

The Members of Hotel Kanakeshwar Private Limited
Mumbai

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Hotel Kanakeshwar Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, and the Statement of Profit and Loss 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, its Profit for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. 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

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.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



Information other than the financial statements and auditors' 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 including Annexures to Board's Report, Business Responsibility 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 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 financial statements

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

In preparing the 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 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 Companies Act, 2013, 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.

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

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 state that it's not applicable to the company.

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

- (1) 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;
- (2) 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;
- (3) The balance sheet, the statement of profit and loss, dealt with by this report are in agreement with the books of account;
- (4) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (5) 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;
- (6) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and
- (7) 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;
 - (a) The Company does not have any pending litigations, which would impact its financial position.



(b) The Company does 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, 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 its 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; and

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

(e) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

(8) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.

For Anand Kabra & Co.

Chartered Accountants

Firm's Registration Number: 114351W



Sham Vartikar

Partner

Membership Number: 048301

Place: Mumbai

Date: 15.07.2022

UDIN: 22048301APKGQ1648



HOTEL KANKESHWAR PRIVATE LIMITED

Balance Sheet as at 31-03-2022

(Rs in lacs)

Particulars	Note No.	As at 31-03-2022	As at 31-03-2021
ASSETS			
Non-current Assets			
Property, plant and equipment	5	210.91	216.21
Total Non-current Assets		210.91	216.21
Current Assets			
Financial assets			
Trade receivables	6	13.36	-
Cash and Cash equivalents	7	76.24	0.05
Income Tax assets (Net)		3.13	0.76
Other current Assets	8	2.00	-
Total Current Assets		94.73	0.81
Total Assets		305.64	217.02
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	9	24.50	24.50
Other Equity	10	44.21	12.69
Total Equity		68.71	37.19
Liabilities			
Non-current Liabilities			
Long-term borrowings	11	33.96	23.76
Other Payables		-	-
Other Non-current liabilities	12	187.78	144.71
Total Non-current liabilities		221.74	168.48
Current Liabilities			
Trade payables			
Total outstanding dues of Micro and Small Enterprises		-	-
Total outstanding dues of creditors other than Micro and Small Enterprises		0.43	0.34
Other Financial liabilities	13	0.42	0.06
Other Current Liabilities	14	14.32	10.95
Total current liabilities		15.18	11.35
Total Liabilities		236.91	179.83
Total Equity and Liabilities		305.64	217.02

Summary of Significant Accounting Policies and Other Notes to the financial statements

1 to 35

As per our report of even date
For Anand Kabra & Co.
Chartered Accountants
Firm Registration No. 114351W

Sham Vartikar
Partner
Membership No. 048304



Place: Mumbai
Dated: 15-07-2022

Sunil Pardal
Sunil Pardal
Director
(DIN:0089342)

F.L. Goyal
F.L. Goyal
Director
(DIN:03400918)

UDIN: 22048301APK901648

HOTEL KANKESHWAR PRIVATE LIMITED

Statement of Profit and Loss Account for the year ended 31-03-2022

(Rs in lacs)

Particulars	Note No.	For the Year ended 31-03-2022	For the Year ended 31-03-2021
Income			
Revenue from operations	15	-	-
Other Income	16	56.16	23.97
Total Revenue		56.16	23.97
Expenses			
Finance costs	17	2.83	2.45
Depreciation and amortisation expenses	18	5.29	5.29
Other expenses	19	16.50	6.98
Total Expenses		24.63	14.72
Profit before exceptional and extraordinary items and tax		31.53	9.25
Exceptional items			
Prior period items			
Profit / (loss) before extraordinary items and tax		31.53	9.25
Extraordinary items			
Profit / (loss) before tax		31.53	9.25
Tax expense :			
Current tax		-	-
Deferred tax (Net)		-	-
MAT Credit set off		-	-
Profit / (loss) after tax		31.53	9.25
Other comprehensive income:	20		
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		31.53	9.25
Earning per equity share	21		
(a) Basic		12.87	3.78
(b) Diluted		12.87	3.78

Summary of Significant Accounting Policies and Other Notes to the financial statements

As per our report of even date

For Anand Kabra & Co.

