V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Prima Buildwell Private Limited

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of **Prima Buildwell Private Limited** ("the Company"), which comprise the balance sheet as at 31st March, 2019, the statement of profit and loss, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the 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 31st March, 2019, its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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.

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 Board's Report including Annexures to Board's 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.

Responsibilities of Management and Those Charged with Governance 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, 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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

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FRN 109208W
CHARTERED ACCOUNTANTS

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 Board of Directors 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 the Board of Directors 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 Responsibility for the Audit of 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 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 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.

Other Matter

The statutory financial statements of the Company for the year ended 31st March 2018 were audited by the predecessor auditor (Walker Chandiok & Co LLP), who have expressed an unmodified opinion on the financial statements (prepared as per Accounting Standards i.e. IGAAP) vide their report 22nd June 2018. The comparative financial information for the year ended 31st March 2018 is based on the Special Purpose Financial Statements (prepared as per Ind AS) for the purpose of consolidating financial statements of the Holding Company (Bharat Hotels Limited).

Our opinion is not modified in respect of this matter.

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FRN 109208W
CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 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 the "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

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

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

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

(c) The balance sheet, the statement of profit and loss, the statement of changes in equity and the cash flow statement 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 / provided any managerial remuneration to its directors during the year in accordance with the provisions of section 197 of the Act. Therefore reporting under this clause is not applicable during the year under audit.

(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, 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 litigation which would impact its financial position in the financial statements. Refer Note 25 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 were no amounts, which were required to be transferred during the year to the Investor Education and Protection Fund by the Company.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Ajay Gupta

Place : New Delhi
Dated: 22.05.2019

(Ajay Gupta)
Partner
Membership No. 90104

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

Annexure "A" to the Independent Auditors' Report

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Report on even date)

i The Company does not have any fixed assets during the year. Therefore the provisions of clause 3(i)(a) to (c) of the Order are not applicable.

ii The Company does not have any inventory during the year. Therefore the provisions of clause 3(ii)(a) to (c) of the Order are not applicable.

iii The Company has granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties required to be covered in the register maintained under section 189 of the Act to the following parties -

Party	Maximum outstanding	Amount outstanding	Interest Rate	Remarks
Cavern Hotel and Resorts FZCO	6,78,02,900	6,78,02,900	Interest free	100% provision made

In respect of said loans read with Note 25 of the financial statements -

a) The terms and conditions of the grant of such loan are not prima facie prejudicial to the interest of the Company.

b) We are informed that there is no stipulation regarding repayment of principal.

c) Since there is no stipulation regarding repayment of principal and interest the question of amount overdue for more than 90 days does not arise.

iv In our opinion and according to the information and explanations given to us and the representation obtained from the management, (i) the Company has not granted any loans to any of its directors or any other person in whom director is interested or given guarantee or provided any security in connection with any loan taken by him or such other person within the meaning of section 185 of the Act and (ii) provisions of section 186 of the Act in respect of loan given and investments made have been complied by the Company and the Company has not given any guarantee or provided any security in connection with a loan within the meaning of section 186 of the Act.

v The Company has not accepted deposits within the provisions of sections 73 of the Act or any other relevant provisions and the Rules framed there under.

vi The Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act in respect of Company's activities.

vii a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company has been generally regular in depositing undisputed statutory dues including income-tax and any other statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31st March, 2019, which were outstanding for a period of more than six months from the date they became payable. We are informed that there is no liability towards provident fund, employees' state insurance, goods and service tax duty of customs and cess for the year under audit.

b) There are no disputed dues which have remained unpaid as on 31st March, 2019 in respect of income tax.

viii The Company has not taken any loans or borrowings from financial institutions, banks, government or debenture holders. Therefore the question of default in repayment does not arise.

ix The Company did not raise any money by way of initial / further public offer (including debt instruments) or term loans during the year.

x Based on the audit procedure performed and the representation obtained from the management, no material fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.

