since initial recognition for trade receivables, contract assets or lease receivables.

The maximum exposure to credit risk is presented in the table below:

		2022			2021		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Trade and other receivables	7	9,196,422	(2,590,648)	6,605,774	5,995,245	(2,392,882)	3,602,363
Cash and cash equivalents	8	3,481,119	-	3,481,119	3,233,541	-	3,233,541
		12,677,541	**(2,590,648)**	**10,086,893**	**9,228,786**	**(2,392,882)**	**6,835,904**

Liquidity Risk

The Company is exposed to liquidity risk, which is the risk that the Company will encounter difficulties in meeting its obligations as they become due.

The Company manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

2022

		Less than 1 year	1 to 2 years	Between 2 and 5 years	Total
Non-current liabilities					
Loans from group companies	10	-	-	314,014,855	314,014,855
Borrowings	11	-	-	348,672,420	348,672,420
Lease liabilities		-	2,987,065	-	2,987,065
Current liabilities					
Trade and other payables		16,498,467	-	-	16,498,467
Lease liabilities		3,125,420	-	-	3,125,420
Bank overdraft	8	8,000,000	-	-	8,000,000
		(27,623,887)	**(2,987,065)**	**(662,687,275)**	**(693,298,227)**

2021

		Less than 1 year	1 to 2 years	Between 2 and 5 years	Total
Non-current liabilities					
Loans from group companies	10	-	-	315,627,446	315,627,446
Borrowings	11	-	-	351,241,748	351,241,748
Lease liabilities		-	3,125,420	2,987,065	6,112,485
Current liabilities					
Trade and other payables	13	11,948,361	-	-	11,948,361
Lease liabilities		2,898,586	-	-	2,898,586
Bank overdraft	8	11,000,000	-	-	11,000,000
		(25,846,947)	**(3,125,420)**	**(669,856,259)**	**(698,828,626)**

Foreign currency risk

Management has set up a policy that requires group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Company treasury. To manage their foreign exchange risk arising from future commercial transactions and recognise assets and liabilities, entities in the Company use forward contracts, transacted with company treasury. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

Exposure in Rand

The net carrying amounts, in Rand, of the various exposures, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amounts at the closing rate at the reporting date:

US Dollar Exposure:

	March 31, 2022	March 31, 2021
Non-current liabilities:		
Standard Chartered Bank	351,121,387	355,530,364
Long term loan, USD 24 000 000 loan (2021: USD 24 000 000)		
Taj International Hotels (H.K.) Limited	128,423,335	130,035,927
Long term loan: USD 8 778 047 (2021: USD 8 778 047)		
Net US Dollar exposure	**479,544,722**	**485,566,291**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Exchange Rates

The following closing exchange rates were applied at reporting date:

	March 31, 2022	March 31, 2021
Rand per unit of foreign currency:		
US Dollar	14.630	14.810

Foreign Currency Sensitivity Analysis

The following information presents the sensitivity of the Company to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

	2022		2021	
Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
US Dollar 10% (2021: 10 %)	47,954,472	(47,954,472)	48,556,629	(48,556,629)

Interest Rate Risk

The Company's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company to interest rate risk. During 2019 and 2018, the Company's borrowings at variable rates were denominated in Dollars.

Interest Rate Profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

	Note	Average effective interest rate		Carrying amount	
		2022	2021	2022	2021
Variable rate instruments:					
Assets					
Cash and cash equivalents	8	0.24%	0.24%	3,481,119	3,233,541
Liabilities					
Borrowings and bank overdraft	11	6.50%	6.50%	349,472,470	362,241,748
Net variable rate financial instruments				**352,953,589**	**365,475,289**

Interest Rate Sensitivity Analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Company

At March 31, 2022, if the interest rate had been 1.000% per annum (2021: 1.000%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been R 3,459,913 (2021: R 3,590,082) lower and R 3,459,913 (2021: R 3,590,082) higher.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

Note 24 : Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the Company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Company.

The Company made a loss of R20 964 248 (2021: profit of R80 664 392). The loss is primarily due to Covid-19 restrictions. Now the restrictions have been lifted and the entity has taken necessary steps to turn it around.

As at March 31, 2022, the Company's total liabilities exceeded its total assets by R397 748 585 (2021: R396 675 654). The Company's current liabilities marginally exceeded its current assets by R721 912 (2021: R1 298 389), primarily on account of conservative cash management relating to creditors falling due within 12 months following the balance sheet date. Management is confident of its ability to generate adequate cash inflows from operations and also utilize funds made from the holding company to meets its obligations.

The holding company has provided letter of support to provide ongoing financial support to the Company for a period of at least 12 months from the date of approval of the financial statements for the captioned year. The holding company has actually providedd necessary funds to the Company during the year.

The term loan facility of US$ 24mn from SCB PLC, is due for repayment by July 31, 2023. The same is going to be repaid early with the support of Ultimate Holding Company.

Accordingly, the financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities will occur in the ordinary course of business.

Note 25 : Events After the Reporting Period

The board is aware of the COVID19 pandemic as well as the country's downgrade to subinvestment grade during the financial year 2021-22 The lockdown has been lifted and the covid related restrictions are also not in place. The business is normalising gradually.There is no immediate concern around going concern. Management has established highlevel task teams that are continually assessing and monitoring developments with regard to the disease and at the time of finalising the report, the board is confident that our responses are adequate and the crisis is being continuously monitored to assess the impact on the Company.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Note 26 : New Standards and Interpretations

26.1 Standards and Interpretations Effective and Adopted in the Current Year
In the current year, the Company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 4	January 1, 2021	The impact of the amendments is not material.
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 7	January 1, 2021	The impact of the amendments is not material.
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9	January 1, 2021	The impact of the amendments is not material.
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 16	January 1, 2021	The impact of the amendments is not material.
• Interest Rate Benchmark Reform - Phase 2: Amendments to IAS 39	January 1, 2021	The impact of the amendments is not material.

26.2 Standards and Interpretations Early Adopted
The Company has chosen to early adopt the following standards and interpretations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	January 1, 2022	The impact of the amendment is not material.
• Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	January 1, 2022	The impact of the amendment is not material.

26.3 Standards and Interpretations not yet Effective
The Company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Company's accounting periods beginning on or after 01 April 2022 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	January 1, 2023	Unlikely there will be a material impact
• Definition of accounting estimates: Amendments to IAS 8	January 1, 2023	Unlikely there will be a material impact
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	January 1, 2023	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	January 1, 2022	Unlikely there will be a material impact
• Reference to the Conceptual Framework: Amendments to IFRS 3	January 1, 2022	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	January 1, 2022	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IAS 41	January 1, 2022	Unlikely there will be a material impact

Independent Auditor's Report

To the Shareholders of IHMS HOTELS (SA) PROPRIETARY LIMITED

Opinion

We have audited the annual financial statements of IHMS Hotels (SA) Proprietary Limited (the company) set out on pages 790 to 802 which comprise the statement of financial position as at 31 March 2022, statement of profit or loss and other comprehensive income, statement of changes in equity for the year ended 31 March 2022 and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of IHMS Hotels (SA) Proprietary Limited as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008 of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "IHMS Hotels (SA) Proprietary Limited annual financial statements for the year ended 31 March 2022", which includes the Directors' Report as required by the Companies Act 71 of 2008 of South Africa. The other information does not include the annual financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008 of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report (Contd.)

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 International Standards on Auditing 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 annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual 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 annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Morar Incorporated has been the auditor of IHMS Hotels (SA) (Pty) Ltd. For 1 year.

Morar Incorporated

Partner
Chartered Accountants (SA)
Registered Auditors

April 25, 2022
Pietermartizburg

Statement of Financial Position

as at March 31, 2022

	Note(s)	2022 R	2021 R
Assets			
Non-current Asset			
Loans to group companies	2	**163,468,610**	**163,468,610**
Current Assets			
Trade and other receivables		1	-
Cash and cash equivalents		-	6,840
		1	**6,840**
Total Assets		**163,468,611**	**163,475,450**
Equity and Liabilities			
Equity			
Share capital	3	173,479,916	173,479,916
Accumulated loss		(10,036,694)	(10,004,466)
		163,443,222	**163,475,450**
Liabilities			
Current Liabilities			
Trade and other payables	4	25,180	-
Bank overdraft		209	-
		25,389	**-**
Total Equity and Liabilities		**163,468,611**	**163,475,450**

Statement of Profit or Loss and Other Comprehensive Income

for the year ended March 31, 2022

	Note(s)	2022	2021
			R
Bank charges		(32,228)	(663,125)
Total comprehensive loss for the year		**(32,228)**	**(663,125)**

Statement of Changes in Equity

for the year ended March 31, 2022

	Share capital	Accumulated loss	Total equity
			R
Balance at April 1, 2020	173,479,916	(9,341,341)	164,138,575
Loss for the year	-	(663,125)	(663,125)
Other comprehensive income	-	-	-
Total comprehensive Loss for the year	**-**	**(663,125)**	**(663,125)**
Balance at April 1, 2021	**173,479,916**	**(10,004,466)**	**163,475,450**
Loss for the year	-	(32,228)	(32,228)
Other comprehensive income	-	-	-
Total comprehensive Loss for the year	**-**	**(32,228)**	**(32,228)**
Balance at March 31, 2022	**173,479,916**	**(10,036,694)**	**163,443,222**
Note(s)	3		

Statement of Cash Flows

for the year ended March 31, 2022

	Note(s)	2022	R 2021
Cash flows from operating activities			
Cash used in operations	7	(7,049)	(7,464,072)
Cash flows from investing activities			
Sale of investment		-	999
Net cash from investing activities		**-**	**999**
Cash flows from financing activities			
Current account dues payable to GHPH adjusted against loan account		-	7,470,146
Net cash from financing activities		**-**	**7,470,146**
Total cash movement for the year		(7,049)	7,073
Cash at the beginning of the year		6,840	(233)
Total cash at end of the year		**(209)**	**6,840**

Accounting Policies

for the year ended March 31, 2022

1. Significant Accounting Policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of Preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act 71 of 2008 of South Africa, as amended.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is the Company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Significant Judgements and Sources of Estimation Uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical Judgements in Applying Accounting Policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key Sources of Estimation Uncertainty

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 the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

1.3 Financial Instruments

Initial Recognition and Measurement

Financial instruments held by the Company are classified in accordance with the provisions of IFRS 9 Financial Instruments. The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Company are presented below:

Loans to Group Company

Classification

Loans to group companies are with entities within the group. There is no expected loss relating to the loan to group companies..