Chartered Accountants

Firm Registration No. 114351WW

FRN 114351

Sham Vartikar

Partner

Membership No. 048301

Place: Mumbai

Dated: 15-07-2022

1 to 35
Sunil Pardal

Sunil Pardal

Director

(DIN:0089342)

F.L. Goyal

F.L. Goyal

Director

(DIN:03400918)

UDIN: 22048301APK901648

Cash Flow Statement for the year ended 31 March, 2022

(Rs in lacs)

Particulars		As at 31-03-2022	As at 31-03-2021
A	Cash flows from operating activities		
	Net profit before taxation, and extraordinary item	31.53	9.25
	Less: Remeasurement of Employees Benefits Adjusted in OCI	-	-
	Net profit before Tax After Adjustment in OCI	31.53	9.25
	<u>Adjustments for:</u>		
	Non Cash Items		
	Depreciation and Amortisation Expenses	5.29	5.29
	Income Recognized Against Capital Grant	-	5.29
	Operating profit before working capital changes	36.81	14.54
	<u>Adjustments for:</u>		
	Trade and other receivables	(13.36)	1.37
	Inventories		
	Other current assets	(4.37)	(0.59)
	Other Financial Liabilities	0.36	(0.06)
	Other Current Liabilities	3.38	2.83
	Trade and other payables	0.09	0.31
	Cash generations from operations	22.92	18.39
	Direct taxes paid	-	-
	Net cash flow from Operating Activities	22.92	18.39
B	Cash flows from investing activities		
	Purchase of fixed assets, including intangible assets, CWIP and capital advances	-	-
	Sale of Fixed Assets	-	-
	Net cash used in Investing Activities	-	-
C	Cash flows from financing activities		
	Proceeds from Long-term borrowings	53.27	(18.49)
	Net cash used in financing activities (C)	53.27	(18.49)
	Net Increase / (Decrease) in Cash and cash equivalents (A+B+C)	76.19	(0.10)
	Opening Cash and Cash Equivalents	0.05	0.15
	Closing Cash and Cash Equivalents	76.24	0.05
		(76.19)	0.10
	Breakup of Opening Cash and Cash Equivalents		
	Balances with Banks		
	In Current Accounts	0.04	0.13
	Cash on Hand	0.01	0.02
	Cash and Cash Equivalents	0.05	0.15
	Breakup of Closing Cash and Cash Equivalents		
	Balances with Banks		
	In Current Accounts	76.24	0.04
	Cash on Hand	0.00	0.01
	Cash and Cash Equivalents	76.24	0.05

Disclosure as per Ind AS -7 as below:

Particulars	01-04-2021	Cash Flows	31-03-2022
Long Term Borrowings	168.48	53.27	221.75
Short Term Borrowings			-
Total Liabilities from financing activities	168.48	53.27	221.75

For Anand Kabra & Co.
Chartered Accountants

Firm Registration No. 114351W

Sham Vartikar
Partner
Membership No. 048301

Place: Mumbai
Dated: 15-07-2022

UDIN: 22048301APK9Q1648



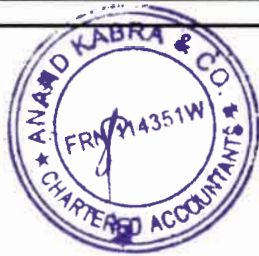
Sunil Pardal

Sunil Pardal
Director
(DIN:0089342)

F.L. Goyal

F.L. Goyal
Director
(DIN:03400918)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 st MARCH 2022				
				Rs in lacs
A	Equity Share Capital			
		Opening balance	Changes during the year	Closing balance
	As at 31st March 2022	24.50	-	24.50
	As at 31st March 2021	24.50	-	24.50
B	Other Equity			
		Reserves and Surplus		
		Retained Earnings	Security Premium	Other Comprehensive Income
				Total
	Balance as at 01st April 2021	(4.80)	17.50	-
	Additions during the year	-	-	-
	Surplus in the Statement of profit and loss	31.53	-	-
	Balance as at 31 March 2022	26.72	17.50	-
C.	Nature of reserves			
	Retained Earnings and Security premium			



NOTES FORMING PART OF THE BALANCE SHEET

HOTEL KANKESHWAR PRIVATE LIMITED

Note No 1

Company Overview

HOTEL KANKESHWAR PRIVATE LIMITED was incorporated in 1989. The Registered Office of the Company is located at Mumbai. It is engaged in the hospitality business.