xi. According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration within the meaning of section 197 of the Act. Therefore, the provisions of clause 3(xi) of the Order are not applicable.

xii The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.

xiii According to the information and explanations given to us and the representation obtained from the management, the Company has complied with section 188 of the Act in respect of transactions with related parties and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. The Company is not required to form Audit Committee under section 177 of the Act. Therefore, the provisions of clause 3(xiii) with respect to section 177 of the Order are not applicable.

xiv During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

xv According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the Order are not applicable.

xvi In our opinion and according to the information and explanations given to us and the representation obtained from the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Ajay Gupta

Ajay Gupta.
Partner
Membership No. 90104

Place : New Delhi
Dated : 22.05.2019

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NEW DELHI
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CHARTERED ACCOUNTANTS

Annexure "B" to the Independent Auditors' Report

(Referred to in Paragraph 1(f) under 'Report on Other Legal and Regulatory requirements' of our report on even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2019 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 (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.

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.

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.

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

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 31^{st} March 2019, 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 the ICAI.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Ajay Gupta.
Partner
Membership No. 90104

Place : New Delhi
Dated : 22.05.2019

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

Prima Buildwell Private Limited
Balance Sheet as at March 31, 2019

Amount in Rs.

	Notes	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-Current Assets			
Financial Assets			
Investments	2	-	-
Loans	3	-	-
Other Non-current Assets	4	730,329	1,093,352
Total Non Current Assets		**730,329**	**1,093,352**
Current Assets			
Financial Assets			
Cash and Cash Equivalents	5	996,711	738,097
Others	6	-	47,594
Total Current Assets		**996,711**	**785,691**
Total Assets		**1,727,040**	**1,879,043**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	7	30,100,000	30,100,000
Other Equity		(83,620,053)	(83,563,019)
Equity attributable to the owners		**(53,520,053)**	**(53,463,019)**
Non-current Liabilities			
Financial Liabilities			
Borrowings	8	54,889,020	54,624,131
Deferred Tax Liabilities	9	-	366,493
Total Non Current Liabilities		**54,889,020**	**54,990,624**
Current Liabilities			
Financial Liabilities			
Trade Payables	10		
Outstanding dues of micro enterprises and small enterprises		-	-
Outstanding dues of other than micro enterprises and small enterprises		188,726	106,544
Other Financial Liabilities	11	152,904	231,951
Other Current Liabilities	12	16,443	12,943
Total Current Liabilities		**358,073**	**351,438**
Total Equity and Liabilities		**1,727,040**	**1,879,043**
Significant Accounting Policies	1		
Other Notes on Accounts	17 to 29		

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208 W

Ajay Gupta

Ajay Gupta
Partner
Membership No. 90104

Place: New Delhi
Date : 22.05.2019

V. SANKAR AIYAR & CO. NEW DELHI FRN 109208W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
of Prima Buildwell Private Limited

Divya Suri Singh

Dr. Jyotsna Suri
Director
DIN. 00004603

Divya Suri Singh
Director
DIN. 00004559

Prima Buildwell Private Limited
Statement of Profit and Loss for the year ended March 31, 2019

	Notes	Year ended 31.03.2019	Year ended 31.03.2018
		Amount in Rs.	
Income			
Other Income	13	21,697	1,577,122
Total income		**21,697**	**1,577,122**
Expenses			
Finance costs	14	169,892	257,723
Other expenses	15	275,332	242,066
		445,224	**499,789**
Profit / (Loss) for the year before taxation		**(423,527)**	**1,077,333**
Less : Tax expense			
Current tax		-	-
Deferred tax charge / (credit)	24	(366,493)	-
Profit / (Loss) for the year after taxation		**(57,034)**	**1,077,333**
Other Comprehensive Income		-	-
Total Comprehensive Income		**(57,034)**	**1,077,333**
Earnings per share (face value of Rs. 10/- each)			
Basic and Diluted	16	(0.02)	0.36
Significant Accounting Policies	1		
Other Notes on Accounts	17 to 29		