Accounting Policies (Contd.)
for the year ended March 31, 2022

Loan from Group Company
Recognition and Measurement
Loans from group company are recognised when the Company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised 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 amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance charges. Loan from group company expose the Company details of risk exposure and to liquidity and interest rate risk.

Trade and Other Payables
Classification
Trade and other payables (note 4), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and Measurement
They are recognised when the Company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised 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 amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note).

Trade and other payables expose the Company to liquidity risk and possibly to interest rate risk. Refer to note 10 for details of risk exposure and management thereof.

Cash and Cash Equivalents
Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Derecognition
Financial Assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another 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 recognises 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 recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.4 Tax

Current Tax Assets and Liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax Assets and Liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused STC credits can be utilised.

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

Tax Expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Accounting Policies (Contd.)

for the year ended March 31, 2022

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.5 Share Capital and Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the Company in which they are declared.

1.6 Finance Income and Expenses

Finance income comprises interest income on funds invested, changes in the fair value of financial assets at fair value through profit and or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance expense comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets.

Notes to the Annual Financial Statements (Contd.)
for the year ended March 31, 2022

2. Loans to Group Companies

		R
	2022	**2021**
Good Hope Palace Hotels Proprietary Limited	163,468,610	163,468,609
The loan is unsecured, interest free and will not be called for repayment in the foreseeable future.		
Split between non current and current portions		
Non current assets	163,468,610	163,468,610

3. Share Capital

		R
	2022	**2021**
Authorised		
250 000 000 Ordinary shares of no par value	250,000,000	250,000,000
Reconciliation of number of shares issued:		
Reported as at April 1, 2021	173,479,916	173,479,916
Issued		
Ordinary 173 479 916 shares of no par value	173,479,916	173,479,916

4. Trade and Other Payables

		R
	2022	**2021**
Trade payables	**25,180**	-
No interest has been charged on trade payables.		

5. Operating Profit (loss)

Operating loss for the year is stated after charging (crediting) the following, amongst others:

		R
	2022	**2021**
Other		
Professional fees	-	649,554
Other admin	32,228	12,572
Loss on disposal of investment	-	999

6. Taxation

Major Components of the Tax Expense

No provision has been made for 2022 tax as the Company has no taxable income. The Company does not intend to recover any assessed loss in future as the entity is an investment holding company. The Company has an accumulated assessed loss brought forward of R700 359 (2021: R668 131).

No deferred tax asset has been recognized on estimated accumulated tax losses as the Company has been incurring losses in previous years and the likelihood of recovering the assessed loss is remote.

Notes to the Annual Financial Statements (Contd.)
for the year ended March 31, 2022

7. Cash Used in Operations

	2022	R 2021
Loss before taxation	(32,228)	(663,125)
Changes in working capital:		
Trade and other payables	25,179	(6,800,947)
	(7,049)	**(7,464,072)**

8. Related Parties

Relationships	
Holding Company	IHOCO BV
Ultimate holding company	The Indian Hotels Company Limited
Fellow Subsidiary	Tata Africa Holdings (SA) Proprietary Limited
	Good Hope Palace Hotels Proprietary Limited
Directors	Nagarajan Chandrasekhar
	Puneet Chhatwal
	Mark James Wernich
	J.J. Oldenburger
	R H Parekh (Resigned 7 June 2021)

	2022	R 2021
Related party balances		
Amounts owing by related parties		
Good Hope Palace Hotels Proprietary Limited	163,468,610	163,468,610
Good Hope Palace Hotels Proprietary Limited		
Transactions during the year	-	(662,126)

9. Directors' and Prescribed Officer's Remuneration

Executive

2022	Emoluments	R Total
Nagarajan Chandrasekhar	-	-
Puneet Chhatwal	-	-
Mark James Wernich	-	-
J.J. Oldenburger	-	-
R.H. Parekh	-	-
	-	-

2021	Emoluments	R Total
Nagarajan Chandrasekhar	-	-
Puneet Chhatwal	-	-
Mark James Wernich	-	-
J.J. Oldenburger	-	-
R.H. Parekh	-	-
	-	-

No emolumnets were paid to the directors during this year. These directors are remunerated at the parent level and none of their remuneration can be apportioned for this entity.

Director South African

2022

Directors' Emoluments	Emoluments	Total
Mark James Wernich	-	-

2021

Directors' Emoluments	Emoluments	Total
Mark James Wernich	-	-

Mark James Wenich is remunerated at the subsidiary level and none of his remuneration can be apportioned for this entity.

10. Financial Instruments and Risk Management

Categories of financial instruments

Categories of financial assets

2022	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	2	163,468,610	163,468,610	-
Trade and other receivables		1	1	-
		163,468,611	**163,468,611**	**-**

2021	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	2	163,468,610	163,468,610	-
Cash and cash equivalents		6,840	6,840	-
		163,475,450	**163,475,450**	**-**

Categories of financial liabilities

2022	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	4	25,180	25,180	-
Bank overdraft		209	209	-
		25,389	**25,389**	**-**

Financial Risk Management

Overview

The Company's activities expose it to interest rate risk, credit risk and liquidity risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing with well established financial institutions with high credit ratings.

Notes to the Annual Financial Statements (Contd.)
for the year ended March 31, 2022

The maximum exposure to credit risk is presented in the table below:

	2022	2021
Loan to Group company	163,468,610	163,468,610

Liquidity risk
The Company is exposed to liquidity risk, which is the risk that the Company will encounter difficulties in meeting its obligations as they become due.

The Company manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

The maturity profile of contractual cash flows of non derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

Interest rate risk
Significant exposure to interest rate risk arises from the overdraft facility.

The Company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the company calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies.

A sensitivity analysis was not performed as the exposure at the banks was considered immaterial.

11. Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Company incurred a loss for the year ended March 31, 2022 of R32 228 (2021: R663 125) and as at that date, the Company's total current liabilities exceeded its total current assets by R25 388 (in 2021 the total current assets exceeded the total current liabilities by R6 840).

The directors believe that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the Company. The directors are also not aware of any material non compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Company.

12. Events After the Reporting Period

No other material events or circumstances which require adjustment to, or disclosure in, these financial statements have occurred subsequent to year end and up to the date of signature of the financial statements.

13. New Standards and Interpretations

13.1 Standards and Interpretations Effective and Adopted in the Current Year

In the current year, the Company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Interest Rate Benchmark Reform Phase 2: Amendments to IFRS 4	January 1, 2021	The impact of the amendments is not material.
• Interest Rate Benchmark Reform Phase 2: Amendments to IFRS 7	January 1, 2021	The impact of the amendments is not material.
• Interest Rate Benchmark Reform Phase 2: Amendments to IFRS 9	January 1, 2021	The impact of the amendments is not material.
• Interest Rate Benchmark Reform Phase 2: Amendments to IFRS 16	January 1, 2021	The impact of the amendments is not material.
• Interest Rate Benchmark Reform Phase 2: Amendments to IAS 39	January 1, 2021	The impact of the amendments is not material.
• COVID 19 Related Rent Concessions Amendment to IFRS 16	June 1, 2020	The impact of the amendment is not material.

13.2 Standards and Interpretations not yet Effective

The Company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Company's accounting periods beginning on or after 01 April 2022 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	January 1, 2099	Unlikely there will be a material impact
• Deferred tax related to assets and liabilities arising from a single transaction Amendments to IAS 12	January 1, 2023	Unlikely there will be a material impact
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	January 1, 2023	Unlikely there will be a material impact
• Definition of accounting estimates: Amendments to IAS 8	January 1, 2023	Unlikely there will be a material impact
• Classification of Liabilities as Current or Non Current Amendment to IAS 1	January 1, 2023	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018 2020: Amendments to IFRS 1	January 1, 2022	Unlikely there will be a material impact
• Reference to the Conceptual Framework: Amendments to IFRS 3	January 1, 2022	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018 2020: Amendments to IFRS 9	January 1, 2022	Unlikely there will be a material impact
• Onerous Contracts Cost of Fulfilling a Contract: Amendments to IAS 37	January 1, 2022	Unlikely there will be a material impact

Independent Auditor's Report

Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at March 31, 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Taj International Hotels Limited ("the Company") for the year ended March 31, 2022 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusion Relating to Going Concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report (Contd.)

Other Companies Act 2006 Reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to Which the Audit was Capable of Detecting Irregularities, including Fraud

Irregularities, including fraud, are instances of non compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Independent Auditor’s Report (Contd.)

- obtaining an understanding of the legal and regulatory frameworks that are applicable to the Company. These include, but are not limited to, compliance with the Companies Act, United Kingdom Generally Accepted Accounting Practice and tax legislation.
- making enquiries of management and of the Company policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non compliance with laws and regulations.
- reviewing minutes of the Board of Directors in order to identify any instances of fraud or non compliance with laws and regulations.
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur in the financial statements and any potential indicators of fraud. We identified potential for fraud in the following areas and performed the following procedures:
  - management override of controls: we evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates and judgements. Audit procedures performed included:
  - challenging assumptions made by management in their significant accounting estimates in particular in relation to discount rates used for the impairment assessment of fixed assets;
  - identifying and testing journal entries, in particular any journal entries to revenue which are not in line with expectations and reviewing journal entries for journals inconsistent with the usual transactions of the Company.
  - revenue recognition: application of cut off and existence. We reviewed transactions pre and post year end to check that the associated revenue is reflected in the correct period. We reviewed all manual postings to revenue to ensure that no manipulation had occurred in the general ledger.
  - we communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Independent Auditor's Report (Contd.)

Use of Our Report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Clayden (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: April 14, 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Comprehensive Income
for the Year Ended March 31, 2022

	Note	2022 £	2021 £
Turnover	4	3,845,883	1,214,452
Cost of sales		(3,157,528)	(2,428,172)
Gross profit/(loss)		**688,355**	**(1,213,720)**
Administrative expenses		(1,113,410)	(724,862)
Other operating income	5	250,777	1,087,071
Operating loss	6	**(174,278)**	**(851,511)**
Interest receivable and similar income		20	817
Interest payable and similar charges		(8,131)	-
Loss before tax		**(182,389)**	**(850,694)**
Tax on loss	9	6,681	150,863
Loss for the financial year and total comprehensive loss		**(175,708)**	**(699,831)**

All amounts relate to continuing operations.