Note No. 2

Basis for preparation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (Act) read with Rule 4A of Companies (Accounts) Second Amendment Rules, 2015, Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder. The Financial Statements have been prepared under historical cost convention basis except for derivative financial instruments, certain financial assets and financial liabilities which have been measured at fair value.

The Company's presentation and functional currency is Indian Rupees and all values are rounded off to the nearest lacs (INR 00,000), except when otherwise indicated.

The Financial Statements were authorized for issue in accordance with a resolution of the directors on 15-07-2022.

Note No. 3

Use of Judgement, Assumptions and Estimates

The preparation of the Company's financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas:

- Financial instruments
- Useful lives of property, plant & equipment
- Valuation of inventories
- Measurement of recoverable amounts of assets / cash-generating units
- Assets and obligations relating to employee benefits
- Evaluation of recoverability of deferred tax assets; and
- Provisions and Contingencies.

Note No. 4

SIGNIFICANT ACCOUNTING POLICIES

A. Property, plant & equipment

- The cost of an item of property, plant and equipment is recognized as an asset only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.
- Property, plant and equipment are stated at cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment loss, if any.
- The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation (if any) and the applicable borrowing cost till the asset is ready for its intended use.
- Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds if any and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- Direct expenses incurred during construction period on capital projects are capitalised.

B Depreciation

- Depreciation on property, plant and equipment is provided on the straight line basis, over the useful lives of assets (after retaining the residual value of up to 5%). The useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act.

Asset Description	Useful Life (Years)
Building	30
Air-conditioning plant, cooking	15
Furniture & Fixtures including	8

- Residual value of building and vehicles is estimated at 5% of the original cost and at nil value for all other assets.
- Items of property, plant and equipment costing not more than Rs. 5,000 each are depreciated at 100 percent in the year in which they are capitalised.



- d) Expenditure on major repairs and overhauls which qualify for recognition in the item of Property, Plant and Equipment and which result in additional useful life, is depreciated over the extended useful life of the asset as determined by technical evaluation.
- e) Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

C Accounting for Leases

The Company as a Lessee

On inception of a Contract, the Company (as a lessee) assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. 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 recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. 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. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life. The Company applies Ind AS – 36 to determine whether a Right-of-Use asset is impaired and accounts for any identified impairment loss.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates that the Company would have to pay to borrow funds. Lease liabilities are remeasured 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.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

D Inventories

Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location, including appropriate overheads apportioned on a reasonable and consistent basis and is determined on the following basis:

- a Food and Beverages on weighted average basis.
- b. Stores and other operating supplies on weighted average basis.

Obsolete, slow moving, surplus and defective stocks are identified and where necessary, provision is made for such stocks.

E Revenue Recognition

Sale of goods: Revenue from the sale of goods is recognised when the performance obligation is satisfied by transferring the related goods to the customer. The performance obligation is considered to be satisfied when the customer obtains control of the goods.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable (after including fair value allocations related to arrangements involving more than one performance obligation), net of returns, taxes or duties collected on behalf of the Government and applicable trade discounts or rebates.

Interest income is recognised using Effective Interest Rate (EIR) method.
Dividend income is recognized when the right to receive payment is established.

F Borrowing costs



Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets till the month in which the asset is ready for use. All other borrowing costs are charged to the Statement of Profit & Loss.

G Foreign Currency Transactions

Monetary items:

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit & Loss.

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost are recorded at the exchange rates at the dates of the initial transactions

H Provisions, Contingent Liabilities and Contingent assets

- a) Provisions are recognized when there is 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 a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision are recognised in the Statement of Profit & Loss net of any reimbursement.
- b) If the effect of time value of money is material, provisions are shown at present value of expenditure expected to be required to settle the obligation, by discounting using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- c) Contingent liabilities are possible obligations arising from past events and whose existence will only be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- d) Contingent Assets are not recognised but reviewed at each balance sheet date and disclosure is made in the Notes in respect of possible effects that arise from past events and whose existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company and where inflow of economic benefit is probable.