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208 W

Ajay Gupta

Ajay Gupta
Partner
Membership No. 90104

Place: New Delhi
Date : 22.05.2019

V. SANKAR AIYAR & CO. NEW DELHI FRN 109208W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
of Prima Buildwell Private Limited

Divya Suri Singh

Dr. Jyotsna Suri
Director
DIN. 00004603

Divya Suri Singh
Director
DIN. 00004559

Prima Buildwell Private Limited
Cash flow statement for the year ended 31st March 2019

		Amount in Rs.	
		Year ended 31.03.2019	Year ended 31.03.2018
A.	**Cash flow from/(used in) operating activities**		
	Net profit before taxation	(423,527)	1,077,333
	Adjustments for:		
	Interest income	(21,697)	(1,577,122)
	Interest expense	169,892	257,723
	Operating loss before working capital changes	(275,332)	(242,066)
	Movements in working capital:		
	Increase/(decrease) in trade payables	82,182	(51,353)
	Increase/(decrease) in other non-financial liabilities	3,500	(390,813)
	Cash generated from/(used in) operations	(189,650)	(684,232)
	Direct taxes (paid) / Refund	363,023	713,662
	Net cash from/(used in) operating activities	**173,373**	**29,430**
B.	**Cash flow from/(used in) investing activities**		
	Loan received back	-	3,063,785
	Interest received	69,291	21,115,427
	Net cash from/(used in) investing activities	**69,291**	**24,179,212**
C.	**Cash flow from /(used in) financing activities**		
	Interest paid	(248,939)	(18,893,796)
	Loan taken / (repaid) (net)	264,889	(4,748,147)
	Net Cash flow from /(used in) financing activities	**15,950**	**(23,641,943)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**258,614**	**566,699**
	Cash and cash equivalents at the beginning of the year	**738,097**	**171,398**
	Cash and cash equivalents at the end of the year	**996,711**	**738,097**
	Components of cash and cash equivalents		
	Cash on hand	770	770
	Balances with scheduled banks:		
	In current accounts	995,941	737,327
		996,711	738,097

Note
The cash flow statement has been prepared under the indirect method as set out in the IND AS 7 "Cash Flow Statement".

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208 W

Ajay Gupta

Ajay Gupta
Partner
Membership No. 90104

Place: New Delhi
Date : 22.05.2019

V. SANKAR AIYAR & CO.
NEW DELHI
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For and on behalf of the Board of Directors
of Prima Buildwell Private Limited

Divya Suri Singh

Dr. Jyotsna Suri
Director
DIN. 00004603

Divya Suri Singh
Director
DIN. 00004559

Prima Buildwell Private Limited

Statement of Changes in Equity

Amount in Rs.

(a) Equity Share Capital

As at 01.04.2017	Changes in equity share capital during 2017-18	Balance as at 31.3.2018	Changes in equity share capital during 2018-19	Balance as at 31.03.2019
30,100,000	-	30,100,000	-	30,100,000

(b) Other Equity as at 31.03.19

Particulars	Reserves and Surplus (Deficit)	Items of other comprehensive income (Items that will not be re-classified to Profit and Loss)	Total Equity
As at April 1, 2017	**(84,640,352)**	-	**(84,640,352)**
Additions:			
Profit / (Loss) for the year	1,077,333		1,077,333
As at March 31, 2018	**(83,563,019)**	-	**(83,563,019)**
Additions:			
Profit / (Loss) for the year	(57,034)		(57,034)
As at March 31, 2019	**(83,620,053)**	-	**(83,620,053)**

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208 W

Ajay Gupta

Ajay Gupta
Partner
Membership No. 90104

Place: New Delhi
Date : 22.05.2019

V. SANKAR AIYAR & CO. NEW DELHI FRN 109208W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
of Prima Buildwell Private Limited

