Walker Chandiok &Co LLP

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Independent Auditor's Report

To the Members of The Lalit Great Eastern Kolkata Hotel Limited (formerly known as Apollo Zipper India Limited)

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of The Lalit Great Eastern Kolkata Hotel Limited (formerly known as Apollo Zipper India Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules 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.

Emphasis of Matters

4. We draw your attention to the Note 49 of the accompanying statement which describes the uncertainties due to the outbreak of Covid-19 pandemic and management evaluation of the same on the financial statement of the Company as at the balance sheet date. In view of these uncertainties, the impact of the Company's result is significantly dependent on future development;

Our opinion is not modified is respect of these matters

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Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

   The Director Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

6. The accompanying financial statements have been approved by the Company's Board of Directors. 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

9. 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

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

11. 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.

Report on Other Legal and Regulatory Requirements

12. The company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

14. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) we have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

    b) the financial statements dealt with by this report are in agreement with the books of account;

    c) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

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d) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;

e) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 27 August 2020 as per Annexure II expressed unmodified opinion;

f) the matters described in paragraph 4 under the Emphasis of Matter in our opinion, may have an adverse effect on the functioning of the Company; and

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

   i. the Company, as detailed in note 37 (ii) to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2020;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;

   iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020;

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora

Rohit Arora
Partner
Membership No.: 504774
UDIN: 20504774AAAAKE7610

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Place: New Delhi
Date: 27 August 2020

Annexure I of the Independent Auditor's Report of even date to the members of The Lalit Great Eastern Kolkata Hotel Limited (formerly known as Apollo Zipper India Limited) on the financial statements for the year ended 31 March 2020

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (in the nature of Property, plant and equipment and other intangible assets).

(b) The fixed assets have not been physically verified by the management during the year and we are therefore unable to comment on the discrepancies, if any, which could have arisen on such verification. However, the Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties, which are included under the head 'Property, plant and equipment' are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification. Also, refer paragraph 3 under the heading 'Basis for Qualified Opinion' paragraph in our main report

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute. are as follows:

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Annexure I of the Independent Auditor's Report of even date to the members of The Lalit Great Eastern Kolkata Hotel Limited (formerly known as Apollo Zipper India Limited) on the financial statements for the year ended 31 March 2020

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹) (in lacs)	Amount paid under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Service tax	Input tax credit	2.32	0.17	Assessment year 2017-18	Customs, Excise and Service Tax Appellate Tribunal

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year. The Company did not have any outstanding debentures and loan from government during the year

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the Company has applied moneys raised by way of the term loans for the purposes for which these were raised.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provision of clause 3(xi) of the Order are not applicable.

(xii). In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora

Rohit Arora
Partner
Membership No.: 504774
UDIN: 20504774AAAAKE7610

Place: New Delhi
Date: 27 August 2020

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of The Lalit Great Eastern Kolkata Hotel Limited (formerly known as Apollo Zipper India Limited) ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

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

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

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

WALKER CHANDIOK & CO LLP

Annexure II to the Independent Auditor's Report of even date to the members of The Lalit Great Eastern Kolkata Hotel Limited (formerly known as Apollo Zipper India Limited) on the standalone financial statements for the year ended 31 March 2020

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India..

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora

Rohit Arora
Partner
Membership No.: 504774
UDIN: 20504774AAAAKE7610

Place: New Delhi
Date: 27 August 2020

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

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Lalit Great Eastern Kolkata Hotel Limited (Formerly known as Apollo Zipper India Limited)

Balance Sheet as at 31 March 2020

(All amounts Rs in Lacs)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
a) Property, plant and equipment	2	31,287.16	32,584.75
b) Capital work-in-progress		8,585.89	7,161.43
c) Intangible assets	3	4.60	6.58
d) Financial assets			
(i) Other non current financial assets	4	106.72	263.09
e) Non-current tax assets (net)	5	94.58	140.14
f) Other non-current assets	6	58.71	64.08
Total non current assets		**40,137.66**	**40,220.07**
Current assets			
a) Inventories	7	222.65	204.75
b) Financial assets			
(i) Trade receivables	8	425.75	440.51
(ii) Cash and cash equivalents	9	111.67	99.18
(iii) Loans	10	4.02	3.90
(iv) Other current financial assets	11	3.50	41.12
d) Other current assets	12	68.46	98.68
Total current assets		**836.05**	**888.14**
Total assets		**40,973.71**	**41,108.21**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	13	80.87	80.87
b) Other equity			
Deemed equity contribution		21,330.90	21,330.90
Retained earnings	14	(4,296.32)	(3,806.82)
Total Equity		**17,115.45**	**17,604.95**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	15	12,393.83	13,179.84
b) Provisions	16	43.95	40.15
c) Deferred tax liabilities (net)	17	7,396.63	7,604.78
d) Other non-current liabilities	18	-	36.58
Total non current liabilities		**19,834.41**	**20,861.35**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	19	1,871.46	689.26
(ii) Trade payables	20		
- total outstanding dues of micro and small enterprises (refer note 44)		34.05	22.60
- total outstanding dues of creditors other than micro and small enterprises		609.89	540.18
(iii) Other current financial liabilities	21	1,279.23	1,059.78
b) Provisions	22	49.03	44.95
c) Other current liabilities	23	180.19	285.14
Total current liabilities		**4,023.85**	**2,641.91**
Total equity and liabilities		**40,973.71**	**41,108.21**
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Walker Chandiok & Co. LLP
Firm Registration Number: 001076N/N500013
Chartered Accountants

Rohit Arora
Partner
Membership No. 504774

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Place: New Delhi
Date: 27 Aug 2020

For and on behalf of the Board of Directors of Lalit Great Eastern Kolkata Hotel Limited

Dr. Jyotsna Suri
Managing Director
DIN: 00004603

Keshav Suri
Director
DIN: 00005370

Place: New Delhi
Date: 27 Aug 2020

LALIT GREAT EASTERN KOLKATA HOTEL LIMITED * NEW DELHI

Lalit Great Eastern Kolkata Hotel Limited (Formerly known as Apollo Zipper India Limited)
Statement of Profit and Loss for the year ended 31 March 2020

(All amounts Rs in Lacs)

Particulars	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue			
Revenue from operations	24	5,734.95	6,079.10
Other income	25	128.50	104.23
Total income		**5,863.45**	**6,183.33**
Expenses			
Cost of food and beverages consumed	26	715.56	925.91
Purchase of traded goods		0.85	0.90
Change in inventories of traded goods	27	0.27	(0.39)
Excise duty on sale of food		-	-
Employee benefits expense	28	935.35	988.14
Other expenses	29	2,470.94	2,684.97
Total expenses		**4,122.97**	**4,599.53**
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**1,740.48**	**1,583.80**
Finance income	30	6.63	18.41
Finance costs	31	(1,065.18)	(874.32)
Depreciation and amortization expense	32	(1,381.50)	(1,405.18)
Loss before exceptional items and tax		**(699.57)**	**(677.29)**
Loss before tax and exceptional items		**(699.57)**	**(677.29)**
Tax expense:			
Current tax		-	-
Deferred tax (credit)/charge	46	(208.68)	(201.96)
Total tax expense		**(208.68)**	**(201.96)**
(Loss) for the year		**(490.89)**	**(475.33)**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
i) Remeasurements of the net defined benefit plans - actuarial gain or (loss)		1.92	3.34
ii) Income tax effect		(0.53)	(0.93)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent years		**1.39**	**2.41**
Total comprehensive (loss) for the year, net of tax		**(489.50)**	**(472.92)**
Earnings per equity share			
Basic and diluted	33	(60.70)	(58.78)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Walker Chandiok & Co. LLP
Firm Registration Number: 001076N/N500013
Chartered Accountants