I Fair Value measurement

- a) The Company measures financial instruments at fair value at each balance sheet date.
- b) Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.
- c) While measuring the fair value of an asset or liability, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value using observable market data as far as possible and minimising the use of unobservable inputs. Fair values are categorised into 3 levels as follows:
 - Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
 - Level 2: inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices for similar item) or indirectly (i.e. derived from prices)
 - Level 3: inputs that are not based on observable market data (unobservable inputs)

J Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following categories

- Financial Assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)

Financial Assets at amortised cost

A financial assets 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, if any, that are solely payments of principal and interest, if applicable (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.

Financial assets which are considered as receivable on demand at any time, are not discounted on initial recognition and on subsequent measurement.

Financial assets at FVTPL



Any financial asset, which does not meet the criteria for categorization as at amortized cost is classified as at FVTPL.

Equity investments in subsidiaries

Investment in subsidiaries are accounted for at cost in standalone financial statements.

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 balance sheet) when:

- a) 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
- b) 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.

Financial liabilities

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. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

Financial liabilities are measured subsequently 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 profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 borrowings.

Financial liabilities which are considered as repayable on demand at any time, are not discounted on initial recognition and on subsequent measurement.

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 or 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, or to realise the assets and settle the liabilities simultaneously.

K Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current if they are expected to be realised / settled within twelve months after the reporting period. All other assets and liabilities are considered as non-current.

L Impairment

Financial Assets

Loss allowance for expected credit losses is recognised for financial assets. The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

Non-financial Assets

At each Balance Sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.



When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

M Taxes on Income

Current Tax

Income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Deferred tax

Deferred tax (both assets and liabilities) is calculated using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred 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 amount of deferred tax assets is reviewed at each reporting date.

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 at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit & Loss, other comprehensive income or directly in equity.

N Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period, adjusted for the effect of all dilutive potential equity shares.

O Cash and Cash equivalents

Cash and cash equivalents include cash at bank, cash, cheques and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash

P Cash Flows

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



NOTES FORMING PART OF THE BALANCE SHEET

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

(Rs in lacs)

Description of Assets	Gross Block				At Fair Value as on 31-03-2022	Depreciation			Net Block		
	At fair value as on 01-04-21	Additions and other transfers	Adjustments	Sales and other deductions		Opening Depreciation as on 01-04-2021	For the year	Dep on sold assets	As at 31-03-2022	As at 31-03-2022	As at 31-03-2021
Land	86.73				86.73					86.73	86.73
Building	146.31			-	146.31	19.38	4.61		23.99	122.32	126.93
Furniture & Fixtures	3.58			-	3.58	1.46	0.45		1.92	1.67	2.12
Office Equipments	1.16			-	1.16	0.73	0.23		0.97	0.19	0.43
Total	237.78	-	-	-	237.78	21.57	5.29	-	26.87	210.91	216.21
Previous year	237.78	-	-	-	237.78	16.28	5.29	-	21.57	216.21	



NOTES FORMING PART OF THE BALANCE SHEET

(Rs in lacs)

		As at 31-03-2022	As at 31-03-2021
6	Trade receivables		
	i Secured, Considered Good	-	-
	ii Unsecured, Considered Good	13.36	-
	iii Which have significant increase in Credit Risk	-	-
	iv Unsecured, Considered Doubtful	-	-
		13.36	-
7	Cash and Cash Equivalents		
	Current accounts	76.24	0.04
	Cash on hand	0.00	0.01
		76.24	0.05
8	Other Current Assets:		
	Advance to suppliers	2.00	-
		2.00	-



NOTES FORMING PART OF THE BALANCE SHEET

(Rs in lacs)