Divya Suri Singh

Dr. Jyotsna Suri
Director
DIN. 00004603

Divya Suri Singh
Director
DIN. 00004559

Prima Buildwell Private Limited

Notes to the Financial Statements for the year ended 31st March 2019

1. **Corporate Information**

   i) Prima Buildwell Private Limited, ('the Company') is a wholly owned subsidiary of Bharat Hotels Limited (BHL) and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of operating hotels. The Company has its principal place of business located at 25th Ground Floor, World Trade Center, Barakhamba Lane , New Delhi-11001

   The financial statements were authorised for issue in accordance with a resolution of the directors on **22nd of May 2019**

   ii) **Basis of Preparation**

   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. These are separate financial statement of the Company and the company has availed exemption from preparing consolidated financial statements (CFS) in accordance with section 129(3) of the Companies Act 2013 read with paragraph 4(a) of Ind AS 110 i.e. Consolidated Financial Statement. The parent company has prepared its CFS as per Ind AS and it is available for public use at their registered office i.e. World Trade Center, Barakhamba Lane New Delhi-110001. The parent Company is engaged in the business of operating hotels in India.

   The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

   - Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

   The financial statements are presented in INR and all values are rounded to the nearest Rupees, except when otherwise indicated.

iii) **Significant Accounting Policies**

   a) **Current versus non-current classification**

   The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

   An asset is treated as current when it is:

   - Expected to be realised or intended to be sold or consumed in normal operating cycle
   - Held primarily for the purpose of trading
   - Expected to be realised within twelve months after the reporting period, or
   - 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 held primarily for the purpose of trading
   - 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

   The Company classifies all other liabilities as non-current.

V. SANKAR AIYAR & CO
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, 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 recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

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

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares
- Financial instruments

c) Revenue Recognition

Ind AS 115 supersedes Ind AS 11 Construction Contracts, Ind AS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

V. SANKAR AIYAR & CO. NEW DELHI FRN 109208W CHARTERED ACCOUNTANTS

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures.

The Company adopted Ind AS 115 using the full retrospective method of adoption.

Interest Income:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

d) 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. 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 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, security deposits and other receivables.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

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 consolidated 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.

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, 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 and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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.

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

e) 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 a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of Profit and Loss net of any reimbursement.

f) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

g) Taxes

Current income tax

Current 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, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI 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.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the 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.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

h) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

iv) **Recent Accounting Pronouncements**

IND AS 116 – Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

Prima Buildwell Private Limited

	Amount in Rs. As at 31.03.2019	As at 31.03.2018
2. Non-current Investments		
Investments at Cost		
In Joint Venture		
1 (Previous Year 1) fully paid up equity share of Cavern Hotel and Resort FZCO, Dubai, U.A.E. (face value of 100,000 AED i.e. United Arab Emirates Dirham)	1,084,766	1,084,766
Less : Provision for diminution in the value of investment	(1,084,766)	(1,084,766)
	-	-

	As at 31.03.2019	As at 31.03.2018
3. Loans		
(Unsecured, considered good unless otherwise stated)		
Loans to Related Parties (Refer Note 20)		
Cavern Hotel & Resort FZCO, UAE (Interest free)		
- Considered Good	-	-
- Considered Doubtful	67,802,900	67,802,900
	67,802,900	67,802,900
Less: Provision for doubtful advances	67,802,900	67,802,900
	-	-

	As at 31.03.2019	As at 31.03.2018
4. Other Non-current Assets		
Income tax payments (including tax deducted at source)	730,329	1,093,352
	730,329	**1,093,352**

	As at 31.03.2019	As at 31.03.2018
5. Cash and Cash Equivalents		
Balances with banks		
In current accounts	995,941	737,327
Cash on hand	770	770
	996,711	**738,097**

	As at 31.03.2019	As at 31.03.2018
6. Other Financial Assets		
Interest receivable on loan to Related Parties (Refer Note 20)		
Kujjal Hotel Private Limited	-	47,594
	-	**47,594**