Rohit Arora
Partner
Membership No: 504774

Place: New Delhi
Date: 27 Aug 2020

For and on behalf of the Board of Directors of Lalit Great Eastern Kolkata Hotel Limited

Dr. Jyotsna Suri
Managing Director
DIN: 00004603

Keshav Suri
Director
DIN: 00005370

Place: New Delhi
Date: 27 Aug 2020

Lalit Great Eastern Kolkata Hotel Limited (Formerly known as Apollo Zipper India Limited)
Statement of Cash Flows for the year ended 31 March 2020

(All amounts Rs in Lacs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flow from operating activities:		
Profit before tax	(699.57)	(677.29)
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	1,381.50	1,405.18
Provision for doubtful debts	20.75	24.68
Excess provision/ credit balances written back	(6.72)	(29.96)
Loss on sale of property, plant and equipment (net)	0.44	7.92
Interest income	(6.63)	(18.41)
Interest expense	1,065.18	874.32
Government grant income	(53.15)	(48.49)
Unrealized foreign exchange loss / (gain)	(3.31)	(2.22)
Operating profit before working capital changes:	**1,698.49**	**1,535.73**
Movements in working capital:		
Decrease in other non current assets	4.53	4.21
(Increase) / Decrease in trade receivables	(5.99)	32.49
Decrease in other current financial assets	37.62	15.83
Decrease in other current assets	30.11	19.65
(Increase) in inventories	(17.90)	(5.73)
Increase in trade payables	87.88	21.40
(Decrease)/Increase in other current financial liabilities	(0.77)	0.51
Increase in short term provisions	4.09	9.87
Increase in long term provisions	5.72	13.09
(Decrease) in other current liabilities	(104.96)	(46.62)
Increase in other non current liabilities	16.57	4.67
Cash Generated from Operations	**1,755.39**	**1,605.10**
Tax paid (net)	**45.56**	**(61.80)**
Net cash flow from operating activities (a)	**1,800.95**	**1,543.30**
B. Cash flow from investing activities:		
Purchase of property, plant and equipment (refer note 3 below)	(1,548.60)	(1,987.66)
Proceeds from sale of property, plant and equipment	0.15	0.78
Interest received	59.12	4.43
Proceeds from/(investment in) bank deposits	107.19	2.36
Net Cash flow (used in) investing activities (b)	**(1,382.14)**	**(1,980.09)**
C. Cash flows from financing activities:		
Proceeds from long term borrowings (net)	(1,281.55)	740.39
Proceeds from short term borrowings (net)	1,182.20	105.64
Interest paid	(306.98)	(399.18)
Net Cash flow (used in)/from financing activities (c)	**(406.33)**	**446.85**
D. Net increase in cash and cash equivalents (a+b+c)	**12.49**	**10.06**
Cash and cash equivalents at the beginning of the year	99.18	89.12
Cash and cash equivalents at the end of the year	**111.67**	**99.18**
E. Components of cash and cash equivalents:		
Balances with banks		
- on Current accounts	100.02	92.22
Cheques/drafts on hand	6.04	0.62
Cash on Hand	5.61	6.34
	111.67	**99.18**

Notes:

1. The figures in bracket indicate outflows.
2. The cash flow has been prepared under the "Indirect method", as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.
3. Additions to property, plant and equipment are stated inclusive of movements of capital work-in-progress (including capital advances) and preoperative expenditure pending allocation and the same has been treated as part of investing activities.

See accompanying notes to the financial statements

As per our report of even date

For Walker Chandiok & Co. LLP
Firm Registration Number: 001076N/N500013
Chartered Accountants

Rohit Arora

Rohit Arora
Partner
Membership No. 504774

Place: New Delhi
Date: 27 Aug 2020

For and on behalf of the Board of Directors of
Lalit Great Eastern Kolkata Hotel Limited

Dr. Jyotsna Suri
Managing Director
DIN: 00004603

Keshav Suri
Director
DIN: 00005370

Place: New Delhi
Date: 27 Aug 2020

Lalit Great Eastern Kolkata Hotel Limited (Formerly known as Apollo Zipper India Limited)
Statement of changes in equity for the year ended 31 March 2020

(All amounts Rs in Lacs)

A) Equity share capital

	Notes	Amount
As at 31 March 2019	13	80.87
Changes in equity share capital		-
As at 31 March 2020	13	80.87

B) Other equity

(All amounts Rs in Lacs)

Particulars	Attributable to equity holders of Lalit Great Eastern Kolkata Hotel Limited		
	Deemed equity portion of interest free loan	Retained earnings	Total other equity
For the year ended 31 March 2019			
As at 1 April 2018	21,185.70	(3,333.90)	17,851.80
Profit for the year	-	(475.33)	(475.33)
Other comprehensive income (net of tax)	-	2.41	2.41
Deemed equity component of interest free loan (refer note 47)	145.20	-	145.20
As at 31 March 2019	21,330.90	(3,806.82)	17,524.08
For the year ended 31 March 2020			
As at 1 April 2019	21,330.90	(3,806.82)	17,524.08
(Loss) for the year	-	(490.89)	(490.89)
Other comprehensive income (net of tax)	-	1.39	1.39
Deemed Equity component of interest free loan (refer note 47)	-	-	-
As at 31 March 2020	21,330.90	(4,296.32)	17,034.58

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Walker Chandiok & Co. LLP
Firm Registration Number: 001076N/N500013
Chartered Accountants

Rohit Arora
Partner
Membership No. 504774

Place: New Delhi
Date: 27 Aug 2020

For and on behalf of the Board of Directors of
Lalit Great Eastern Kolkata Hotel Limited

Dr. Jyotsna Suri
Managing Director
DIN: 00004603

Keshav Suri
Director
DIN: 00005370

Place: New Delhi
Date: 27 Aug 2020

LALIT GREAT EASTERN KOLKATA HOTEL LIMITED
NEW DELHI

1. i) Corporate information

Lalit Great Eastern Kolkata Hotel Limited (Formerly known as Apollo Zipper India Limited), ('the Company') is a public limited Company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company is a subsidiary of Bharat Hotels Limited and is engaged in the business of hospitality services. The Company has its principal place of business located at 18, Hemanta Basu Sarani, Kolkata, West Bengal - 700 069.

The financial statements were authorised for issue in accordance with a resolution of the directors on 27 August 2020.

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 by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value / amortised cost [Refer note iii (i) below].

The financial statements are presented in INR, which is the Company's presentation currency as well as the functional currency for all its operations and all financial information are presented in Indian Rupees, unless stated otherwise.

As at 31 March 2020, the total assets of the Company are Rs.40,973.71 lacs (31 March 2019:Rs. 41,108.21 lacs) whereas the total liabilities of the Company are Rs. 23,858.26 lacs (31 March 2019: Rs. 23,503.26 lacs) [including amounts payable to the parent Company 31 March 2020: Rs. 3,618.53 lacs and (31 March 2019: Rs.3,282.59 lacs)]. Further, the accumulated losses at year-end are 31 March 2020 Rs. 4,296.32 lacs and 31 March 2019 are Rs. 3,806.82 lacs. The management has obtained commitment of its parent Company for continued financial and operating support and considers it appropriate to prepare these financial statements on going concern basis.

iii) Significant accounting policies

a) Current versus non-current classification

An asset is classified as current when it satisfies any of the following criteria:

- 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
- The Company classifies all other assets as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle

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- 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 liability as non-current.