		As at 31-03-2022	As at 31-03-2021
9	Share Capital		
a	Authorised :		
	10,00,000 Equity shares of Rs. 10 each	100.00	100.00
		100.00	100.00
b	Issued, Subscribed and fully paid-up :		
	2,45,000 Equity shares of Rs. 10 each for cash	24.50	24.50
	<u>2,45,000</u>	24.50	24.50
c	Par value per share- Rs. 10		
c	Reconciliation of the number of shares		
	Opening	2,45,000	2,45,000
	Add: Issued	-	-
	Closing	2,45,000	2,45,000
d	Shares held by each shareholder holding more than 5% shares		
	- Equity shares of Rs. 10 each fully paid		
	Graviss Hospitality Limited- 0%% (100%)	-	2,45,000
	Graviss Holdings Private Limited- 100% (0%)	2,45,000	-
e	Disclosure of shareholding of promoters and promoter group:		
	Promoter group		
	Graviss Hospitality Limited- 0%% (100%)	-	2,45,000
	Graviss Holdings Private Limited- 100% (0%)	2,45,000	-
10	Other Equity		
A	Reserve and Surplus		
i	Security Premium Account:		
	As per last account	17.50	17.50
		17.50	17.50
ii	Retained Earnings		
	Opening balance	(4.81)	(14.06)
	Add : Opening balance adjustment due to Ind AS		
	Add : Net profit after tax transferred from Statement of Profit and Loss	31.53	9.25
	Amount available for appropriation	26.71	(4.81)
	Balance in Profit and Loss account	26.71	(4.81)
		44.21	12.69
B	Other Comprehensive Income		
	As per last account	-	-
	Addition during the year	-	-
	Closing balance	-	-
11	Non-current Liabilities		
	Borrowings:		
	From Holding Company		
	Unsecured- At Amortized cost		
	6,45,000 (prev year- Nil) Zero coupons unsecured optionally convertible debenture of Rs. 10 each	7.47	-
	Note: 6,45,000 (prev year- Nil) Zero coupons unsecured optionally convertible debenture of Rs. 10 each issued on 18-02-2022. Debentures are redeemable / optionally convertible in equity shares at fair value on conversion within a period of 10 years from the date of issue.		
	From Others		
	Unsecured- At Amortized cost		
	18,35,000 (prev year-18,35,000) Zero coupons unsecured optionally convertible debenture of Rs. 10 each	26.49	23.76
	Note: 18,35,000 (prev year- 18,35,000) Zero coupons unsecured optionally convertible debenture of Rs. 10 each issued on 14-01-2020. Debentures are redeemable / optionally convertible in equity shares at fair value on conversion within a period of 20 years from the date of issue.		
		33.96	23.76
12	Other non current liabilities		
	Deferred liability / income on account of Zero coupon unsecured optionally convertible debentures	187.78	144.71
13	Other Current financial liabilities		
	Expenses payable	0.42	0.06



NOTES FORMING PART OF THE BALANCE SHEET

(Rs in lacs)

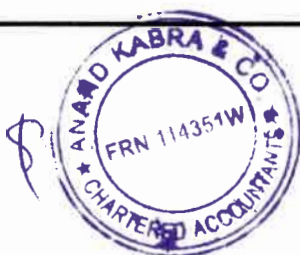
		As at 31-03-2022	As at 31-03-2021
14	Other Current liabilities	0.42	0.06
	Deferred liability / income on account of Zero coupon unsecured optionally convertible debentures	13.90	8.13
	GST Payable	0.42	2.82
		14.32	10.95



NOTES FORMING PART OF THE BALANCE SHEET

(Rs in lacs)

		For the Year ended 31-03-2022	For the Year ended 31-03-2021
15	Revenue from Operations Sale of services	-	-
16	Other Income Commission Received Other financial liabilities carried at amortized costs Miscellaneous Income	47.35 8.80 0.01 56.16	15.84 8.13 - 23.97
17	Finance costs Interest expenses on liabilities carried at amortized costs	2.83 2.83	2.45 2.45
18	Depreciation and Amortisation expenses: Depreciation of tangible assets	5.29 5.29	5.29 5.29
19	Other expenses General Expenses: Travelling and Conveyance Other expenses Payments to Auditors Legal and Professional charges	7.68 5.57 0.06 3.18 16.50	0.94 5.18 0.06 0.80 6.98
20	Other Comprehensive Income Items that will not be reclassified to profit or loss Remeasurement of Defined Benefit Plans Income tax relating to items that will not be reclassified to profit or loss Remeasurement of Defined Benefit Plans	- - - - -	- - - - -
21	Earnings per Equity share Net profit after Taxation (in Rs.) Weighted average number of equity shares Earnings per equity shares (in Rs.) Nominal value per share (Rs.)	31.53 2,45,000 12.87 10.00	9.25 2,45,000 3.78 10.00