The notes on pages 810 to 819 form part of these financial statements.

Statement of Financial Position
as at March 31, 2022

	Note	2022 £		2021 £	
Fixed assets					
Tangible assets	10		811,040		1,049,315
Current assets					
Stocks	11	728,487		680,703	
Debtors	12	375,300		237,207	
Cash and cash equivalents	13	581,766		52,301	
		1,685,553		**970,211**	
Creditors: amounts falling due within one year	14	(1,666,878)		(1,236,767)	
Net current assets/(liabilities)			18,675		(266,556)
Total assets less current liabilities			**829,715**		**782,759**
Creditors: amounts falling due after more than one year	15		(641,666)		(408,333)
Provisions for liabilities					
Deferred tax	17		(60,119)		(70,788)
Net assets			**127,930**		**303,638**
Capital and reserves					
Share capital	18		2		2
Profit and loss account	19		127,928		303,636
			127,930		**303,638**

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

Mr C Nagarajan
Director

Date: April 14, 2022
The notes on pages 810 to 819 form part of these financial statements.

Statement of Changes in Equity

for the Year Ended March 31, 2022

	Share capital £	Profit and loss account £	Total equity £
At April 1, 2021	2	303,636	303,638
Comprehensive loss for the year			
Loss for the year and total comprehensive loss	-	(175,708)	(175,708)
At March 31, 2022	**2**	**127,928**	**127,930**

for the Year Ended March 31, 2021

	Share capital £	Profit and loss account £	Total equity £
At April 1, 2020	2	1,003,467	1,003,469
Comprehensive loss for the year			
Loss for the year and total comprehensive loss	-	(699,831)	(699,831)
At March 31, 2021	**2**	**303,636**	**303,638**

The notes on pages 810 to 819 form part of these financial statements.

Statement of Cash Flows

for the Year Ended March 31, 2022

	2022 £	2021 £
Cash flows from operating activities		
Loss for the financial year	(175,708)	(699,831)
Adjustments for:		
Depreciation of tangible assets	238,275	241,031
Interest paid	8,131	-
Interest received	(20)	(817)
Taxation charge	(6,681)	(150,863)
(Increase) in stocks	(47,784)	(58,755)
(Increase)/decrease in debtors	(138,093)	337,995
Increase/(decrease) in creditors	351,123	(186,797)
Corporation tax received	-	6,957
Net cash generated from operating activities	**229,243**	**(511,080)**
Cash flows from investing activities		
Interest received	20	817
Net cash from investing activities	**20**	**817**
Cash flows from financing activities		
New secured loans	400,000	500,000
Repayment of loans	(91,667)	-
Interest paid	(8,131)	-
Net cash used in financing activities	**300,202**	**500,000**
Net increase/(decrease) in cash and cash equivalents	529,465	(10,263)
Cash and cash equivalents at beginning of year	52,301	62,564
Cash and cash equivalents at the end of year	**581,766**	**52,301**
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	581,766	52,301
	581,766	**52,301**

The notes on pages 810 to 819 form part of these financial statements.

Notes to Financial Statements

for the year ended March 31, 2022

1. General Information

Taj International Hotels Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company information page and the nature of the Company's operations and principal activity are set out in the Directors' report.

2. Accounting Policies

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' report on pages 1 and 2 of these financial statements.

The Company meets its day to day working capital requirements through use of its cash, overdraft and facilities availed by it and provided by its wider group headed by The Indian Hotels Company Limited.

As at March 31, 2022, the Company reported net assets of £127,930 (2021 - £303,638). The Company has external borrowings of £808,333 outstanding against the total borrowing of £900,000 during the pandemic. The Company's overdraft facility was undrawn at year end. This undrawn position has been maintained up to the date of approval of these financial statements.

In assessing the appropriateness of the going concern assumption, the Directors have prepared detailed cash flow forecasts for the Company extending beyond 12 months from the date of approval of these financial statements.

While in accordance with UK government requirements, the Company temporarily closed their restaurants (Bombay Brasserie and Quilon) to the public from time to time, the relaxation of all Government restrictions has enabled the Company to reopen the restaurants and at the date of this Report, both the restaurants remain open and available to the public.

To mitigate costs during the year ended March 2022, and in order to protect the longer term interests of the Company and its employees, the Company has taken measures to reduce its cost base and has utilized various government schemes available including taxation 'time to pay' arrangements, the Coronavirus Job Retention Scheme and the Coronavirus Business Interruption Loan Scheme. The Company continues to honour its current operating liabilities within previously accepted terms.

Based on the financial forecasts, and adjustments outlined above, cash and bank facilities, and other liquid assets available, the Directors have concluded that the Company is able to meet its financial obligations as they fall due for a period of not less than 12 months from the date of the approval of the financial statements and have not identified any material uncertainty in this regard.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2022

The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

2.3 Financial Reporting Standard 102 Reduced Disclosure Exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of The Indian Hotels Company Limited as at March 31, 2022 and these financial statements may be obtained from Mandlik House, Mandlik Road, Mumbai 400 001, India.

2.4 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

2.5 Tangible Fixed Assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Leasehold Improvements	-	Over the period of the lease
Fixtures, fittings and equipment	-	10-20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2.6 Operating Leases

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

In line with recent amendments to FRS 102, the Company has recognised any changes in lease payments, arising from qualifying rent concessions, through the income statement in the period in which the lease payment is intended to compensate.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first outbasis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Financial Instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out right short term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a Director in the case of a small Company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Government Grants

The Company recognises an unconditional government grant related to the Coronavirus Job Retention Scheme as other income when the grant becomes receivable. Such grants are recognised on an accruals basis in line with when the expense would have been incurred.

2.13 Pensions

Defined Contribution Pension Plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest Income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.15 Current and Deferred Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

In preparing these financial statements, the Directors have had to make the following judgements:

- Determine whether leases entered into by the Company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit, the viability and expected future performance of that unit.
- Property, plant and equipment are tested for impairment when events or circumstances indicate that their carrying value may not be recoverable. The impairment testing of individual assets or cash generating units requires an assessment of the recoverable amount of the asset or cash generating unit. If the carrying value of the asset or cash generating unit exceeds its estimated recoverable amount, the asset or cash generating unit is written down to its recoverable amount. The recoverable amount is the greater of its fair value less costs to sell and value in use. Value in use is assessed based on estimated future cash flows discounted to their present value using a discount rate that is based on the Company's weighted average cost of capital adjusted to reflect the risks specific to the business model. The outcome of such an assessment is subjective, and the result is sensitive to the assumed future cash flows and discount rates applied in calculating the value in use.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 10)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Restaurants	3,845,883	1,214,452

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	3,845,883	1,214,452

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

5. Other Operating Income

	2022 £	2021 £
Other operating income	58,669	80,950
Government grants receivable	192,108	1,006,121
	250,777	**1,087,071**

Other operating income comprises salary recharges to related parties (see note 22).

The Company has received grants under the Government's furlough scheme which has been created for the purpose of supporting businesses during the pandemic. The grants are given for specified staff over a specified period of time during which they are not permitted to work for the Company. The grants are recognised on a time basis consistent with the period of furlough experienced by staff. The grant is not repayable providing the conditions of grant have been met; the Company believes it has met all the required conditions. The amounts paid to furloughed staff by the Company are included in cost of sales.

6. Operating Loss

The operating loss is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	238,275	241,031
Other operating lease rentals	369,122	214,606

During the year, no Director received any emoluments (2021 - £Nil).

Operating lease expense is shown net of rent concessions received during the year of £Nil (2021 - £106,450).

7. Auditor's Remuneration

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	25,625	23,000

8. Employees

	2022 £	2021 £
Wages and salaries	1,754,819	1,709,309
Social security costs	164,233	161,531
Cost of defined contribution scheme	105,598	65,736
	2,024,650	**1,936,576**

Payroll costs are shown gross of any furlough income received.

The average monthly number of employees, including the Directors, during the year was as follows:

	2022 No.	2021 No.
Admin, kitchen and waiting staff	55	68

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

9. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	2,946	-
Adjustments in respect of previous periods	1,042	(128,622)
Total current tax	**3,988**	**(128,622)**
Deferred tax		
Origination and reversal of timing differences	(33,023)	(22,241)
Effect of tax rate change on opening balance	22,354	-
Total deferred tax	**(10,669)**	**(22,241)**
Taxation on loss on ordinary activities	**(6,681)**	**(150,863)**

Factors affecting tax charge/(credit) for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Loss on ordinary activities before tax	(182,389)	(850,694)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(34,654)	(161,632)
Effects of:		
Fixed asset differences	12,502	12,646
Adjustments to tax charge in respect of prior periods	1,042	(128,622)
Losses carried back	-	126,745
Remeasurement of deferred tax for changes in tax rates	14,429	-
Total tax charge/(credit) for the year	**(6,681)**	**(150,863)**

10. Tangible Fixed Assets

	Leasehold improvements £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At April 1, 2021	1,730,216	1,928,428	3,658,644
At March 31, 2022	**1,730,216**	**1,928,428**	**3,658,644**
Depreciation			
At April 1, 2021	1,015,973	1,593,356	2,609,329
Charge for the year	108,065	130,210	238,275
At March 31, 2022	**1,124,038**	**1,723,566**	**2,847,604**
Net book value			
At March 31, 2022	**606,178**	**204,862**	**811,040**
At March 31, 2021	714,243	335,072	1,049,315

11. Stocks

	2022 £	2021 £
Food and beverage stock	728,487	680,703

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

12. Debtors

	2022 £	2021 £
Trade debtors	84,150	69,661
Amounts owed by group undertakings (see note 22)	44,734	-
Tax receivable	127,786	127,786
Other debtors	31,600	18,213
Prepayments and accrued income	87,030	21,547
	375,300	**237,207**

All amounts shown under debtors fall due for payment within one year.

13. Cash and Cash Equivalents

	2022 £	2021 £
Cash at bank and in hand	581,766	52,301

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	166,667	91,667
Trade creditors	120,136	158,694
Amounts owed to group undertakings (see note 22)	189,894	9,645
Corporation tax	3,988	-
Other taxation and social security	80,137	51,784
Other creditors	8,783	23,518
Accruals and deferred income	1,097,273	901,459
	1,666,878	**1,236,767**

15. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	641,666	408,333

The loan attracts an interest rate of 2.75% p.a. over Base Rate and matures in April 2026.