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) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method using the rates arrived on the basis of the useful life which coincides with the useful life prescribed under Schedule II of the Companies Act, 2013 except for furniture and fixtures and some items of plant and machinery in which useful lives are different from those prescribed under Schedule II of the Companies Act, 2013. In respect of these furniture and fixtures and some items of plant and machinery, the management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The identified components are depreciated over the useful life, the remaining asset is depreciated over the life of the principal asset. The Company has used the following rates to provide depreciation on its fixed assets:

Tangible assets	Useful life as per the Schedule II	Useful economic lives estimated by the management (years)
Freehold building	60	60
Plant & machinery	15	7.5-15
Furniture & fixtures	10	8
Vehicles	8	8
Office equipment	5	5
Computers	5	3

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

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(14)

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced

De-recognition

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

c) Intangible assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Subsequent measurement (depreciation and useful lives)

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The Company has capitalised computer software in the nature of software licenses as intangible assets and the cost of software is amortized over the license period or three years, being their expected useful economic life, whichever is lower.

De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

d) Impairment of non-financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication 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 an 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of Profit and Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

e) Foreign currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

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

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

f) 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 of 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.

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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
- Financial instruments

g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:

Revenue from hotel operations

Revenue from hotel operations comprise sale of rooms, food and beverages, liquor and wine, banquet rentals and other services relating to hotel operations including telecommunication, laundry, business centre, health centre etc. Revenue is recognized as and when the services are rendered and is disclosed net of allowances. The Company collects taxes such as goods and service tax (GST) on behalf of the government and, therefore these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Membership programme revenue

Membership revenue is recognized pro rata over the period of the membership term. Joining fee is recorded as income on sale of membership card.

Loyalty points programme

The Company operates a Lalit loyalty points programme, Lalit Connect, Lalit Plus, Lalit Engage, which allows customers to accumulate points when they stay in the hotels of the Company. The points can be redeemed for free stay, subject to a minimum number of points being obtained. The fair value of the points issued is deferred and recognized as revenue when the points are redeemed.

Sale of goods (Trading goods)

Revenue is recognized when all significant risks and rewards of ownership of the goods have passed to the buyer.

Interest Income

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

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part

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of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i) 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.

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the interest income, impairment losses & reversals and foreign exchange gain or loss are recognised in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

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. Such election is made 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, cumulative gain or loss may be transferred within equity.

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

Derecognition

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

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

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

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

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

Impairment of financial assets

In accordance with Ind AS 109: Financials Instruments, the Company recognizes impairment loss allowance on trade receivables based on historically observed default rates. Impairment loss allowance recognized during the year is charged to Statement of Profit and Loss.

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

This is the category most relevant to the Company. 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.

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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.

Reclassification of financial instruments

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

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to P&L at the reclassification date

Offsetting of financial instruments

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

j) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation other than the contribution payable to the Provided Fund.

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Other employee benefits

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

k) 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.

If the effect of the time value of money is material, provisions are discounted 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.

l) Earnings per share

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

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

m) Leases

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term, except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

n) Taxes

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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 liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

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. Unrecognised deferred tax assets are re-assessed 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.

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.

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

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.

o) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Stores and spares inventory comprises cutlery, crockery, linen, other store items food and beverage, liquor and wine items in hand: Cost is determined on first in first out basis. Circulating stock of crockery and cutlery issued for more than two months is charged to the profit and loss account as consumption.

Trading goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.

Net realizable value is the estimated selling price in the ordinary course of the business, less estimated costs necessary to make the sale.

Inventory of food and beverage items in hand includes items used for staff cafeteria and is charged to consumption, net of recoveries, when issued.

p) Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

q) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 36. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

r) 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.

s) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

t) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation, amortization and interest income (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, interest income, interest expense and tax expense.

u) Standards issued but not yet effective

Ind AS 116- Leases:

On 30 March 2019, MCA has notified Ind AS 116, Leases. Ind AS 116 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. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

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Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt this standard from 1 April 2019. As the Company does not have any material leases, therefore, the adoption of this standard is not likely to have material impact in its financial statement.

Appendix C to Ind AS 12

Uncertainty over Income Tax Treatment: The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The interpretation is effective for annual reporting periods beginning on or after 01 April 2019. The Company will apply the interpretation from its effective date and is in the process of evaluating the impact of this amendment on its financial statements.

Amendments to Ind 23 Borrowing Costs:

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 01 April 2019. The Company is in the process of evaluating the impact of this amendment on its financial statements.

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t Great Eastern Kolkata Hotel Limited (Formerly known as Apollo Zipper India Limited)
s to financial statements for the year ended 31 March 2020

2: Property, plant and equipment

(All amounts Rs in Lacs)

iculars	Freehold land	Freehold Building	Plant and Machinery	Office equipments	Furniture and Fixtures	Computers	Vehicles	Total
the period ended 31 March 2019								
s carrying amount								
01 April 2018	6,007.30	23,842.87	7,442.46	132.62	523.37	152.59	17.15	38,118.36
tions for the year	-	33.18	10.18	0.73	5.91	0.28	-	50.28
ange differences	-	72.56	-	-	-	-	-	72.56
osals/adjustments	-	-	(3.12)	(0.78)	(16.02)	(0.16)	(4.79)	(24.87)
s carrying amount as at 31 March 2019	**6,007.30**	**23,948.61**	**7,449.52**	**132.57**	**513.26**	**152.71**	**12.36**	**38,216.33**
mulated Depreciation								
01 April 2018	-	1,101.55	2,690.21	92.28	213.48	140.11	6.98	-
eciation charge for the year (refer note 32)	-	384.60	913.29	28.80	72.58	1.49	2.39	4,244.61
ange differences	-	-	-	-	-	-	-	1,403.15
osals/adjustments	-	-	(1.61)	(0.67)	(10.04)	(0.08)	(3.78)	-
ng accumulated depreciation	-	**1,486.15**	**3,601.89**	**120.41**	**276.02**	**141.52**	**5.59**	(16.18)
								5,631.58
arrying amount as at 31 March 2019	**6,007.30**	**22,462.46**	**3,847.63**	**12.16**	**237.24**	**11.19**	**6.77**	**32,584.75**
he period ended 31 March 2020								
carrying amount								
01 April 2019	6,007.30	23,948.61	7,449.53	132.56	513.25	152.71	12.36	38,216.32
ions for the year	-	-	10.12	2.40	1.16	0.85	-	14.53
nge differences	-	68.01	-	-	-	-	-	68.01
sals/adjustments	-	-	(1.20)	(0.63)	-	-	-	(1.83)
carrying amount as at 31 March 2020	**6,007.30**	**24,016.62**	**7,458.45**	**134.33**	**514.41**	**153.56**	**12.36**	**38,297.03**
nulated Depreciation								
01 April 2019	-	1,486.14	3,601.90	120.40	276.02	141.51	5.60	5,631.57
ciation charge for the year (refer note 32)	-	386.23	916.33	1.69	71.18	1.88	2.21	1,379.52
ment Loss								-
acquired on amalgamation								-
included in a disposal group classified as held for sale								-
als/adjustments	-	-	-0.88	-0.34	-	-	-	(1.22)
nge differences	-	-	-	-	-	-	-	-
g accumulated depreciation	-	**1,872.37**	**4,517.35**	**121.75**	**347.20**	**143.39**	**7.81**	**7,009.87**
rrying amount as at 31 March 2020	**6,007.30**	**22,144.25**	**2,941.10**	**12.58**	**167.21**	**10.17**	**4.55**	**31,287.16**

talised borrowing costs

orrowing cost capitalised for the year ended 31 March 2020 was Rs.860.01 Lacs (31 March 2019: Rs. 698.86 lacs). The Company has capitalized this borrowing cost to the capital work-in-progress (CWIP) (refer note 42)

ts under construction

al work in progress as at 31 March 2020 comprises pre-operative expenditure (i.e. expenditures for the hotels in the course of construction) amounting to Rs. 5,216.28 lacs (31 March 2019 Rs. 4,260.48) (refer note 42). amount of CWIP including pre-operative expenditure is Rs.8,585.89 lacs (31 March 2019 Rs. 7,161.43 lacs)

in property, plant and equipment are pledged against borrowings, the details to which have been described in note 15 and 19.

r note 32 for the amount of depreciation and amortisation expense during the year.

mount of contractual commitments for the acquisitions of property, plant and equipments are disclosed in note 37.