V. SANKAR AIYAR & CO. NEW DELHI FRN 109208W CHARTERED ACCOUNTANTS

Prima Buildwell Private Limited

	Amount in Rs.	
	As at 31.03.2019	As at 31.03.2018
7. Share Capital		
Authorised		
50,00,000 (Previous Year 50,00,000) Equity Shares of Rs. 10/- each	50,000,000	50,000,000
Issued, Subscribed & Paid up		
30,10,000 (Previous Year 30,10,000) Equity Shares of Rs 10/- each fully paid-up	30,100,000	30,100,000
	30,100,000	**30,100,000**

(a) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

(b) Reconciliation of number of shares	Numbers	Numbers
Shares outstanding at the beginning of the year	3,010,000	3,010,000
Shares outstanding at the end of the year	3,010,000	3,010,000
(c) Shares held by each shareholder holding more than 5% shares		
Bharat Hotels Limited (being the Holding Company)	3,010,000	3,010,000
% holding	100.00%	100.00%

8. Borrowings

Unsecured loan from related party		
- From Bharat Hotels Limited (Holding Company)	54,889,020	54,624,131
	54,889,020	**54,624,131**

Terms of Repayment

The above loan is repayable within a period of 8 years starting from May 2013. Out of the above loan Rs. 5,29,02,278 is interest free and interest rate on balance amount is 10.00% at the year end

The interest free portion of the loan (already shown as doubtful and provided for by the holding company) was utilised for giving loan to Cavern Hotel & Resort FZCO, UAE on which legal proceedings are in progress and fully provided for by the Company. In this circumstances, no fair valuation is considered necessary.

9. Deferred Tax Liability

Deferred tax liability		
- Difference in exchange rates (Refer Note 24)	-	366,493
	-	**366,493**

10. Trade Paybles

Outstanding dues of micro enterprises and small enterprises (Refer Note No. 23)	-	-
Outstanding dues of other than micro enterprises and small enterprises	188,726	106,544
	188,726	**106,544**

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

Prima Buildwell Private Limited

	Amount in Rs.	
	As at 31.03.2019	As at 31.03.2018
11. Other Current Financial Laibilities		
Interest accrued on loan taken from Bharat Hotels Limited (Holding Company)	152,904	231,951
	152,904	**231,951**
12. Other Current Liabilities		
Statutory dues payable - TDS	16,443	12,943
	16,443	**12,943**

~~Kujjal Hotel Private Limited~~

	Year ended 31.03.2019	Year ended 31.03.2018
13. Other Income		
Interest on loan to Related Parties		
Kujjal Hotel Private Limited	-	52,882
The Lalit Suri Educational & Charitable Trust (fair value gain)	-	1,489,395
Interest on Income tax refund	21,697	34,845
Total	**21,697**	**1,577,122**
14. Finance Costs		
Interest on loan from Bharat Hotels Limited (Holding Company)	169,892	257,723
	169,892	**257,723**
15. Other Expenses		
Rates and taxes	1,930	31,375
Professional fees	87,112	35,482
Bank Charges	590	9
Payment to Auditors		
- Audit Fee	150,000	157,500
- Certifcation	15,000	15,000
- Taxes on above	20,700	2,700
Total	**275,332**	**242,066**
16. Earnings per Share		
Profit / (Loss) after current and deferred tax	(57,034)	1,077,333
Weighted average number of equity shares of Rs. 10/- each	3,010,000	3,010,000
EPS (Rs.)- Basic and Diluted	-0.02	0.36

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

Prima Buildwell Private Limited

Amount in Rs.