The bank loan of £500,000 drawn in April, 2020 attracts an interest rate of 2.75% p.a. over Base Rate and matures in April 2026. The second loan of £400,000 drawn in April, 2021 attracts an interest rate of 2.34% above base rate and matures in May, 2027.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

16. Financial Instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at amortised costs	742,250	140,175
Financial liabilities		
Financial liabilities measured at amortised costs	**2,196,610**	**1,593,316**

Financial assets that are debt instruments measured at amortised cost comprise cash, trade and other debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise trade and other payables, amounts owed to group undertakings and accrued expenses.

17. Deferred Taxation

	2022 £	2021 £
At beginning of year	(70,788)	(93,029)
Charged to the profit or loss	10,669	22,241
At end of year	**(60,119)**	**(70,788)**

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(61,060)	(71,172)
Short term timing differences	941	384
At end of year	**(60,119)**	**(70,788)**

18. Share Capital

	2022 £	2021 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

19. Reserves

Profit & Loss Account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

20. Pension Commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £105,598 (2021 - £65,736). Contributions payable to the fund at the year end included in creditors totalled £3,765 (2021 - £2,020).

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

21. Commitments under Operating Leases

At March 31, 2022 the Company had future minimum lease payments under non cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	299,000	299,000
Later than 1 year and not later than 5 years	1,196,000	1,196,000
Later than 5 years	199,333	498,333

22. Related Party Transactions

During the year The Indian Hotels Company Limited invoiced Taj International Hotels Limited £189,894 (2021 - £60,723), for the provision of management services.

St James Court Hotel Limited is a fellow subsidiary of Ihoco BV. During the year, St James Court Hotel Limited invoiced Taj International Hotels Limited £64,000 (2021 - £20,256) towards rent in respect of the premises let out and £35,289 (2021 - £Nil) in respect of recharge of utilities. Taj International Hotels Limited recharged payroll costs of £58,669 (2021 - £80,950) to St James Court Hotel Limited and made sales of goods to St James Court Hotel Limited totalling £167,675 (2021 - £34,410).

At the balance sheet date Taj International Hotels Limited had the following balances with other group companies. Amounts were due to The Indian Hotel Company Limited of £189,894 (2021 - £6,625) and receivable £27,334 on account of reimbursement of expenses. Amounts were due from St James Court Hotel Limited of £12,400 (2021 - £17,380) and due to St James Court Hotel Limited of £Nil (2021 - £20,400). As of March 31, 2022, there has been an advancement of £5,000 to a Company Director (2021 - £5,000).

23. Controlling Party

The immediate parent undertaking and controlling party is Ihoco BV, a Company registered in the Netherlands.

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is The Indian Hotels Company Limited. Consolidated accounts are available from Mandlik House, Mandlik Road, Mumbai 400 001, India. In the opinion of the Directors this is the Company's ultimate parent Company and ultimate controlling party.

Independent Auditor's Report

To the member of PIEM INTERNATIONAL (H.K.) LIMITED
(incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of PIEM International (H.K.) Limited (the "Company") set out on pages 6 to 22, which comprise the statement of financial position as at March 31, 2022, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at March 31, 2022, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors of the Company are responsible for the other information. The other information comprises the Directors' report and the detailed income statement.

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

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

Responsibilities of Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor’s Report (Contd.)

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 405 of the Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors 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.

Mazars CPA Limited
Certified Public Accountants
Hong Kong,
April 14, 2022

The engagement director on the audit resulting in this independent auditor’s report is
Chan Wai Man
Practising Certificate number: P02487

Statement of Comprehensive Income
for the year ended March 31, 2022

	Note	2022 US$	2021 US$
Revenue	2	3	1,312
Exchange loss, net		(23)	(9)
Operating expenses		(11,965)	(14,373)
Share of result of an associate		(1,778,637)	(2,969,616)
Loss before tax	3	**(1,790,622)**	**(2,982,686)**
Income tax expense	4	-	-
Loss for the year		**(1,790,622)**	**(2,982,686)**
Other comprehensive (loss) income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising from translation of interest in an associate		(1,584,847)	3,339,882
Other comprehensive (loss) income for the year, net of tax		**(1,584,847)**	**3,339,882**
Total comprehensive (loss) income for the year		**(3,375,469)**	**357,196**

Statement of Financial Position
as at March 31, 2022

	Note	2022 US$	2021 US$
Non-current assets			
Interest in an associate	5	27,885,439	31,248,923
Designated FVOCI	6	541,375	541,375
		28,426,814	**31,790,298**
Assets classified as held for sale	7	**1**	**1**
Current assets			
Deposits		181	204
Bank balances		273,044	285,695
		273,225	**285,899**
Current liabilities			
Accrued charges		8,683	9,372
Net current assets		**264,542**	**276,527**
Net Assets		**28,691,357**	**32,066,826**
Capital and reserves			
Share capital	8	8,000,000	8,000,000
Exchange reserve		(3,261,268)	(1,676,421)
Accumulated profits		23,952,625	25,743,247
Total Equity		**28,691,357**	**32,066,826**

These financial statements on pages 6 to 22 were approved and authorised for issue by the Board of Directors on April 14, 2022 and signed on behalf by

Director
Rajeshkumar Harshadrai Parekh

Director
Chandrasekhar Nagarajan

Statement of Changes in Equity

for the year ended March 31, 2022

	Share capital US$	Exchange reserve US$ (Note i)	Accumulated profits US$	Total US$
At April 1, 2020	8,000,000	(5,016,303)	28,725,933	31,709,630
Loss for the year	-	-	(2,982,686)	(2,982,686)
Other comprehensive income				
Exchange differences arising from translation of interest in an associate	-	3,339,882	-	3,339,882
Total comprehensive income (loss) for the year	**-**	**3,339,882**	**(2,982,686)**	**357,196**
At March 31, 2021	8,000,000	(1,676,421)	25,743,247	32,066,826
At April 1, 2021	8,000,000	(1,676,421)	25,743,247	32,066,826
Loss for the year	-	-	(1,790,622)	(1,790,622)
Other comprehensive loss				
Exchange differences arising from translation of interest in an associate	-	(1,584,847)	-	(1,584,847)
Total comprehensive loss for the year	**-**	**(1,584,847)**	**(1,790,622)**	**(3,375,469)**
At March 31, 2022	**8,000,000**	**(3,261,268)**	**23,952,625**	**28,691,357**

Note:

(i) The exchange reserve comprises exchange differences arising from translation of financial statements of the Company's foreign associate. The reserve is dealt with in accordance with the accounting policy on foreign currency translation as stated in note 1 to the financial statements.

Statement of Cash Flows
for the year ended March 31, 2022

	Note	2022 US$	2021 US$
Operating Activities			
Cash used in operations	9	(12,654)	(15,183)
Net cash used in operating activities		**(12,654)**	**(15,183)**
Investing Activities			
Interest received		3	3
Dividend received		-	1,309
Net cash from investing activities		**3**	**1,312**
Net decrease in cash and cash equivalents		(12,651)	(13,871)
Cash and cash equivalents at beginning of year		285,695	299,566
Cash and cash equivalents at end of year, represented by bank balances		**273,044**	**285,695**

Notes to Financial Statements

for the year ended March 31, 2022

Corporate Information

PIEM International (H.K.) Limited (the "Company") is a limited liability company incorporated in Hong Kong. The Company's registered office is located at 42nd Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. The immediate holding company of the Company is Piem Hotels Limited, a company incorporated in India. In the opinion of the Directors, the ultimate holding company of the Company is The Indian Hotels Company Limited, a company incorporated in India and listed on the Bombay Stock Exchange and the National Stock Exchange in India. The principal activity of the Company is investment holding.

1. Principal Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the Companies Ordinance.

These financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2021 financial statements. The new/revised HKFRSs that are relevant to the Company and effective from the current year do not have impact on the financial statements. A summary of the principal accounting policies adopted by the Company is set out below.

Basis of Measurement

The measurement basis used in the preparation of these financial statements is historical cost, except for equity investment measured at fair value through other comprehensive income ("Designated FVOCI") which is measured at fair value as explained in the respective principal accounting policies set out below.

Associate

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but no control or joint control of those policies.

The Company's investment in an associate is accounted for under the equity method of accounting. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Company's share of the investee's net assets and any impairment loss relating to the investment.

Except to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the investee, the Company discontinues recognising its share of further losses when the Company's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long-term interests that, in substance, form part of the Company's net investment in the investee.

Financial Instruments

Financial Assets

Recognition and Derecognition

Financial assets are recognised when and only when the Company becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Company's contractual rights to future cash flows from the financial asset expire or (ii) the Company transfers the financial asset and either (a) the Company transfers substantially all the risks and rewards of ownership of the financial asset, or (b) the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises the financial asset to the extent of its continuing involvement and an associated liability for the amounts it may have to pay.

Classification and Measurement

Financial assets are initially recognised at their fair value plus, in the case of financial assets not carried at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial assets.

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income; (iii) Designated FVOCI; or (iv) measured at FVPL.

The classification of financial assets at initial recognition depends on the Company's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model.

Financial Assets Measured at Amortised Cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

(i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Company's financial asset at amortised cost includes bank balances.

Designated FVOCI

Upon initial recognition, the Company may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 applies in other comprehensive income. The classification is determined on an instrument-by-instrument basis.

These equity investments are subsequently measured at fair value and are not subject to impairment. Dividends are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other gains or losses are recognised in other comprehensive income and shall not be subsequently reclassified to profit or loss. Upon derecognition, the cumulative gain or loss is transferred directly to accumulated profits or losses.

The Company's financial assets at Designated FVOCI include a listed equity security.

Financial Liabilities

Recognition and Derecognition

Financial liabilities are recognised when and only when the Company becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and Measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are directly attributable to the issue of the financial liabilities.

The Company's financial liabilities include accrued charges. All financial liabilities except for derivatives are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Impairment of Financial Assets

The Company recognises loss allowances for expected credit losses ("ECL") on financial assets that are measured at amortised cost to which the impairment requirements apply in accordance with HKFRS 9. At each reporting date, the Company measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

Measurement of ECL

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Where ECL is measured on a collective basis, the financial instruments are grouped based on one or more shared credit risk characteristics, such as past due information and nature of instrument.

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument.

Definition of Default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Company may not receive the outstanding contractual amounts in full if the financial instrument meets any of the following criteria.