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Note 3: Intangible Assets

(All amounts Rs in Lacs)

Particulars	Amount
For the year ended 31 March 2019	
Gross carrying amount	
As at 01 April 2018	54.32
Additions for the year	-
Disposals/adjustments	-
Gross carrying amount as at 31 March 2019	**54.32**
Accumulated amortisation	
As at 01 April 2018	45.71
Amortisation for the year (refer note 32)	2.03
Disposals/adjustments	-
Closing accumulated depreciation as at 31 March 2019	**47.74**
Net book value as at 31 March 2019	**6.58**
For the year ended 31 March 2020	
Gross carrying amount	
As at 1 April 2019	54.32
Additions for the year	-
Disposals/adjustments	-
Gross carrying amount as at 31 March 2020	**54.32**
Accumulated amortisation	
As at 1 April 2019	47.74
Amortisation for the year (refer note 32)	1.98
Disposals/adjustments	-
Closing accumulated depreciation as at 31 March 2019	**49.72**
Net carrying amount as at 31 March 2020	**4.60**

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(All amounts Rs in Lacs)

		As at 31 March 2020	As at 31 March 2019
4.	**Other non-current financial assets**		
	(Unsecured, considered good unless otherwise stated)		
	Balances with Banks:		
	- Deposits with original maturity of more than 12 months	4.38	104.38
	- Margin money deposited (held as security)*	64.70	68.58
	Interest accrued on deposits with banks	37.64	90.13
		106.72	**263.09**
	***Break up of margin money deposit held as security**		
	Held as bank guarantee by Canara Bank, given to custom authorities	24.17	32.97
	Held as bank guarantee by ICICI Bank Ltd., against external commercial borrowings	40.53	35.61
5.	**Non current tax assets (Net)**		
	Advance income tax [net of provision amounting to Rs 42,130, (31 March 2019: Rs. 42,130)	94.58	140.14
		94.58	**140.14**
6.	**Other non-current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Capital advances	51.30	52.14
	Unsecured, considered doubtful	28.08	28.08
		79.38	80.22
	Less : Provision for doubtful capital advances	28.08	28.08
	Total (A)	**51.30**	**52.14**
	Prepaid expenses (B)	7.41	11.94
	Grand Total C (A+B)	**58.71**	**64.08**
7.	**Inventories**		
	(Valued at cost or net realisable value which ever is lower)		
	- Traded goods	5.14	5.41
	- Food and beverage (excluding liquor and wine)	32.90	25.87
	- Liquor and wine	83.06	83.26
	- Stores, cutlery, crockery, linen, provisions and others	101.55	90.21
		222.65	**204.75**
8.	**Trade receivables**		
	Unsecured, considered good	425.75	440.51
	Unsecured, considered doubtful	51.30	30.55
		477.05	**471.06**
	Less : Provision for doubtful trade receivables	51.30	30.55
		425.75	**440.51**

Trade receivables are non-interest bearing and are generally on terms of 0-60 days (refer note 40).
All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.
All of the Company's trade receivables in the comparative periods have been reviewed for indicators of impairment.

		As at 31 March 2020	As at 31 March 2019
9.	**Cash and cash equivalents**		
	Balances with banks		
	In current accounts	100.02	92.22
	Cheques/drafts on hand	6.04	0.62
	Cash on hand	5.61	6.34
		111.67	**99.18**

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		(All amounts Rs in Lacs)	
		As at 31 March 2020	**As at 31 March 2019**
10.	**Loans**		
	(Unsecured, considered good unless otherwise stated)		
	Security deposits	4.02	3.90
		4.02	**3.90**
11.	**Other current financial assets***		
	Unbilled revenue	3.50	17.09
	Income tax refund receivable	-	24.03
		3.50	**41.12**
12.	**Other current assets***		
	(Unsecured, considered good unless otherwise stated)		
	Prepaid expenses	11.18	59.26
	Balances with statutory authorities	19.02	12.28
	Advance recoverable in cash or in kind	38.26	27.14
		68.46	**98.68**

* All amounts are short-term. The net carrying value of other receivables is considered a reasonable approximation of fair value. All of the Company's other receivables in the comparative periods have been reviewed for indicators of impairment.

13.	**Equity share capital**		
	Authorised		
	1,000,000 (31 March 2019 : 1,000,000) equity shares of Rs. 10 each	100.00	100.00
	Issued, subscribed & paid up		
	808,710 (31 March 2019: 808,710) equity shares of Rs 10 each fully paid	80.87	80.87
		80.87	**80.87**
	Deemed equity		
	Equity portion of interest free loan from holding company (refer note 47)	21,330.90	21,330.90
		21,330.90	**21,330.90**

a) There is no change in the number of authorised and issued equity shares in current period and previous year.

Reconciliation of the Authorised and Issued Equity Shares at the beginning and at the end of the year.

Authorised Number of Shares at the beginning of the year	10,00,000	10,00,000
Change during the year	-	-
Authorised Number of Shares at the end of the year	**10,00,000**	**10,00,000**
Authorised Share Capital at the beginning of the year	100.00	100.00
Change during the year	-	-
Authorised Share Capital at the end of the year	**100.00**	**100.00**
Issued share Capital at the beginning of the year	80.87	80.87
Change during the year	-	-
Issued share Capital at the end of the year	**80.87**	**80.87**

b) Shares held by holding company
727,839 (31 March 2019: 727,839) equity shares are held by Bharat Hotels Limited, the Holding Company.

c) Term/right attached to equity shares
The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) During the current year and previous year, no dividend has been proposed/declared.

e) Details of shareholders holding more than 5% shares in the Company

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WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(All amounts Rs in Lacs)

	As at 31 March 2020	As at 31 March 2019
Equity shares of Rs. 10 each fully paid up		
Bharat Hotels Limited (the Holding Company)	7,27,839	7,27,839
Government of West Bengal	80,871	80,871
Percentage of holding		
Bharat Hotels Limited (the Holding Company)	90	90
Government of West Bengal	10	10

As per the records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownership of shares.

	As at 31 March 2020	As at 31 March 2019
14. Other equity		
Retained earnings		
As at 1 April 2019	(3,806.82)	(3,333.90)
Add: Profit / (loss) for the year	(490.89)	(475.33)
Add: Other comprehensive income for the year	1.39	2.41
As at 31 March 2020	**(4,296.32)**	**(3,806.82)**

15. Borrowings

Non current borrowings		
Term loans		
Secured		
Indian rupee loans from bank (refer note 1 below)	8,176.30	8,425.04
Foreign currency loan from a bank (refer note 2 below)	771.11	993.97
Unsecured		
Loan from holding company (refer note 3 below)	3,618.53	3,282.59
Loan from associate companies (refer note 4, 5 & 6 below)	500.00	1,001.00
Loan from a director (refer note 7 below)	167.00	105.00
	13,232.94	**13,807.60**
Less : Current maturities of long term borrowings (refer note 21)	839.11	627.76
	12,393.83	**13,179.84**

Notes:

1) Term loan from Yes Bank Limited aggregating Rs. 8,176.30 lacs (31 March 2019 : Rs. 8,425.04 lacs) carries interest 10.45% per annum payable monthly. The balance loan is repayable in 38 instalments. The loan is secured by:

a) First pari-passu charge on land and building of the hotel by way of mortgage.
b) First pari-passu charge on movable fixed assets (both present & future) of the hotel.
c) Second pari-passu charge on current assets (including receivables) of the hotel.
d) Corporate guarantee of Bharat Hotels Limited, the holding company

2) Foreign currency loan from ICICI Bank Ltd, Bahrain, aggregating to Rs. 771.11 lacs (equivalent to USD 10.23 lacs converted at an exchange rate of 75.3859 per USD) (31 March 2019: Rs. 993.97 lacs (equivalent to USD 14.37 lacs converted at an exchange rate of 69.1713 per USD) carries interest @ 5% margin on USD 6-months LIBOR. The balance loan is repayable in 9 instalments. The loan is secured by:

a) First pari-passu charge on Kolkata property.
b) Corporate guarantee of Bharat Hotels Limited, the holding company

3) Unsecured interest free loan taken from Bharat Hotels Limited is repayable after a period of 22 years (i.e. financial year 2042). The loan balance of Rs. 3,618.53 lacs and Rs. 3,282.59 lacs, represents the carrying value of the interest free loan as on 31 March 2020 and 31 March 2019 respectively.