17 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure 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 risk, which are summarised as below:

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

	31.03.2019	31.03.2018
Variable rate borrowings	54,889,020	54,624,131

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Effect on Profit before tax	
	31.03.2019	31.03.2018
Increase by 50 basis points (31 March 2019: 50 bps)	274,445	273,121
Decrease by 50 basis points (31 March 2019: 50 bps)	(274,445)	(273,121)

18 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 30% and 50%. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Particulars	31.03.2019	31.03.2018
Borrowings including interest accrued	55,041,924	54,856,082
Trade payables	188,726	106,544
Less: Cash and cash equivalents	(996,711)	(738,097)
Net debt	**54,233,939**	**54,224,529**
Equity	(53,520,053)	(53,463,019)
Capital and net debt	**713,886**	**761,510**
Gearing ratio	7597%	7121%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.
No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

Prima Buildwell Private Limited

Amount in Rs.

19 **Fair value measurement**

Financial instruments by category

Particulars	31.03.2019			31.03.2018		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial Assets						
Interest Accrued			-			47,594
Cash and Cash Equivalents			996,711			738,097
Total Financial Assets	**-**	**-**	**996,711**	**-**	**-**	**785,691**
Financial Liabilities						
Loans			54,889,020			54,624,131
Interest Accrued			152,904			231,951
Trade Payables			188,726			106,544
Total Financial Liabilities	**-**	**-**	**55,230,650**	**-**	**-**	**54,962,626**

20 **Related Party Disclosures:**

a) **Names of related parties and their relationship:**

i) Holding Company - Bharat Hotels Limited

ii) Joint Venture Company - Cavern Hotel and Resort FZCO, Dubai, U.A.E.

iii) Enterprise owned or significant influenced by key management personnel or their relatives :

- The Lalit Suri Educational and Charitable Trust

iv) Fellow Subsidiary Company

- Apollo Zipper India Limited
- Kujjal Hotels Private Limited (Wef 21.02.2019) (Formerly Kujjal Builders Private Limited till 20.02.2019)

v) Key Management Personnel:

a) Dr. Jyotsna Suri–Director

b) Ms. Divya Suri Singh– Director

b) **Transactions with above parties in the ordinary course of business are as follows:**

Nature of transaction	31.03.2019	31.03.2018
Bharat Hotels Limited		
Loan received	-	500,000
Loan paid	-	(5,271,055)
Interest expense	169,892	257,723
Other expenses	32,939	22,908
Balance payable at year end (including interest)	55,041,924	54,856,082
Cavern Hotel & Resort FZCO		
Loan receivable at year end (net of provisions)	Nil	Nil
Kujjal Hotel Private Limited		
Interest Income	-	52,882
Loan receivable at year end (including interest)	-	47,594
The Lalit Suri Educational & Charitable Trust		
Fiar value gain on financial assets	-	1,489,395
Loan Repayments	-	(2,700,000)
Loan Receivable at year end (at fair value)	-	-

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

Prima Buildwell Private Limited

21 **Segment Information**

The Company has only one reportable business segment, which is operating and constructing hotel (through Joint Venture Company) and it operates in a single business segment based on the nature of the services, the risks and returns, the organization structure and the internal financial reporting systems. Accordingly, the figures appearing in these financial statements relate to the Company's single business segment

22 **Interest in Joint Venture**

Name of jointly controlled entity: Cavern Hotel & Resort FZCO, incorporated in Dubai, U.A.E., on April 22, 2007.
Description of interest: The Company holds 1 (previous year : 1) equity share of U.A.E. Dirham 100,000 out of a total paid up capital of 6 (previous year : 6) equity shares of Cavern Hotel and Resort FZCO.
Proportion of ownership interest: 16.67% (previous year 16.67 %) share in the equity share capital
Proportionate interest (16.67%) of the Company in the jointly controlled entity for the year ended March 31, 2019 (previous year 16.67%)

Particulars	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Amount in AED		Amount in Rs.	
Assets				
Long term assets	4,584,250	4,584,250	86,593,274	81,226,950
Current assets	2,039,943	2,040,648	38,533,096	36,157,630
Total	**6,624,193**	**6,624,898**	**125,126,370**	**117,384,580**
Liabilities				
Long term liabilities	5,888,782	5,888,782	111,234,975	104,341,570
Current liabilities and provisions	1,992,546	1,992,546	37,637,801	35,305,327
Total	**7,881,328**	**7,881,328**	**148,872,776**	**139,646,897**
Expenses	235	235	4,437	4,162

Note: The above disclosure has been made solely on the basis of un-audited accounts of Cavern Hotel & Resort FZCO, certified by the management, for the year ended March 31, 2019.