(i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company); or

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

(ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Assessment of Significant Increase in Credit Risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Notwithstanding the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

Low Credit Risk

A financial instrument is determined to have low credit risk if:

(i) it has a low risk of default;

(ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and

(iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

As detailed in note 11 to the financial statements, financial instrument including bank balances is determined to have low credit risk.

Credit-impaired Financial Asset

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

(e) the disappearance of an active market for that financial asset because of financial difficulties;

(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Write-off

The Company writes off a financial asset when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Company has a policy of writing off the gross carrying amount based on historical experience of recoveries of similar assets. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Company's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

Cash Equivalents

For the purpose of the statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

Revenue Recognition

Dividend Income

Dividend income from financial assets is recognised when the Company's rights to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

Interest Income

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credited-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Foreign Currency Translation

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the Company operates ("functional currency"). The financial statements are presented in the currency of United States dollars ("US$"), which is the Company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Exchange differences arising from the translation of the net investment in foreign operations are recognised in a separate component of equity and recognised in profit or loss on disposal of the foreign operations.

Impairment of Non-financial Assets

At the end of each reporting period, the Company reviews internal and external sources of information to assess whether there is any indication that interest in an associate may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

Taxation
The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, any deferred tax arising from initial recognition of other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Related Parties
A related party is a person or entity that is related to the Company.

(a) A person or a close member of that person's family is related to the Company if that person:

  (i) has control or joint control over the Company;

  (ii) has significant influence over the Company; or

  (iii) is a member of the key management personnel of the Company or of the parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

  (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

  (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

  (iii) Both entities are joint ventures of the same third party.

  (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

  (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.

  (vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;

(b) children of that person's spouse or domestic partner; and

(c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Future changes in HKFRSs

At the date of authorisation of these financial statements, the HKICPA has issued a number of new/revised HKFRSs that are not yet effective for the current year, which the Company has not early adopted. The Directors do not anticipate that the adoption of the new/revised HKFRSs in future periods will have any material impact on the results of the Company.

2. Revenue

	2022 US$	2021 US$
Dividend income from a listed equity security	-	1,309
Interest revenue calculated using the effective interest method:		
Interest income on bank deposits	3	3
	3	**1,312**

3. Loss Before Tax

	2022 US$	2021 US$
This is stated after charging:		
Auditor's remuneration	**8,892**	**8,955**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

4. Income Tax Expense

Hong Kong Profits Tax has not been provided for the years ended March 31, 2022 and 2021 as the Company's profits neither arose in, nor derived from, Hong Kong and therefore was not subject to Hong Kong Profits Tax. In the opinion of the Directors, the Company is not subject to taxation in any other jurisdictions in which the Company operates.

Reconciliation of Tax Expense

	2022 US$	2021 US$
Loss before tax	**(1,790,622)**	**(2,982,686)**
Income tax at applicable tax rate of 16.5% (2021: 16.5%)	(295,453)	(492,143)
Result of an associate	293,475	489,987
Non-deductible expenses	1,978	2,156
	-	-

5. Interest in an Associate

Reconciliation of Tax Expense

	2022 US$	2021 US$
Share of net assets	**27,885,439**	**31,248,923**

Interest in an associate represents 35.38075% (2021: 35.38075%) of the issued ordinary share capital of St. James Court Hotel Limited, a company engaged in hotel operations and incorporated in the United Kingdom. The associate is accounted for using the equity method in the financial statements.

Summary of financial information of the associate is as follows:

	As at March 31, 2022 US$	As at March 31, 2021 US$
Gross amount		
Current assets	16,332,426	13,218,136
Non-current assets	138,910,147	146,247,136
Current liabilities	(76,139,297)	(3,411,002)
Non-current liabilities	(287,991)	(67,732,450)
Equity	**78,815,285**	**88,321,820**
Reconciliation		
Total equity of the associate	**78,815,285**	**88,321,820**
Company's ownership interests	**35.38075%**	**35.38075%**
Company's share of equity and carrying amount of interest	**27,885,349**	**31,248,923**

	Year ended March 31, 2022 US$	Year ended March 31, 2021 US$
Gross amount		
Revenue	26,951,542	4,364,565
Loss for the year and total comprehensive loss for the year	(5,027,133)	(8,393,309)

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

6. Designated FVOCI

	2022 US$	2021 US$
Equity security listed outside Hong Kong, at fair value	**541,375**	**541,375**

At the end of the reporting period, the Company held 487,500 equity shares, representing 0.27% interest in Oriental Hotels Limited ("OHL"), which are listed on the Bombay Stock Exchange and the National Stock Exchange in India. OHL is a related company in which the ultimate holding company of the Company has significant influence.

7. Assets Classified as held for Sale

	2022 US$	2021 US$
Investments in unlisted shares, at cost	**1**	**1**

Name of subsidiary	Country of incorporation	Percentage of ordinary shares directly held	Principal activities
BAHC 5 Pte Limited ("BAHC5")	Singapore	100%	Aircraft owning

In accordance with the written board resolution initially passed on April 15, 2009, the Company intended to dispose of the above investment and a disposal plan has been established. In the opinion of the Directors, the disposal is estimated to be completed before the end of the financial year 2023. As a result, the interest in the subsidiary is still classified as "Assets classified as held for sale" at the end of the reporting period.

8. Share Capital

	2022		2021	
	No. of shares	US$	No. of shares	US$
Issued and fully paid:				
At beginning of the year and end of the reporting period	**800,000**	**8,000,000**	**800,000**	**8,000,000**

9. Cash used in Operations

	2022 US$	2021 US$
Loss before tax	(1,790,622)	(2,982,686)
Dividend income	-	(1,309)
Interest income	(3)	(3)
Share of result of an associate	1,778,637	2,969,616
Changes in working capital:		
Deposits	23	(204)
Accrued charges	(689)	(597)
Cash used in operations	**(12,655)**	**(15,183)**

Notes to Financial Statements (Contd.)
for the year ended March 31, 2022

10. Pledge of Assets

The Company has pledged its investment in BAHC5 with a net book value of US$1.

11. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise mainly bank balances and Designated FVOCI. The main purpose of these financial instruments is to raise and maintain finance for the Company's operations.

The main risks arising from the Company's financial instruments are foreign currency risk, credit risk and liquidity risk. The Company does not have any written risk management policies and guidelines. However, the Board of Directors generally adopts conservative strategies on its risk management and limits the Company's exposure to these risks to a minimum. The board of Directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign Currency Risk
The Company is exposed to foreign currency risk on transactions that are denominated in a currency other than United States dollars. Related company balances and interest in an associate are denominated in British Pounds ("GBP").

At March 31, 2022, if the United States dollars had weakened/strengthened by 5% (2021: 11%) against the GBP with all other variables held constant, the Company's net loss (2021: net loss) for the year would have been US$134,000 lower/higher (2021: US$344,800 higher/lower) while the exchange reserve would decrease/increase by US$1,325,000 (2021: decrease/increase by US$3,440,000).

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to Company's exposure to currency risk for all financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The stated changes in foreign currency represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual end of the reporting period.

Credit Risk
The Company's credit risk is primarily attributable to bank balances. Substantially all of the Company's bank balances were deposited in creditworthy financial institutions in Hong Kong. The management of the Company considers the Company has limited credit risk with these financial institutions which have high credit ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recognised on the statement of financial position, which is net of impairment losses, represents the Company's exposure to credit risk without taking into account the value of any collateral held or other credit enhancements.

Liquidity Risk
The Company manages its liquidity and cash flow profiles to ensure the business operations maintain optimum level of liquidity at all times sufficient to meet contractual obligations as and when they fall due. All financial liabilities are expected to be settled on demand at the end of the reporting period.

12. Fair Value of Financial Instruments

All financial instruments are carried at amounts not materially different from their fair values as at March 31, 2022 and 2021.

13. Capital Management

The objectives of the Company's capital management are to safeguard the entity's ability to continue as a going concern and to provide returns for shareholders. The Company manages its capital structure and makes adjustments, including payment of dividend to shareholders, return of capital to shareholders or issue new shares or sale of assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended March 31, 2022 and 2021.

14. Information about the Benefits of Directors

The following disclosures are presented pursuant to Section 383 of the Companies Ordinance.

(a) Directors' remuneration
There is no Director remuneration for the year (2021: Nil).

(b) Loans, quasi-loans and other dealings in favour of Directors
There were no loans, quasi-loans or other dealings in favour of the Directors of the Company or its holding company that were entered into or subsisted during the year (2021: Nil).

(c) Directors' material interests in transactions, arrangements or contracts
The Directors are of the opinion that no transactions, arrangements and contracts of significance in relation to the Company's business to which the Company was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2021: Nil).

Detailed Income Statement

for the year ended March 31, 2022

	Schedule	2022 US$	2021 US$
Revenue	A	3	1,312
Exchange loss, net		(23)	(9)
Operating expenses	B	(11,965)	(14,373)
Share of result of an associate		(1,778,637)	(2,969,616)
Loss before tax		**(1,790,622)**	**(2,982,686)**

	2022 US$	2021 US$
A. Revenue		
Interest income on bank deposits	3	3
Dividend income from a listed equity security	-	1,309
	3	**1,312**

	2022 US$	2021 US$
B. Operating Expenses		
Auditor's remuneration	8,892	8,955
Bank charges	111	3,122
Legal and professional fees	2,897	2,160
Sundry expenses	65	136
	11,965	**14,373**

Disclosures Pursuant to Section 436 of the Companies Ordinance

The above financial information relating to the years ended March 31, 2022 and 2021 does not constitute the Company's specified financial statements for those years as defined in Section 436 of the Companies Ordinance but is derived therefrom.

The Company is not required to deliver its specified financial statements to the Registrar of Companies and has not done so.

Auditor's reports have been prepared on the specified financial statements for both years.

The auditor's reports the years ended March 31, 2022 and 2021:

- were not qualified or otherwise modified;
- did not refer to any matter to which the auditor drew attention by way of emphasis without qualifying the reports; and
- did not contain a statement under Section 406(2) or 407(2) or (3) of the HKCO.

Independent Auditor's Report

To the member of TAJ INTERNATIONAL HOTELS (H.K.) LIMITED
(incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of Taj International Hotel (H.K.) Limited (the "Company ") set out on pages 6 to 20, which comprise the statement of financial position as at March 31, 2022, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at March 31, 2022, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors of the Company are responsible for the other information. The other information comprises the Directors' report and the detailed income statement.

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

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

Responsibilities of Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report (Contd.)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors 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.