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LALIT GREAT EASTERN KOLKATA HOTEL LIMITED NEW DELHI

(All amounts Rs in Lacs)

4) Unsecured loan taken from Deeksha Holding Limited (refer note 48) carries interest @ 7.25% per year amounting to Rs. 500.00 lacs (31 March 2019: Rs. 800 lacs) is repayable in two years & carries interest @ 7.25% per year, the period may be reduced/extended between lenders and borrower as mutually agreed. The lender reserve the right to recall the loan in full or in part after giving 60 clear days notice.

5) Unsecured loan taken from Responsible Builders Private Limited (refer note 48) Nil in current year (31 March 2019: Rs. 121 Lacs interest @ 7% to 8% per year) is repayable within one year, the period may be reduced/extended between lenders and borrower as mutually agreed. The lender reserve the right to recall the loan in full or in part after giving 60 clear days notice.

6) Unsecured loan taken from Jyotsna Holding Private Limited (refer note 48) Nil in current year (31 March 2019: Rs. 80.00 lacs Interest 7% per year) is repayable within one year, the period may be reduced/extended between lenders and borrower as mutually agreed. The lender reserve the right to recall the loan in full or in part after giving 60 clear days notice.

7) Unsecured loan taken from Director Dr. Jyotsna Suri (refer note 48) carries interest @ 7% to 7.25% per year amounting to Rs. 167.00 lacs , (31 March 2019: Rs. 105.00 lacs carries interest @ 8% per year) is repayable within two years, the period may be reduced/extended between lenders and borrower as mutually agreed. The lender reserve the right to recall the loan in full or in part after giving 30 clear days notice.

8) **Loan covenants**
Bank loans contain certain debt covenants relating to limit on total borrowings amount, security coverage ratio and others. The Company has breached certain loan covenants as at the end of the reporting date. However, the Company has obtained waiver letters from banks for compliance, pursuant to which these loans have been classified as per their maturity profile.

		As at 31 March 2020	As at 31 March 2019
16.	**Long term provisions**		
	Provision for employee benefits		
	Gratuity (refer note 38)	43.95	40.15
		43.95	**40.15**
17.	**Deferred tax liabilities (net)**		
	Deferred tax liability		
	Accelerated depreciation for tax	2,552.34	2,385.59
	Deemed equity contribution	10,645.91	10,816.92
	Tax impact of Re-measurement gains/(losses) on defined benefit plans	-0.53	-0.93
		13,197.72	**13,201.58**
	Deferred tax asset		
	Losses available for offsetting against future taxable income	5,742.46	5,548.94
	Impact of expenditure charged to statement of profit and loss in current year/earlier years but allowable for tax purposes on payment basis	34.04	31.55
	Provision for doubtful debts and advances	24.59	16.31
		5,801.09	**5,596.80**
	Net deferred tax liability reflected in the balance sheet	**(7,396.63)**	**(7,604.78)**
18.	**Other non current liabilities**		
	Deferred government grant (refer note 35)	-	36.58
		-	**36.58**
19.	**Borrowings**		
	From related parties (unsecured)		
	Loan from a director (refer note 2 below)	105.00	97.00
	Loan From Deekhsha Holding (refer note 3 below)	1,105.00	
	Loan from Other related parties (refer note 4 & 5 below)	301.00	
	From bank (secured)		
	Cash credit facilities (refer note 1 below)	360.46	592.26
		1,871.46	**689.26**

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LALIT GREAT EASTERN KOLKATA HOTEL LIMITED ★ NEW DELHI

(All amounts Rs in Lacs)

Net debt reconciliation*

Company's movement in its net debts during the year is as follows:

31 March 2020

Particulars	Non current borrowings	Current borrowings	Interest accrued on borrowings	Total
Net debt as on 1 April 2019	13,807.60	689.26	139.84	14,636.70
Cash flows, net	(1,358.74)	1,182.20	-	(176.54)
Foreign exchange adjustments	77.18	-	-	77.18
Interest expense including effective interest expense	-	-	1,062.17	1,062.17
Interest capitalised	-	-	860.01	860.01
Interest paid	-	-	(1,163.98)	(1,163.98)
Fair value adjustments	706.90	-	-706.90	-
Net debt as on 31 March 2020	**13,232.94**	**1,871.46**	**191.14**	**15,295.54**

31 March 2019

Particulars	Non current borrowings	Current borrowings	Interest accrued on borrowings	Total
Net debt as on 1 April 2018	12,841.13	583.61	91.95	13,516.69
Cash flows, net	658.03	105.65	-	763.68
Foreign exchange adjustments	82.35	-	-	82.35
Interest expense including effective interest expense	-	-	871.91	871.91
Interest capitalised	-	-	698.86	698.86
Interest paid	-	-	(1,095.63)	(1,095.63)
Fair value adjustments	226.09	-	(427.25)	(201.16)
Net debt as on 31 March 2019	**13,807.60**	**689.26**	**139.84**	**14,636.70**

Notes:

1) Cash credit facilities from Yes Bank Limited amounting to Rs. 360.46 lacs carries interest rate 10.80% per annum payable monthly (31 March 2019: Rs. 592.26 lacs carries interest rate 11.05%) per annum payable monthly. The loan is secured by:

a) First pari-passu charge on current assets (including receivables) of the Hotel.
b) Second pari-passu charge on land and building of the hotel by way of mortgage.
c) Second pari-passu charge on moveable Fixed asset (both present and future) of the Hotel.
d) Corporate Guarantee of Bharat Hotels Limited, the Holding Company.

2) Unsecured loan taken from Director Dr. Jyotsna Suri (refer note 48) carries interest @ 8.00% per year amounting to Rs. 105.00 lacs (31 March 2019: 97.00 lacs carries interest @ 7% to 7.25% per) is repayable within one year, the period may be reduced/extended between lenders and borrower as mutually agreed. The lender reserve the right to recall the loan in full or in part after giving 30 clear days notice.

3) Unsecured loan taken from Deeksha Holding Limited (refer note 48) carries interest @ 7.25% per year amounting to Rs. 1105.00 lacs (31 March 2019: Rs. Nil) is repayable in one year, the period may be reduced/extended between lenders and borrower as mutually agreed. The lender reserve the right to recall the loan in full or in part after giving 60 clear days notice.

4) Unsecured loan taken from Responsible Builders Private Limited (refer note 48) carries interest @ 7% to 8 % per year amounting to Rs. 191.00 lacs (31 March 2019: Rs. Nil) is repayable within one year, the period may be reduced/extended between lenders and borrower as mutually agreed. The lender reserve the right to recall the loan in full or in part after giving 60 clear days notice.

5) Unsecured loan taken from Jyotsna Holding Private Limited (refer note 48) carries interest @ 7 % to 7.25% per year amounting to Rs. 110.00 lacs (31 March 2019: Rs. Nil) is repayable within one year, the period may be reduced/extended between lenders and borrower as mutually agreed. The lender reserve the right to recall the loan in full or in part after giving 60 clear days notice.