23 **Details of dues to Micro Enterprises and Small Enterprises as per MSMED Act, 2006 to the extent of confirmation received**

Details of dues to Micro Enterprises and Small Enterprises as per MSMED Act, 2006	31.03.2019	31.03.2018
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
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 Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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 section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil

24 Deferred tax on Income tax losses is recognised to the extent of deferred tax liabilities on account of prudence.

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

Prima Buildwell Private Limited

25 The Company had an investment of AED 1,00,000 and also given a loan of AED 55,00,000 to Cavern Hotel and Resort FZCO, a joint venture company in which the Company has 16.67% interest, for setting up a hotel property at AL-Furjan Dubai with Lost City LLC. The joint venture has paid advance for purchase of land to AL-Furjan LLC (associate of Lost City). Subsequently, due to precarious financial situation in Dubai, AL-Furjan LLC has not developed the land as per the land purchase agreement and the Company has informed its intention to exit from the joint venture. AL-Furjan LLC has initiated legal proceeding against the Company. The management has considering the legal case, provided for fully against the investment and loan amount. Accordingly the Company has made provision for diminution in value of investment of Rs. 10,84,766 and provision for doubtful advances of Rs. 6,78,02,900. The loan being recoverable in foreign currency has not been restated as required under Ind AS-21 in view of the same being considered as doubtful and fully provided for.

26 **Foreign Currency Exposure**

Particulars	Currency	31.03.2019		31.03.2018	
		Foreign Currency	Rupees	Foreign Currency	Rupees
Unhedged foreign currency exposure Long term loans	AED	55,00,000	67,802,900	55,00,000	67,802,900

Note : Amount in rupees is as per balance sheet. Further Refer Note 25 above.

27 Particulars of loans given / investments made / guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013

Name of the Company	Nature	Balance as at 31.03.19	Balance as at 31.03.18	Period	Rate of interest	Purpose
Cavern Hotel & Resort FZCO, UAE (Provision made)	Loan given	6,78,02,900 (6,78,02,900)	6,78,02,900 (6,78,02,900)	Long term	Interest free	Refer Note 25
	Investment made	10,84,766 (10,84,766)	10,84,766 (10,84,766)			

28 The Company has prepared financial statements for the current year in accordance with Indian Accounting Standards i.e. Ind AS specified under section 133 of the Companies Act 2013, being a non-NBFC based on the principal financial activity criteria. The Management believes that the principal business of the Company is not that of non-banking financial company and hence it is not required to obtain certificate of registration as a non-banking financial company under section 45IA of the Reserve Bank of India Act, 1934.

The statutory financial statements for the year ended 31st March 2018 were prepared as per Accounting Standard i.e. IGAAP considering the Company to be NBFC. However, this change of accounting framework has no effect on the total equity / net worth as on 31st March 2018. The comparative financial information for the year ending 31st March 2018 is based on special purpose financial statement prepared as per Ind AS for the purpose of consolidating the financial statement of the Holding Company i.e. Bharat Hotels Limited.

29 Previous years figures have been regrouped / reclassified wherever considered necessary to conform to current year's presentation.

As per our report of even date attached

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208 W

Ajay Gupta

(Ajay Gupta)
Partner
Membership No. 90104

Place: New Delhi
Date : 22.05.2019

V. SANKAR AIYAR & CO.
NEW DELHI
FRN 109208W
CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors
of Prima Buildwell Private Limited

Divya Suri Singh

Dr. Jyotsna Suri
Director
DIN. 00004603

Divya Suri Singh
Director
DIN. 00004559