Mazars CPA Limited
Certified Public Accountants
Hong Kong, April 14, 2022

The engagement Director on the audit resulting in this independent auditor's report is:
Chan Wai Man
Practising Certificate number: P02487

Statement of Comprehensive Income

for the year ended March 31, 2022

	Note	2022 US$	2021 US$
Revenue	2	1	1
Other income	3	18,723	333,740
Other operating expenses	4	(15,116)	(14,234)
Profit before tax		**3,608**	**319,507**
Income tax expense	5	-	-
Profit for the year		**3,608**	**319,507**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**3,608**	**319,507**

Statement of Financial Position

at as March 31, 2022

	Note	2022 US$	2021 US$
Current Assets			
Loans advanced to fellow subsidiaries	6	17,290,202	17,271,449
Due from the ultimate holding Company	7	620,000	620,000
Bank balances		135,858	151,796
		18,046,060	**18,043,245**
Current Liabilities			
Accrued charges		10,214	11,007
Net current assets		**18,035,846**	**18,032,238**
Net Assets		**18,035,846**	**18,032,238**
Capital and reserves			
Share capital	8	230,000,000	230,000,000
Accumulated losses		(211,964,154)	(211,967,762)
Total Equity		**18,035,846**	**18,032,238**

These financial statements on pages 6 to 20 were approved and authorised for issue by the Board of Directors on April 14, 2022 and signed on behalf by

Director
Rajeshkumar Harshadrai Parekh

Director
Chandrasekhar Nagarajan

Statement of Changes in Equity
for the year ended March 31, 2022

	Share capital US$	Accumulated losses US$	Total US$
At April 1, 2019	230,000,000	(212,287,269)	17,712,731
Profit for the year and total comprehensive income for the year	-	319,507	319,507
At March 31, 2021	**230,000,000**	**(211,967,762)**	**18,032,238**
At April 1, 2021	230,000,000	(211,967,762)	18,032,238
Profit for the year and total comprehensive income for the year	-	3,608	3,608
At March 31, 2022	**230,000,000**	**(211,964,154)**	**18,035,846**

Statement of Cash Flows
for the year ended March 31, 2022

	Note	2022 US$	2021 US$
Operating Activities			
Cash used in operations	9	(15,939)	(25,197)
Net cash used in operating activities		**(15,939)**	**(25,197)**
Investing Activities			
Interest received		1	1
Repayment of loan by a related Company		-	80,000
Net cash generated from investing activities		**1**	**80,001**
Net (decrease) increase in cash and cash equivalents		**(15,938)**	**54,804**
Cash and cash equivalents at beginning of year		**151,796**	**96,992**
Cash and cash equivalents at end of year, represented by bank balances		**135,858**	**151,796**

Notes to the Financial Statements

for the year ended March 31, 2022

Corporate Information

Taj International Hotels (H.K.) Limited (the "Company") is a limited liability Company incorporated in Hong Kong. The Company's registered office is located at 42nd Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. The immediate holding Company of the Company and in the opinion of the Directors, the ultimate holding Company of the Company is The Indian Hotels Company Limited, a Company incorporated in India and listed on the Bombay Stock Exchange and the National Stock Exchange in India. The principal activity of the Company is investment holding.

1. Principal Accounting Policies

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the Companies Ordinance.

These financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2021 financial statements. The new/revised HKFRSs that are relevant to the Company and effective from the current year do not have impact on the financial statements. A summary of the principal accounting policies adopted by the Company is set out below.

Basis of measurement

The measurement basis used in the preparation of these financial statements is historical cost.

Financial instruments

Financial assets

Recognition and derecognition

Financial assets are recognised when and only when the Company becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Company's contractual rights to future cash flows from the financial asset expire or (ii) the Company transfers the financial asset and either (a) the Company transfers substantially all the risks and rewards of ownership of the financial asset, or (b) the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises the financial asset to the extent of its continuing involvement and an associated liability for the amounts it may have to pay.

Classification and measurement

Financial assets are initially recognised at their fair value plus, in the case of financial assets not carried at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial assets.

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income; (iii) equity investment measured at fair value through other comprehensive income; or (iv) measured at FVPL.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

The classification of financial assets at initial recognition depends on the Company's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model.

Financial assets measured at amortised cost
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

(i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Company's financial assets at amortised cost include bank balances, loan advanced to fellow subsidiaries and due from the ultimate holding Company.

Financial liabilities
Recognition and derecognition
Financial liabilities are recognised when and only when the Company becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement
Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are directly attributable to the issue of the financial liabilities.

The Company's financial liabilities include accrued charges. All financial liabilities except for derivatives are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Impairment of financial assets
The Company recognises loss allowances for expected credit losses ("ECL") on financial assets that are measured at amortised cost to which the impairment requirements apply in accordance with HKFRS 9. At each reporting date, the Company measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

Measurement of ECL

ECL is a probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Where ECL is measured on a collective basis, the financial instruments are grouped based on one or more shared credit risk characteristics, such as past due information and nature of instrument.

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument.

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Company may not receive the outstanding contractual amounts in full if the financial instrument meets any of the following criteria.

(i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company,in full (without taking into account any collaterals held by the Company); or

(ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Assessment of significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Notwithstanding the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

Low credit risk

A financial instrument is determined to have low credit risk if:

(i) it has a low risk of default;

(ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and

(iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

As detailed in note 12 to the financial statements, financial instruments including bank balances, loan advanced to fellow subsidiaries and due from the ultimate holding Company are determined to have low credit risk.

Credit-impaired financial asset

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower.

(b) a breach of contract, such as a default or past due event.

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(e) the disappearance of an active market for that financial asset because of financial difficulties.

(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Write-off

The Company writes off a financial asset when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Company has a policy of writing off the gross carrying amount based on historical experience of recoveries of similar assets. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Company's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

Cash equivalents

For the purpose of the statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

Revenue recognition

Interest income

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credited-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e., the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Foreign currency translation

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the Company operates ("functional currency"). The financial statements are presented in the currency of United States dollars ("US$"), which is also the Company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, any deferred tax arising from initial recognition of other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Related parties

A related party is a person or entity that is related to the Company.

(a) A person or a close member of that person's family is related to the Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or of the parent of the Company.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

(b) An entity is related to the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to parent of the Company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;

(b) children of that person's spouse or domestic partner; and

(c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Future changes in HKFRSs

At the date of authorisation of these financial statements, the HKICPA has issued a number of new/revised HKFRSs that are not yet effective for the current year, which the Company has not early adopted. The Directors do not anticipate that the adoption of the new/revised HKFRSs in future periods will have any material impact on the results of the Company.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

2. Revenue

	2022 US$	2021 US$
Interest income	1	1

3. Other Income

	2022 US$	2021 US$
Exchange gain, net	18,723	253,740
Reversal of impairment loss on loan advanced to a related Company	-	80,000
	18,723	**333,740**

4. Other Operating Expenses

	2022 US$	2021 US$
Auditor's remuneration	10,428	10,500
Other expenses	4,688	3,734
	15,116	**14,234**

5. Income Tax Expense

Hong Kong Profits Tax has not been provided for the years ended March 31, 2022 and 2021 as the Company's profits neither arose in, nor derived from, Hong Kong and therefore was not subject to Hong Kong Profits Tax. In the opinion of the Directors, the Company is not subject to taxation in any other jurisdictions in which the Company operates.

Reconciliation of tax expense

	2022 US$	2021 US$
Profit before tax	3,608	319,507
Income tax at applicable tax rate of 16.5% (2021:16.5%)	595	52,719
Tax exempt income	(3,089)	(55,068)
Non-deductible expenses	2,494	2,349
	-	-

6. Loans Advanced to Fellow Subsidiaries

The amount of US$7,000,000 (2021: US$7,000,000) is unsecured, interest-free and repayable with a call option of 3 days' notice. The amount of US$10,290,202 (2021:US$10,271,449) is unsecured, interest-free and repayable on April 1, 2024 while the Company has the right to call back the loan with 3 days' notice.

The total carrying amount approximates its fair value at the end of the reporting period.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

7. Due from the Ultimate Holding Company

	2022 US$	2021 US$
Accounts receivable, loans and advance	620,000	620,000

The amount is unsecured, interest-free and has no fixed repayment term. The carrying amount approximates its fair value at the end of the reporting period.

8. Share Capital

	2022		2021	
	No. of shares	US$	No. of shares	US$
Issued and fully paid:				
At beginning of the year and end of the reporting period	**230,000,000**	**230,000,000**	230,000,000	230,000,000

9. Cash Used in Operations

	2022 US$	2021 US$
Profit before tax	3,608	319,507
Exchange gain, net	(18,753)	(253,769)
Reversal of impairment loss on loan advanced to a related Company	-	(80,000)
Interest income	(1)	(1)
Changes in working capital:		
Due from the ultimate holding Company	-	(10,765)
Accrued charges	(793)	(169)
Cash used in operations	**(15,939)**	**(25,197)**

10. Contingent Liabilities

St. James Court Hotel Limited ("SJCHL"), a fellow subsidiary of the Company,owns the leasehold interest in a property in London, such interest having been assigned to it in an earlier period by an erstwhile subsidiary Company on the basis of a license granted by the landlord of the property, Scottish Widows' Fund and Life Assurance Society. The license was granted for such assignment upon the guarantee from the Company for the due performance and observance by SJCHL of the covenants and conditions contained in the license. The obligations of the Company in favour of the landlord shall remain in force throughout the full term of the lease, including any renewals.

11. Related Party Transactions

In addition to the transactions/information disclosed elsewhere in these financial statements, during the year the Company had the following transactions with related parties:

The ultimate holding Company has indemnified the Company against any possible losses arising from the loans advanced to fellow subsidiaries amounting to US$17,290,202 (2021 loan advanced to a fellow subsidiary amounting to US$17,271,449).

12. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise mainly bank balances, loan advanced to fellow subsidiaries and due from the ultimate holding Company. The main purpose of these financial instruments is to raise and maintain finance for the Company's operations.

The main risks arising from the Company's financial instruments are foreign currency risk, credit risk and liquidity risk. The Company does not have any written risk management policies and guidelines. However, the Board of Directors generally adopts conservative strategies on its risk management and limit the Company's exposure to these risks to a minimum. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Company is exposed to foreign currency risk on transactions that are denominated in a currency other than United States dollars. Loans advanced to a fellow subsidiary include balance denominated in South African Rand ("ZAR").