	As at 31 March 2020	As at 31 March 2019
20. Trade payables - Short term*		
Trade payables for goods and services		
- total outstanding dues of micro and small enterprises (refer note 44)	34.05	22.60
- total outstanding dues of creditors other than micro and small enterprises	609.89	540.18
	643.94	**562.78**
21. Other current financial liabilities*		
Current maturities of long term borrowings (refer note 15)	839.11	627.76
Interest accrued but not due on borrowings	182.73	121.54
Dues to director	8.41	18.30
Security deposits received	7.65	7.65
Payables on purchase of fixed assets	50.81	103.71
Employee related liabilities	116.97	117.74
Retention payable	73.55	63.08
	1,279.23	**1,059.78**

... considered to be a reasonable approximation of fair value

(All amounts Rs in Lacs)

22. Provisions

Provision for employee benefits		
Gratuity (refer note 38)	8.75	3.34
Compensated absences	40.28	41.61
	49.03	**44.95**

23. Other current liabilities

Deferred revenue of membership programme	60.36	63.35
Advances from customers	60.41	82.15
Statutory dues payable	22.84	86.49
Deferred government grant (refer note 35)	36.58	53.15
	180.19	**285.14**

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(All amounts Rs in Lacs)

	For the year ended 31 March 2020	For the year ended 31 March 2019
24. Revenue from operations		
Sale of services and products		
- Room and apartment	2,928.81	2,934.22
- Food and beverage	1,905.11	2,136.34
- Liquor and wine	354.98	428.42
- Banquet and equipment rentals	86.74	119.98
- Other services	338.80	359.58
- Membership programme revenue	113.69	92.15
- Traded goods	1.96	1.73
Other operating revenues		
- Rent	4.86	6.68
	5,734.95	**6,079.10**
25. Other income		
Excess provision/ credit balances written back	6.72	29.96
Government grant income (refer note 35)	53.15	48.49
Miscellaneous income	68.63	25.78
	128.50	**104.23**
26. Consumption of food and beverages		
Consumption of food and beverages (excluding liquor and wine)		
Inventory at the beginning of the year	25.87	27.91
Add: Purchases	624.12	815.68
Less: Inventory at the end of the year	32.90	25.87
Cost of food and beverages consumed (excluding liquor and wine)	**617.09**	**817.72**
Consumption of liquor and wine		
Inventory at the beginning of the year	83.26	78.11
Add: Purchases	98.27	113.34
Less: Inventory at the end of the year	83.06	83.26
Cost of liquor and wine consumed	**98.47**	**108.19**
Consumption of food and beverages (including liquor and wine)	**715.56**	**925.91**
27. Change in inventories of traded goods		
Inventory at the beginning of the year	5.41	5.02
Less: Inventory at the end of the year	5.14	5.41
Change in inventories of traded goods	**0.27**	**(0.39)**
28. Employee benefits expenses		
Salaries, wages and allowances (refer note 42)	839.40	860.10
Contribution to provident and other funds	60.50	64.07
Gratuity expenses (refer note 38)	10.56	9.88
Leave compensation expenses	2.92	15.44
Staff welfare expenses	20.65	34.25
Staff recruitment and training	1.32	4.40
	935.35	**988.14**

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(All amounts Rs in Lacs)

	For the year ended 31 March 2020	For the year ended 31 March 2019
29. Other expenses		
Consumption of stores, cutlery, crockery, linen, provisions and others	247.13	286.94
Lease rent	2.19	1.89
Power and fuel*	612.76	639.74
Banquet and decoration expenses	29.41	41.28
Membership programme expenses	9.37	20.70
Repair*		
- Buildings*	5.55	5.31
- Plant and machinery	31.42	31.16
- Others	71.18	87.34
License fee and management fee	286.92	304.07
Rates and taxes	198.45	206.07
Insurance*	24.50	18.18
Communication costs	32.28	43.23
Printing and stationery	49.70	73.12
Traveling and conveyance*	141.13	158.96
Advertisement and business promotion	154.71	167.84
Commission -other than sole selling agent	179.99	164.95
Security and cleaning expenses (sub contracting expenses)*	252.58	272.79
Membership and subscriptions	10.30	12.05
Professional fees*	49.56	41.68
Freight and cartage*	10.10	16.44
Exchange difference (net)	(1.22)	-0.88
Loss on sale/ discard of fixed assets (net)	0.44	8.01
Donations	0.69	-
Provision for doubtful debts	20.75	24.68
Directors fees and commission	6.30	7.50
Bank charges*	38.46	44.44
Payment to auditors (refer note a below)	5.00	5.00
News paper expenses	0.95	0.98
Miscellaneous expenses	0.34	1.50
	2,470.94	**2,684.97**
a. Payment to auditor		
As auditor-		
- Audit fees	5.00	5.00
	5.00	**5.00**

* (refer note 42)

	For the year ended 31 March 2020	For the year ended 31 March 2019
30. Finance income		
Interest income on		
- bank deposits	6.63	18.41
	6.63	**18.41**
31. Finance cost		
Interest on:		
-loans from banks	345.96	452.36
- credit facilities from banks	56.32	65.17
- loan from associate companies	35.08	18.14
- loan from Directors	10.13	4.87
Unwinding of finance cost from financial instrument at amortised cost	614.68	331.37
Interest on defined benefit plans	3.01	2.41
	1,065.18	**874.32**

The average capitalisation rate for interest expense included in the cost of work in progress was 6.26% (2019: 5.60%).

	For the year ended 31 March 2020	For the year ended 31 March 2019
32. Depreciation and amortisation expense		
Depreciation of property, plant and equipment	1,379.52	1,403.15
Amortisation of intangible assets	1.98	2.03
	1,381.50	**1,405.18**

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(All amounts Rs in Lacs)

33. Earning per share (EPS)

Basic and diluted EPS amounts are calculated by dividing the profit / (loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Basic and diluted earnings per share		
(Loss)/profit attributable to equity share holders of Company for basic and diluted earnings	(490.89)	(475.33)
Weighted average number of Equity shares for basic and diluted EPS	8,08,710	8,08,710
Basic and diluted earning / (loss) per share in rupees of face value of Rs. 10 (in rupees)	(60.70)	(58.78)

There are no dilutive potential equity shares. Accordingly, weighted average number of Equity shares for diluted EPS is 808,710.

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(All amounts Rs in Lacs)

34. Segment reporting

The Company has only one reportable business segment, which is operating hotels 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. The Company's operation is located in India.

35. Government grant	31 March 2020	31 March 2019
At the beginning of the year	89.73	138.22
Add: Grant received during the year	-	-
Less: Grant released to the statement of profit and loss	53.15	48.49
At the end of the year	**36.58**	**89.73**
Current	36.58	53.15
Non-current	-	36.58
	36.58	**89.73**

Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

36. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A tax provision is recognised when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 38.

37. Commitments and contingencies

i. Capital commitments

Commitments relating to estimated amount of completion of property, plant and equipment are as follows

	31 March 2020	31 March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	321.29	468.08

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(All amounts Rs in Lacs)

ii. Contingent liabilities

	31 March 2020	31 March 2019
Export commitment against EPCG licenses obtained	5,646.99	6,338.25
Duty payable if export commitment not met	750.40	837.68
Claims against the Company not acknowledged as debt		
- Service tax demand and penalty (refer note a below)	2.33	2.33
- Value added tax demand (refer note b below)	-	51.16
Possible exposure in respect of Provident fund contribution (refer note c below)	-	-

(a) Demand of service tax amounting to Rs. 2.33 lakhs (31 March 2019: Rs 2.33 lakhs) on account of disallowance of service tax input credit for the financial year 2016-17

(b) Demand of Value added tax is Rs. Nil (31 March 2019: Rs 51.16 lakhs) relating to financial year 2010-11

In respect of (a) and (b) above, the Company has filed appeal before the appellate authorities against the demand order received from department. Based on internal evaluation, the management is confident that there would not be any probable outflow of resources in these matters and hence no provision is considered necessary at this stage.