NOTES FORMING PART OF THE BALANCE SHEET

HOTEL KANKESHWAR PRIVATE LIMITED

- 22 Amounts if any due to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 could not be disclosed as such parties could not be identified from the records of the Company.
- 23 In the opinion of the management there are no indications that the assets of the company may be impaired as on the balance sheet date.
- 24 In view of carry forward losses, no provision is made for current tax.
- 25 The Company does not have any asset whose useful life is different from the significant part of that asset.
- 26 **Retirement benefit**
There are no eligible employees as on 31-03-2022 and therefore there are no long term employee benefits which require recognition based on actuarial valuation.
- 27 Information relating to Related Party Disclosures as per Indian Accounting Standard issued by the Institute of Chartered Accountants of India, is given below:

A. List of Related Parties (relied on the details provided by the management):

i Parent Company

Graviss Holdings Private Limited (from 17-02-2022)
Graviss Hospitality Limited (upto 17-02-2022)

iii Directors

Gaurav Ghai
Harsh Kumar Varma (Resigned w.e.f. 07-03-2022)
Vikram Rajendra Seth (Resigned w.e.f. 01-03-2022)
Sumita Ghai (Appointed w.e.f. 19-05-2022)
Sunil Pardal
F L Goyal (Appointed w.e.f. 01-03-2022)
Sunil Sakpal (Appointed w.e.f. 28-03-2022)

iv Other Related parties:

Graviss Hospitality Limited
Famed Properties Pvt Ltd.
Graviss Foods Soultions Pvt Ltd

B. Transactions with Related Parties:

	<u>2021-22</u> <u>(Rs. in lacs)</u>	<u>2020-21</u> <u>(Rs. in lacs)</u>
Sales / Service		
Graviss Hospitality Limited	47.35	15.84
Zero Coupon Optionally convertible debentures		
Famed Properties Pvt Ltd.	108.50	108.50
Graviss Foods Soultions Pvt Ltd	75.00	75.00
Graviss Holdings Private Limited	65.00	-
Other Receivables		
Graviss Hospitality Limited	13.36	-

28 TRADE RECEIVABLE AGEING SCHEDULE:

As at 31st March, 2022 Rs in lacs

Particulars	Outstanding for following periods from due date of payment					Total
	Up to 6 months	6mons. to 1 yr.	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed – considered good	13.36	-	-	-	-	13.36
(ii) Undisputed – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-	-	-
(iv) Disputed – considered good	-	-	-	-	-	-
(v) Disputed – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed – credit impaired	-	-	-	-	-	-

As at 31st March, 2021 Rs in lacs

Particulars	Outstanding for following periods from due date of payment					Total
	Up to 6 months	6mons. to 1 yr.	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed – considered good	-	-	-	-	-	-
(ii) Undisputed – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-	-	-
(iv) Disputed – considered good	-	-	-	-	-	-
(v) Disputed – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed – credit impaired	-	-	-	-	-	-



29 TRADE PAYABLE AGEING SCHEDULE:

As at 31st March, 2022 Rs in lacs

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	0.43	-	-	-	0.43
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

As at 31st March, 2021 Rs in lacs

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	0.34	-	-	-	0.34
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

30 FAIR VALUE MEASUREMENTS:

The following disclosures are made as required by Ind AS-113 pertaining to Fair value measurement:

Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

Rs in lacs

Particulars	As at 31st March, 2022				As at 31st March, 2021			
	Carrying value	Level 1	Level 2	Level 3	Carrying value	Level 1	Level 2	Level 3
Financial Assets								
Current								
Trade Receivables	13.36	-	-	13.36	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Total	13.36	-	-	13.36	-	-	-	-
Financial Liabilities								
Non current								
Borrowings	221.74	-	-	221.74	168.48	-	-	168.48
Current								
Trade Payables	0.43	-	-	0.43	0.34	-	-	0.34
Other Financial Liabilities	0.42	-	-	0.42	0.06	-	-	0.06
Total	222.59	-	-	222.59	168.88	-	-	168.88

Financial risk management

The Company has exposure to the Credit risk, Liquidity risk and Market risk arising from financial instruments.

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 (RMC), which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits to control / monitor risks and adherence to limit. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The 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 risks faced by the Company. The Audit Committee is assisted by internal audit. Internal audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is approved by the Board of Directors.