At March 31, 2022, if the United States dollars had weakened / strengthened by 5% (2021: 17%) against ZAR with all other variables held constant, the Company's net profit for the year would have been US$85,000 higher / lower (2021: US$255,000 higher / lower).

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to Company's exposure to currency risk for all financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The stated changes in foreign currency represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual end of the reporting period.

Credit risk

The Company's credit risk is primarily attributable to bank balances, due from the ultimate holding Company and loan advanced to fellow subsidiaries. Substantially all of the Company's bank balances were deposited in a creditworthy financial institution in Hong Kong. The management of the Company considers the Company has limited credit risk with this financial institution which has high credit ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recognised on the statement of financial position, which is net of impairment losses, represents the Company's exposure to credit risk without taking into account the value of any collateral held or other credit enhancements.

Loans advanced to fellow subsidiaries / due from the ultimate holding Company

The Company considers that the loans advanced to fellow subsidiaries, for which the ultimate holding Company has agreed to indemnify the Company should they not be able to repay, and due from the ultimate holding Company have low credit risk based on the strong capacity of the ultimate holding Company to meet its contractual cash flow obligations in the near term and low risk of default. Impairment is measured on 12-month ECL and reflects the short maturities of the exposures.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

In estimating the ECL, the Company has taken into account the historical actual credit loss experience over the past 2 years (2021: 2 years) and the financial position of the ultimate holding Company by reference to, among others, its management or audited accounts, adjusted for forward-looking factors that are specific to it and general economic conditions of the industry in which the it operates, in estimating the probability of default of these financial assets, as well as the loss upon default in the case. The management of the Company considers the ECL of these financial assets to be insignificant after taking into account the financial position and credit quality of the ultimate holding Company.

There was no change in the estimation techniques or significant assumptions made during the year.

Liquidity Risk
The Company manages its liquidity and cash flows profiles to ensure the business operations maintain optimum level of liquidity at all times sufficient to meet contractual obligations as and when they fall due. All financial liabilities are expected to be settled on demand at the end of the reporting period.

13. Fair Value Measurements

All financial instruments are carried at amounts not materially different from their fair values as at March 31, 2022 and 2021.

14. Capital Management

The objectives of the Company's capital management are to safeguard the entity's ability to continue as a going concern and to provide returns for its shareholder. The Company manages its capital structure and makes adjustments, including payment of dividend to shareholder, return of capital to shareholder or issue new shares or sale of assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended March 31, 2022 and 2021.

15. Information about the Benefits of Directors

The following disclosures are presented pursuant to section 383 of the Hong Kong Companies Ordinance.

(a) Directors' remuneration
There is no Director remuneration for the year (2021: Nil).

(b) Loans, quasi-loans and other dealings in favour of Directors
There were no loans, quasi-loans or other dealings in favour of the Directors of the Company or its holding Company that were entered into or subsisted during the year (2021: Nil).

(c) Directors' material interests in transactions, arrangements or contracts
The Directors are of the opinion that no transactions, arrangements and contracts of significance in relation to the Company's business to which the Company was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2021: Nil).

Schedules to Detailed Income Statement
for the year ended March 31, 2022

	Schedule	2022 US$	2021 US$
Revenue	A	1	1
Other income	B	18,723	333,740
Other operating expenses	C	(15,116)	(14,234)
Profit before tax		**3,608**	**319,507**

A. Revenue

	2022 US$	2021 US$
Interest income	1	1

B. Other Income

	2022 US$	2021 US$
Exchange gain, net	18,723	253,740
Reversal of impairment loss on loan advanced to a related Company	-	80,000
	18,723	**333,740**

C. Other Operating Expenses

	2022 US$	2021 US$
Auditor's remuneration	10,428	10,500
Bank charges	2,857	1,482
Legal and professional fees	1,831	2,252
	15,116	**14,234**

Disclosures pursuant to section 436 of the Companies Ordinance

The above financial information relating to the years ended March 31, 2022 and 2021 does not constitute the Company's specified financial statements for those years as defined in section 436 of the Company Ordinance but is derived therefrom.

The Company is not required to deliver its specified financial statements to the Registrar of Companies and has not done so.

Auditor's reports have been prepared on the specified financial statements for both years.

The auditor's reports for the years ended March 31, 2022 and 2021:

- were not qualified or otherwise modified;
- did not refer to any matter to which the auditor drew attention by way of emphasis without qualifying the report; and
- did not contain a statement under section 406(2) or 407(2) or (3) of the Company Ordinance.

Independent Auditor's Report

To the members of BAHC 5 PTE. LIMITED
(Incorporated in the Republic of Singapore)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of BAHC 5 Pte. Limited (the Company), which comprise the statement of financial position as at March 31, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at March 31, 2022 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.2 in the financial statements with respect to the Company's ability to continue as a going concern. As of reporting date, the Company incurred a net loss of US$5,325,879 during the year ended March 31, 2022 and as of that date, current liabilities exceeded its current assets by US$94,856,605 as at March 31, 2022. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matters.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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

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

Independent Auditor's Report (Contd.)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The Directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent Auditor's Report (Contd.)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

ROHAN • MAH & PARTNERS LLP
Public Accountants and Chartered Accountants

Singapore

April 4, 2022
(RK/MA./SR/FK/ccy)

Statement of Financial Position

as at March 31, 2022

	Note	2022 US$	2021 US$
Assets Less Liabilities			
Non-Current Asset			
Property, plant and equipment	4	48,371,715	51,594,969
Current Assets			
Cash and cash equivalents	5	993,658	1,169,963
Current Liabilities			
Other payables	6	24,642	24,967
Loans	7	95,825,621	93,898,976
		95,850,263	93,923,943
Net Current Liabilities		**(94,856,605)**	**(92,753,980)**
Net Liabilities		**(46,484,890)**	**(41,159,011)**
Capital and reserves attributable to equity holders of the Company			
Share capital	8	1	1
Accumulated losses		(46,484,891)	(41,159,012)
		(46,484,890)	**(41,159,011)**

The accompanying notes form an integral part of these audited financial statements.

Statement of Profit or Loss and Other Comprehensive Income

for the year ended March 31, 2022

	Note	2022 US$	2021 US$
Continuing operations			
Other income	9	11	13
Administrative expenses		(175,992)	(156,589)
Other operating expenses	10	(3,223,254)	(3,223,254)
Finance costs	11	(1,926,644)	(2,024,514)
Loss before taxation		**(5,325,879)**	**(5,404,344)**
Taxation	12	-	-
Loss from continuing operations		**(5,325,879)**	**(5,404,344)**
Loss for the year		**(5,325,879)**	**(5,404,344)**
Total comprehensive loss		**(5,325,879)**	**(5,404,344)**
Loss attributable to:			
Equity holders of the Company		**(5,325,879)**	**(5,404,344)**
Total comprehensive loss attributable to:			
Equity holders of the Company		(5,325,879)	(5,404,344)

The accompanying notes form an integral part of these audited financial statements.

Statement of Changes in Equity
for the year ended March 31, 2022

	Share Capital US$	Accumulated Losses US$	Total US$
As at April 1, 2020	1	(35,754,668)	(35,754,667)
Total comprehensive loss for the year	-	(5,404,344)	(5,404,344)
As at March 31, 2021	**1**	**(41,159,012)**	**(41,159,011)**
Total comprehensive loss for the year	-	(5,325,879)	(5,325,879)
As at March 31, 2022	**1**	**(46,484,891)**	**(46,484,890)**

The accompanying notes form an integral part of these audited financial statements.

Statement of Cash Flows for the year ended March 31, 2022

	2022 US$	2021 US$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(5,325,879)	(5,404,344)
Adjustments for:		
Depreciation of property, plant and equipment	3,224,254	3,223,254
Interest expense	1,926,644	2,024,514
Interest income	(11)	(13)
Operating loss before working capital changes	**(175,992)**	**(156,589)**
Working capital changes, excluding related to cash:		
Other payables	(324)	(56,237)
Cash used in operations activities	(176,316)	(212,826)
Interest received	11	13
Net cash generated used in operating activities	**(176,305)**	**(212,813)**
Net decrease cash and cash equivalents	(176,305)	(212,813)
Cash and cash equivalents at the beginning of year	1,169,963	1,382,776
Cash and cash equivalents at the end of year (Note 5)	**993,658**	**1,169,963**

The accompanying notes form an integral part of these audited financial statements.

Notes to the Financial Statements
for the year ended March 31, 2022

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate Information

BAHC 5 Pte. Limited is a private company limited by shares incorporated in Singapore with its registered address at 7 Temasek Boulevard, #37-01A Suntec Tower One, Singapore 038987.

The immediate holding company is Piem International (HK) Limited, incorporated in Hong Kong. The Company's penultimate holding company and ultimate holding company are Piem Hotels Limited and The Indian Hotels Company Limited respectively, both incorporated in India.

Tata Sons Pvt. Ltd., incorporated in India, is the promoter company of The Indian Hotels Company Limited.

On August 21, 2009, the Company was acquired by Piem International (HK) Limited on the basis that the latter's shareholding will only be temporary. The Directors of Piem International (HK) Limited have reiterated, from time to time, its intention to hold the Company's shares on a temporary basis. The Directors of Piem Hotels Limited had also, in the past, issued resolution declaring the temporary nature of its shareholding in the Company. On April 24, 2017, the Directors of Piem International (HK) Limited issued yet another resolution reiterating the temporary nature of its shareholding in the Company.

The principal activity of the Company is to retain ownership of aircraft. There have been no significant changes in the nature of these activities during the year.

The financial statements of the Company for the year ended March 31, 2022 were authorised for issue in accordance with a resolution of the Directors on April 4, 2022.

2. Summary of Significant Accounting Policies

2.1 Basis of Preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS). The financial statements expressed in United States Dollar (USD or US$) which is also the functional currency of the Company, are prepared on the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. There are no critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity to be disclosed except as disclosed in Note 3.

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are relevant to the Company and are effective for annual financial periods beginning on or after April 1, 2021. The adoption of these standards did not have any material effect on the financial statements.

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

A number of new standards, amendments to standards and interpretations are issued but effective for annual periods beginning on or after April 1, 2022, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

Description	Effective for annual periods beginning on or after
Amendment to FRS 116 Leases: COVID-19-Related Rent Concessions beyond June 30, 2021	April 1, 2021
Amendments to FRS 16 Property, Plant and Equipment: Proceeds before Intended Use	January 1, 2022
Amendments to FRS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract	January 1, 2022
Annual Improvements to FRSs 2018-2020	January 1, 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	January 1, 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	January 1, 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	January 1, 2023
Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined
Amendments to FRS 103 Business Combinations: Reference to the Conceptual Framework	January 1, 2022
FRS 117 Insurance Contracts	January 1, 2023

The directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application.