(c) The Hon'ble Supreme Court (SC) has, in a recent decision ('SC decision'), ruled that various allowances like conveyance allowance, special allowance, education allowance, medical allowance etc., paid uniformly and universally by an employer to its employees would form part of basic wages for computing the provident fund ('PF' or 'the fund') contribution and thereby, has laid down principles to exclude (or include) a particular allowance or payments from 'basic wage' for the purpose of computing PF contribution. The Company pays special allowance, conveyance allowance and others allowances to its employees as a part of it's their compensation structure, which are not included in the basic wages for the purpose of computing the PF. The provision for employee contribution has been recognised in the financial statements for the year ended 31 March, 2019 for the payments made after judgment date.

iii) In earlier years, the Company had given certain portion of the premises to various entities and individuals on rent. After acquisition by Bharat Hotels Limited, the renovation of the property was initiated, for which it was necessary to have the afore-mentioned rented out portions vacated. Hon'ble Supreme Court vide its order dated 20 April 2018, had directed the tenant i.e. M/s Newman & Co. to vacate the premises within 6 months from the date of order and they have vacated the premises.

38. Gratuity and other post-employment benefit plans

Description	31 March 2020	31 March 2019
- Gratuity plan	52.71	43.49
Total	**52.71**	**43.49**

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more or service gets a gratuity on separation equal to 15 days salary (last drawn salary) for each completed year of continuous service or part thereof in excess of six months.

The following table summarizes the components of net benefit expenses recognised in the statement of profit and loss and amounts recognised in the balance sheet for the respective plans.

Change in the defined benefit obligation

Description	31 March 2020	31 March 2019
Opening defined benefit obligations	**43.49**	**35.60**
Service cost	10.56	9.88
Net interest expense	3.01	2.41
Gratuity cost charged to statement of profit and loss	**13.57**	**12.29**
Actuarial (gain)/loss arising from changes in demographic assumptions	(0.09)	4.42
Actuarial (gain)/loss arising from changes in financial assumptions	1.74	(7.73)
Experience adjustments	(3.57)	(0.03)
Remeasurement gain/(loss) in other comprehensive income	**(1.92)**	**(3.34)**
Benefits paid	(2.44)	(1.06)
Closing defined benefit obligations	**52.70**	**43.49**

Amount recognised in the statement of profit and loss is as under:

Description	31 March 2020	31 March 2019
Current service cost	10.56	9.88
Net interest cost	3.01	2.41
Amount recognised in the statement of profit and loss	**13.57**	**12.29**

Amount recognised in Other Comprehensive Income is as under:

Description	31 March 2020	31 March 2019
Actuarial (gain)/loss arising from changes in demographic assumptions	(0.09)	4.42
Actuarial (gain)/loss arising from changes in financial assumptions	1.74	(7.73)
Experience adjustments	(3.57)	(0.03)
Amount recognised in other comprehensive oncome	**(1.92)**	**(3.34)**

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The principal assumptions used in determining gratuity for the Company's plans are shown below:

	31 March 2020	31 March 2019
Discount rate	5.55%	7.20%
Future salary increase	5.00%	6.00%

Sensitivity analysis for gratuity liability

	31 March 2020	31 March 2019
Impact of the change in discount rate		
Present value of obligation at the end of the year	52.70	43.49
a) Impact due to increase of 1%	51.34	41.74
b) Impact due to decrease of 1%	54.14	45.36
Impact of the change in salary increase		
Present value of obligation at the end of the year	52.70	43.49
a) Impact due to increase of 1%	54.14	45.37
b) Impact due to decrease of 1%	51.32	41.72

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the reporting period.

39. Fair value measurement

a. Financial instruments by category

The following table provides the fair value measurement hierarchy of the assets and liabilities.

	31 March 2020	31 March 2019
Financial assets measured at amortised cost		
Trade receivables	425.75	440.51
Margin money deposits	64.70	68.58
Security deposit	4.02	3.90
Cash and cash equivalents	111.67	99.18
Interest accrued on deposits with banks	37.64	90.13
Deposit with maturity of more than three months but less than twelve months	4.38	104.38
Others	3.50	41.12
Total financial assets	**651.66**	**847.80**
Financial liabilities measured at amortised cost		
Borrowings	15,104.40	14,496.86
Deposits (including retention payable)	81.20	70.73
Trade payables	643.94	562.78
Other current financial liabilities	358.92	361.29
Total financial liabilities	**16,188.46**	**15,491.66**

b. Fair value measurement hierarchy for assets and liabilities

Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions

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

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

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

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

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Fair value of Level 3 items

Financial liabilities which are measured at amortised cost for which fair values are disclosed below

	31-Mar-20	
	Carrying value	**Fair value**
Financial assets	651.66	651.66
Total financial assets	651.66	651.66
Financial liabilities		
Fixed rate borrowing*	2,178.00	2,178.00
Variable rate borrowing	9,307.87	9,307.87
Total financial liabilities	11,485.87	11,485.87

* Does not include interest free borrowing amounting to Rs.3,618.53 lacs

Financial liabilities		
Fixed rate borrowing*	1,203.00	1,203.00
Variable rate borrowing	10,011.27	10,011.27
	11,214.27	11,214.27

* Does not include interest free borrowing amounting to Rs. 3,618.53 lacs

c. Fair value of financial assets and liabilities measured at amortised cost

i. The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

ii. The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

iii. There is no transfers between level 1, 2 and 3 during the year.

40. 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:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

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 March 2020	31 March 2019
Variable rate borrowings	9,307.87	10,011.27
Fixed rate borrowings	5,796.53	4,485.59

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:

	Impact on loss before tax	
	31 March 2020	31 March 2019
Interest rates – increase by 50 basis points	46.54	50.06
Interest rates – decrease by 50 basis points	(46.54)	(50.06)

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At 31 March 2020, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates.

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(All amounts Rs in Lacs)

Foreign currency risks:

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in loans, debtors and advances denominated in foreign currency. The Company is not restricting its exposure of risk in change in exchange rates. The Company expects the Indian Rupee to strengthen and accordingly the Company is carrying the risk of change in exchange rates.

		31 March 2020	31 March 2019
Fixed deposit	USD	0.54	0.53
Secured loans	USD	10.23	14.53

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's loss before tax is due to changes in the fair value of monetary assets and liabilities. If the INR had strengthened against the USD by 5% (31 March 2019: 5%), then this would have had the following impact:

	Impact on loss before tax	
	31 March 2020	31 March 2019
USD sensitivity		
INR/USD -Increase by 5%	(36.53)	(48.44)
INR/USD -Decrease by 5%	36.53	48.44

Most of the Company's transactions are carried out in INR. Exposures to currency exchange rates arise from the Company's overseas borrowings, which are partly denominated in US dollars (USD).

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including loans to related parties, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The most significant input being the discount rate that reflects the credit risk of counterparties.

The Company continuously monitors the credit quality of customers based on a credit rating scorecard. Where available, external credit ratings and/or reports on customers are obtained and used. The Company's policy is to deal only with credit worthy counterparties. The credit terms range between 30 and 180 days.

(i) Trade receivable

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets disclosed in Note 8. The Company does not hold collateral as security.