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, and arises principally from the Company's receivables.

Trade receivables: 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 following table provides information about the exposure to credit risk and measurement of loss allowance using Life time expected credit loss for trade receivables:

Rs in lacs

	Up to 6 months	6mons. to 1 yr.	1 to 2 years	2 to 3 years	More than 3 years	Total
As on 31 March 2022						
Gross Carrying Amount	13.36	-	-	-	-	13.36
Specific Provision	-	-	-	-	-	-
Carrying Amount	13.36	-	-	-	-	13.36
As on 31 March 2021						
Gross Carrying Amount	-	-	-	-	-	-
Specific Provision	-	-	-	-	-	-
Carrying Amount	-	-	-	-	-	-

Cash and cash equivalents:

The Company held cash and cash equivalents of Rs 76.24 lacs as at 31 March 2022 (31 March 2021-Rs. 0.05 lacs). The cash and cash equivalents are held with reputed banks.

Liquidity Risk:

The 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 risks faced by the Company. The Audit Committee is assisted by internal audit. Internal audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.



	Rs in lacs				
	Carrying amount	Contractual cash flows			
		Up to 1 year	1-5 years	More than 5 years	Total
As on 31 March 2022					
Borrowings	221.74	-	221.74	-	221.74
Trade payables	0.43	0.43	-	-	0.43
As on 31 March 2021					
Borrowings	168.48	-	168.48	-	168.48
Trade payables	0.34	0.34	-	-	0.34

Market Risk:

Market risk is the risk that changes in market price such as foreign exchange rates, interest rates and commodity prices, will affect the Company's income or value of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables, long term debt and commodity prices. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity price risk.

Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through the Statement of profit and loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to Interest rate risk:

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing long term financial instruments is follows:

Particulars	Rs in lacs	
	31 st March 2022	31 st March 2021
Fixed-rate instruments		
Financial liabilities - measured at amortised cost	-	-
Variable-rate instruments		
Financial liabilities - measured at amortised cost	-	-
Total		

Since the company does not have variable rate interest-bearing long term financial borrowings, the company has no exposure to interest rate risk.

Currency risk:

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

To the extent the exposures on purchases and borrowings are not economically hedged by the foreign currency denominated receivables, the Company uses derivative instruments, like, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange and principal only swap rates. Company does not use derivative financial instruments for trading or speculative purposes.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposure.

Exposure to currency risk:

The currency profile of financial assets and financial liabilities as on 31st March 2022 and 31st March 2021 are as below:

	Rs in lacs		
	Total	INR	USD
As on 31 March 2022			
Financial assets			
Trade and other receivables	13.36	13.36	-
Loans	-	-	-
Cash and Cash equivalents	76.24	76.24	-
Exposure for assets (A)	89.60	89.60	-
Financial liabilities			
Long term borrowings	221.74	221.74	-
Trade and other payables	0.43	0.43	-
Other Current financial liabilities	0.42	0.42	-
Exposure for liabilities (B)	222.59	222.59	-
Net exposure (B-A)	132.99	132.99	-

	Rs in lacs		
	Total	INR	USD
As on 31 March 2021			
Financial assets			
Trade and other receivables	-	-	-
Loans	-	-	-
Cash and Cash equivalents	0.05	0.05	-
Exposure for assets (A)	0.05	0.05	-
Financial liabilities			
Long term borrowings	168.48	168.48	-
Trade and other payables	0.34	0.34	-
Other Current financial liabilities	0.06	0.06	-
Exposure for liabilities (B)	168.88	168.88	-
Net exposure (B-A)	168.83	168.83	-

Sensitivity analysis:

A reasonably possible strengthening of the Indian Rupees against USD at March, 31 by Rs. NIL would have positive impact (before tax) by Rs NIL and Rs NIL for the net outstanding balance as on 31-03-2022 and 31-03-2021 respectively. Similarly a reasonably possible weakening of the Indian Rupee against USD would have a negative impact (before tax) by same amounts.

Capital Management

For the purpose of the Company's capital management, capital includes issued capital, convertible instruments and reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments, if any, required in the light of the current economic environment and other business requirements.