2.2 Going Concern

The Company incurred a net loss of US$5,325,802 during the year ended March 31, 2022 and as of that date, current liabilities exceeded its current assets by US$94,856,528 as at March 31, 2022. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The ability of the Company to continue as a going concern depends on the promoter company of the ultimate holding company continuing to provide financial support and the related party of the promoter company not to recall amounts due to them, if any, until all creditors have been paid.

The validity of the going concern basis on which the financial statements are prepared depends on management's assessment of the Company's ability to operate as a going concern as set forth above. In the event that the Company is unable to continue as a going concern, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the statements of financial position. In addition, the Company may have to provide for further liabilities that might arise and to reclassify non-current assets and liabilities as current assets and liabilities.

2.3 Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated using the straight-line method to allocate depreciation amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Aircraft	15

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.4 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exits, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates use to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.5 Financial Instrument

2.5.1 Financial Assets

Initial Recognition and Measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Notes to the Financial Statements (Contd.)
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Subsequent Measurement

Investment in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive Income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in the other comprehensive income which will not be reclassified subsequently to profit or loss. Dividend from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2.5.2 Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent Measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise trade and other payables.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged and cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.6 Impairment of Financial Assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

2.7 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

2.8 Borrowing cost

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2.9 Leases

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

2.9.1 As Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and lease of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlaying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.4.

Lease Liabilities

At the commencement date of the lease, the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlaying asset.

Short-Term Leases and Leases of Low-Value Assets

The Company applies the short-term lease recognition exemption to its short-term leases of office rental (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.9.2 As Lessor

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

2.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.11 Related Parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

(i) Has control or joint control over the Company;

(ii) Has significant influence over the Company; or

(iii) Is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) One entity is an associate or joint venture of the other entity (or and associate or joint venture of a member of a group of which the other entity is a member);

(iii) Both entities are joint ventures of the same third party;

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) The entity is controlled or jointly controlled by a person identified in (a)

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2.12 Share Capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.13 Foreign Currency Transactions and Balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

2.14 Employee Benefits

2.14.1 Defined Contribution Plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.14.2 Short-Term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.15 Taxes

2.15.1 Current Income Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.15.2 Deferred Tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3. Significant Accounting Judgements and Estimates

The preparation of the Company's financial statement requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Key Sources of Estimation Uncertainty

Estimated Useful Life of Property, Plant and Equipment

Estimated useful life for plant and equipment is based on the Company's assessment of the expected usage of the asset and expect wear and tear of the asset. The depreciation is charged against the fixed assets to show utilisation of the assets. The estimation of depreciation and useful life requires use of judgement and estimates. Where the expected outcome is different from the original estimate, such difference will impact carrying value of plant and equipment and depreciation expenses in the period in which such estimates has been changed.

Depreciation of Plant and Equipment
Property, plant and equipment are depreciated on a straight-line basis less residual value of 25% of cost over their estimated useful lives. Management estimates the useful lives of property, plant and equipment to be within 15 years. The carrying amount of the Company's property, plant and equipment as at March 31, 2022 is US$48,371,715 (2021: US$51,594,969). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual lives of these assets, therefore future depreciation charges could be revised.

Estimated Impairment of Property, Plant and Equipment
On March 17, 2022, the Company obtained from Aircraft Bluebook a valuation for its airplane (Aircraft G650) amounting to US$51,198,000. Based in this, no impairment has been recognised.

4. Property, Plant and Equipment

	Aircrafts US$
2022	
Cost	
At beginning and end of year	64,465,088
Accumulated Depreciation	
At beginning of year	12,870,119
Depreciation	3,223,254
At end of year	**16,093,373**
Carrying Amount	
At end of year	48,371,715
2021	
Cost	
At end of year	**64,465,088**
Accumulated Depreciation	
At beginning of year	9,646,865
Depreciation	3,223,254
At end of year	**12,870,119**
Carrying Amount	
At end of year	51,594,969

The Aircrafts are held in trust by a bank not in individual capacity, but as owner trustee and registered with the Federal Aviation Administration (FAA) in the United States of America.

Included in property, plant and equipment is an aircraft with carrying amount of US$48,371,715 (2021: US$51,594,969) in which a hypothecation has been agreed to secure a loan (Note 7).

5. Cash and Cash Equivalents

	2022 US$	2021 US$
Cash at bank	993,657	1,169,962
Cash on hand	1	1
	993,658	**1,169,963**

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

6. Other Payables

	2022 US$	2021 US$
Accruals	3,675	3,781
Sundry creditors	20,967	21,186
	24,642	**24,967**

7. Loans

Principal	2022 US$	2021 US$
Secured loan – LIBOR plus 3.5%*	14,026,733	14,026,733
Unsecured loan – LIBOR plus 4%	901,935	901,935
Unsecured loan – 2.1%**	65,000,000	65,000,000
	79,928,668	**79,928,668**
Accrued interest	15,896,953	13,970,308
	95,825,621	**93,898,976**

The loan amounts are repayable within 12 months. However, the lenders have agreed not to recall the loans during that period. These loans are from related parties (Note 13).

* The loan is secured by the pledge of shares of the Company held by the immediate holding company, PIEM International (HK) Limited.

** The Company has agreed on a hypothecation, which include a claim toward the said aircraft to secure the loan. The Company retains ownership of the aircraft, but the Lender has the right to seize ownership if the Company defaults (Note 4).

8. Share Capital

	2022		2021	
	No. of shares	US$	No. of shares	US$
Ordinary shares issued and fully paid:				
At beginning and end of the year	1	1	1	1

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction and have no par value.

9. Other Income

	2022 US$	2021 US$
Interest income	11	13

10. Other Operating Expenses

	2022 US$	2021 US$
Depreciation of property, plant and equipment	3,223,254	3,223,254

11. Finance Costs

	2022 US$	2021 US$
Interest on loans	1,926,644	2,024,514

Notes to the Financial Statements (Contd.)

for the year ended March 31, 2022

12. Taxation

Major components of income tax expense are as follows:

	2022 US$	2021 US$
Current year taxation	-	-

A reconciliation between the tax expense and the product of accounting profit and loss multiplied by the applicable tax rate are as follow:

	2022 US$	2021 US$
Loss before taxation	(5,325,879)	(5,404,344)
Current tax expense on loss before tax at 17%	(905,399)	(918,738)
Adjustments:		
Non-deductible expenses	905,397	892,136
Non-taxable income	2	26,602
	-	-

13. Significant Related Parties Transactions

Significant related parties transactions on terms agreed between the Company and its related parties are as follows:

	2022 US$	2021 US$
Related Parties		
Interest expense on loan from	1,926,644	2,024,514

Balances with related parties at the reporting date are set out in Note 7.

Related parties in the financial statements refer to companies within the group of the promoter company of the ultimate holding company.

14. Financial Risk Management

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The directors review and agree policies and procedures for the management of these risks which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purpose shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

14.1 Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For

Notes to the Financial Statements (Contd.)
for the year ended March 31, 2022

other financial assets (including cash), the Company minimises credit risk by dealing exclusively high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

Credit risk refers to the risk that counterparties may default on their contractual obligations resulting in a financial loss to the Company. As there are no trade receivable, the Company expose to credit risk is minimal.

14.2 Liquidity Risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arise primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of standby credit facilities. The Company finances its working capital requirements through a combination of funds generated from operations. The directors are satisfied that funds are available to finance the operations of the Company.

To manage liquidity risk, the Company monitors its net operating cash flow and maintains an adequate level of cash and cash equivalent.

No maturity analysis is presented as all financial assets and liabilities are due within 12 months.

14.3 Market Risk

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

14.3.1 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their cash and cash equivalents.

The Company is not exposed to interest rate risk as it does not have any financial instruments bearing variable interest rate as at the reporting date.

14.3.2 Foreign Currency Risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company's exposure to foreign currency is minimal as all transaction are dealt with in local currency.

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15. Financial Instruments by Category

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2022 US$	2021 US$
Financial Assets		
Loans and receivables:		
Cash and cash equivalents	**993,658**	**1,169,963**
Financial Liabilities		
Financial liabilities measured at amortised cost:		
Other payables	24,642	24,967
Loans	95,825,621	93,898,976
	95,850,263	**93,923,943**

16. Fair Values

Cash and Cash Equivalents and Other Payables
The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

17. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for its shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including trade and other payables as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity, as shown in the statement of financial position, plus net debts.

No specific gearing ratio has been determined by management with the overall objective to keep the ratio as low as possible and such policy has not been changed since the previous financial year.

The gearing ratios as at March31, were as follows:

	2022 US$	2021 US$
Total trade and other payables and bank borrowings	95,850,263	93,923,943
Less: Cash and cash equivalents	(993,658)	(1,169,963)
Net debts	**94,856,605**	**92,753,980**
Total equity	**(46,484,890)**	**(41,159,011)**
Gearing ratio	-	-

The Company is not subject to any externally imposed capital requirements. The Company's overall strategy remains unchanged from March 31, 2021.

Notes to the Financial Statements (Contd.)

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18. Other Matter

An outbreak of the COVID-19 had been reported to the World Health Organisation in China on December 31, 2019. On January 31, 2020, the World Health Organisation announced then COVID-19 outbreak as a global health emergency. On March 11, 2020, the World Health Organisation declared the COVID-19 outbreak to be a pandemic in recognition of its rapid spread across the globe. The COVID-19 outbreak and the measures taken to contain the spread of the pandemic have created a high level of uncertainty to global economic prospects.

Management has reviewed the possible impact of the COVID-19 outbreak on the following matters:

(1) Changes in economic and market conditions that affect the fair values of the Company's financial and non-financial assets and liabilities.

(2) Additional expected credit losses due to a decline in the repayment ability of debtors.

Management assessment requires the exercise of judgement and careful consideration of Company's specific facts and circumstances. The Company operates in business segments that have remain relatively stable or unaffected by the outbreak and there may not be a significant increase in loss allowance as the Company's key customers are not in sectors severely affected by the outbreak. The Company will continue to monitor any material impact due to changes in future economic conditions.

Notes

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