The Company has considered the possible effects that may result from the global health pandemic relating to COVID-19 on its operations. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, at the date of approval of these financial statements has used internal sources of information and market based intelligence to arrive at its estimates.



32 **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 1, 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.

33 **Additional disclosure under the regulatory requirements:**

- a. 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.
 - b. There are no borrowings from banks or financial institutions on the basis of security of current assets of the Company.
 - c. The Company has used funds borrowed for the specific purposes only for the purposes which it has been borrowed.
 - d. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
 - e. 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 (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
 - f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - 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 on behalf of the Ultimate Beneficiaries
 - g. There is no proceeding which has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
 - h. The Company does not have capital work-in-progress or in-tangible asset under development.
 - i. The Company is not declared wilful defaulter by any bank or financial institution or other lender.
 - j. The Company has not applied for any scheme of arrangement u/s 230 to 237 of Companies Act, 2013.
- The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in
- k. the tax assessment under the Income Tax Act, 1961.
 - l. The Company is not covered under section 135 of Companies Act, 2013. Hence it is not required to make CSR expense.
 - m. The Company have not traded or invested in Crypto currency or Virtual Currency during the year.
 - n. The company has not granted any loans or advances in the nature of loan to promoter, director, KMP.



34 Financial Ratios

Sr. No.	Ratios	Numerator	Denominator	As at 31st March, 2022	As at 31st March, 2021	% of variance	Reason for variance in excess of 25%
1	Current Ratio (in times)	Total Current Assets	Total Current Liabilities	6.24	0.07	8,618.77	Refer note (a) below
2	Debt Equity Ratio (in times)	Total Debt	Total Equity	3.23	4.53	(28.77)	Refer note (b) below
3	Debt Service Coverage Ratio (in times)	Net profit after taxes + Non cash operating expenses + interest	Interest + principal repayments	NA	NA	NA	Refer note (c) below
4	Return on Equity Ratio (in %)	Net Profit after taxes	Average Shareholder's Equity	59.54	28.42	109.50	Refer note (b) below
5	Inventory turnover ratio (in days)	Average Inventory	Revenue from operations per day	NA	NA	NA	Refer note (d) below
6	Trade Receivables turnover ratio (in days)	Average Trade Receivables	Revenue from operations per day	NA	NA	NA	Refer note (e) below
7	Trade Payables turnover ratio (in days)	Average Trade Payables	Total expense other than payroll cost, finance cost and depreciation per day	NA	NA	NA	Refer note (f) below
8	Net Capital turnover ratio (in times)	Net Sales	Average Working Capital	NA	NA	NA	Refer note (e) below
9	Net Profit Ratio (in %)	Net Profit after tax	Total Income	56.14	38.62	45.38	Refer note (b) below
10	Return on capital employed (in %)	Earning before interest and taxes	Average Capital Employed	13.85	5.57	148.82	Refer note (b) below
11	Return on Investment (in %)	Income from invested funds	Average investment	NA	NA	NA	Refer note (g) below

- (a) Improvement in current ratio is due to increase in cash and cash equivalents realised through other income.
 (b) Variance is due to improvement in profitability of the company.
 (c) The company has not presented the debt service coverage ratio since the Company does not any principal repayments repayable in the next financial year.
 (d) The company has not presented the Inventory turnover ratio since the Company does not hold any inventory.
 (e) The company has not presented the Trade receivable turnover ratio and net capital turnover ratio since the Company does not have any revenue from operation during the year.
 (f) The company has not presented the Trade payable turnover ratio since the Company does not have any purchases during the year.
 (g) The company has not presented the return on investment ratio since the Company does not have any investments during the year.

35 Previous year figures:

Previous year's figures have been reclassified / regrouped wherever necessary to conform to current year's classification / grouping. Figures in brackets are in respect of the previous year.

Signature to Notes 1 to 35

As per our separate report given date
 For Anand Kabra & Co.
 Chartered Accountants
 Firm Registration No. 114351W

Sham Vartikar
 Partner
 Membership No. 048301

Place: Mumbai
 Dated: 15-07-2022

UDIN: 22048301APK9@1648



Sunil Pardal

Sunil Pardal
 Director
 (DIN:0089342)

F.L. Goyal

F.L. Goyal
 Director
 (DIN:03400918)