Gross carrying amount of trade receivables

Ageing	31 March 2020	31 March 2019
0-60 days past due	183.45	296.86
61-120 days past due	120.58	94.76
121-180 days past due	84.59	23.90
180-365 days past due	30.95	22.17
365-730 days past due	32.98	23.84
More than 730 days	24.50	9.53
Carrying amount of trade receivables	477.05	471.06

Provision for doubtful debts

Ageing	31 March 2020	31 March 2019
0-60 days past due	-	-
61-120 days past due	-	-
121-180 days past due	-	-
180-365 days past due	-	-
More than 365 days	51.30	30.55
Carrying amount of trade receivables	51.30	30.55

Reconciliation of provision for doubtful debts - Trade receivables	31 March 2020	31 March 2019
Provision as at 1 April 2019	30.55	5.86
Addition during the year	20.75	24.69
Reversal during the year	-	-
Utilised during the year	-	-
Provision as at 31 March 2020	51.30	30.55

The Company applies simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component. In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to the geographical location of customers. Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 365 days from the invoice date and failure to engage with the Company on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

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(All amounts Rs in Lacs)

(ii) Financial instruments

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amount.

Maturities of financial liabilities

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

Contractual maturities of borrowings	31 March 2020	31 March 2019
Upto one year	3,751.61	1,802.56
Between 1 and 2 years	2,916.55	2,921.39
Between 2 and 5 years	5,779.83	4,875.03
More than 5 years	9,077.91	12,758.31
Total non-derivative liabilities	**21,525.90**	**22,357.29**

Contractual maturities of Trade payables	31 March 2020	31 March 2019
Upto one year	643.94	562.78
Between 1 and 2 years	-	-
Between 2 and 5 years	-	-
More than 5 years	-	-
Total non-derivative liabilities	**643.94**	**562.78**

Contractual maturities of security deposit received	31 March 2020	31 March 2019
Upto one year	6.49	6.49
Between 1 and 2 years	-	-
Between 2 and 5 years	0.50	0.50
More than 5 years	0.66	0.66
Total non-derivative liabilities	**7.65**	**7.65**

Contractual maturities of other financial liabilities	31 March 2020	31 March 2019
Upto one year	432.47	424.37
Between 1 and 2 years	-	-
Between 2 and 5 years	-	-
More than 5 years	-	-
Total non-derivative liabilities	**432.47**	**424.37**

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods -

	31 March 2020	31 March 2019
Floating rate		
Expiring within one year (bank overdraft and other facilities)		
- Secured		
- Cash credit facilities	360.46	592.26
- Short term loans	-	-
- Loan against fixed deposits	-	-
	360.46	**592.26**

41. Capital management

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

- to maximise the shareholder value
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services in a way that reflects the level of risk involved in providing those goods and services.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

	31 March 2020	31 March 2019
Borrowings (note 15, note 19 and note 21)	15,104.40	14,496.86
Trade payables (note 20)	643.94	562.78
Less: Cash and cash equivalents (note 9)	111.67	99.18
Net debt	**15,636.67**	**14,960.46**
Equity	80.87	80.87
Deemed equity	21,330.90	21,330.90
Capital and net debt	**37,048.44**	**36,372.23**
Gearing ratio	42.21%	41.13%

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(All amounts Rs in Lacs)

42. Preoperative expenditure pending allocation

	31 March 2020	31 March 2019
Balance as per last account	4,260.48	3,415.60
Additions during the year:		
Employee benefit expenses:		
Salaries, wages and allowance	48.40	71.72
Other expenses :		
Lease rent		
Power and fuel	36.00	36.00
Repairs and maintenance of buildings	4.79	0.78
Legal charges	4.30	30.63
Security expense	0.72	5.08
Freight and cartage	0.45	0.65
Interest expense	860.01	698.86
Bank charges	1.13	1.16
	5,216.28	**4,260.48**
Closing balance of Preoperative expenditure	**5,216.28**	**4,260.48**
Capital Work-in-Progress	**3,369.61**	**2,900.95**
Total	**8,585.89**	**7,161.43**

43. New standard adopted - Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach.

(i) Identify the contract(s) with customer;
(ii) Identify separate performance obligations in the contract;
(iii) Determine the transaction price;
(iv) Allocate the transaction price to the performance obligations; and
(v) Recognise revenue when a performance obligation is satisfied.

The Company has adopted the standard on 1 April 2018 using modified retrospective approach with a cumulative catch-up adjustment made in retained earnings at the beginning of the current financial year, i.e. 1 April 2018 as if the standard had always been in effect. Comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. The adoption of the new standard did not result in any adjustments to the Company's revenue or net income. Also, there is no impact on the retained earnings as at 1 April 2017.

A Disaggregation of revenue

Revenue arises mainly from hotel operations.

Description	31 March 2020	31 March 2019
(A) Sale of services and product		
Revenue from hospitality services	5,614.44	5,978.54
Revenue from membership programme	113.69	92.15
Revenue from sale of traded goods	1.96	1.73
(B) Other ancillary revenue		
Rent	4.86	6.68
	5,734.95	6,079.10

* *The Company operates single business segment i.e. operation of hotels*

B Contract balances

The following tables present information about trade receivables, contract assets, and contract liabilities:

	31 March 2020	31 March 2019
Trade receivables (refer note 8)	425.75	440.51
Contract assets (Unbilled revenue) (refer note 11)	3.50	17.09
Contract liabilities		
Advance from customers (refer note 23)	60.41	82.15
Deferred revenue (refer note 23)	60.36	63.35

A trade receivable is recorded when the Company has issued an invoice and has an unconditional right to receive payment. In respect of revenues from hospitality services, the invoice is typically issued as the related performance obligations are satisfied.

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(All amounts Rs in Lacs)

Contract assets

An entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. The table does not include amounts which were received and recognised as revenue in the year.

	31 March 2020	31 March 2019
Opening balance	17.09	32.92
Increase in unbilled revenue during the year	-	-
Recognised as revenue	13.59	15.83
Closing balance	**3.50**	**17.09**
Current	3.50	17.09
Non current	-	-
Total	**3.50**	**17.09**

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Advance from customers

Advance from customer is recognised when payment is received before the related performance obligation is satisfied. The table does not include amounts which were received and recognised as revenue in the year.

	31 March 2020	31 March 2019
Opening balance	82.15	130.81
Increase during the year	-	-
Recognised as revenue	21.74	48.66
Closing balance	**60.41**	**82.15**
Current	60.41	82.15
Non current	-	-
Total	**60.41**	**82.15**

Deferred revenue

Deferred revenue is recognised when payment is received before the related performance obligation is satisfied. The main categories of deferred revenue relates to the membership programme. The table does not include amounts which were received and recognised as revenue in the year.

	31 March 2020	31 March 2019
Opening balance	63.35	43.48
Increase in deferred revenue during the year		19.87
Recognised as revenue	2.99	-
Closing balance	**60.36**	**63.35**
Current	60.36	63.35
Non current	-	-
Total	**60.36**	**63.35**

C **Significant changes in contract assets and liabilities**

There has been no significant changes in contact assets/contract liabilities during the year.

44. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 to the extent of Confirmation received:

	31 March 2020	31 March 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	34.05	22.60
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	-	-
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.	0.13	0.40
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.13	0.40
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	-	-

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(All amounts Rs in Lacs)

45. Leases

Operating lease commitments - Company as lessee

Lease rentals paid under cancellable leases are as follows :

Particulars	31 March 2020	31 March 2019
Lease payment made during the year in respect of cancellable leases recognized in the statement of profit and loss	2.19	1.89
Statement of Profit and Loss	2.19	1.89

46. Current tax assets	31 March 2020	31 March 2019
a. The major components of income tax expense for the period end are:		
Profit and loss section		
Current income tax	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	(208.68)	(201.96)
Income tax expense reported in the statement of profit or loss (A)	**(208.68)**	**(201.96)**
Other Comprehensive Income Section		
Deferred tax related to items recognised in OCI during the year:		
Deferred tax related to Net gain/(loss) on remeasurement of defined benefit plans	(0.53)	0.93
Income tax charged to OCI (B)	**(0.53)**	**0.93**
Total (A)+(B)	**(209.21)**	**(201.03)**

b. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2020 and 31 March 2019

Accounting profit before tax	(699.57)	(677.29)
India's statutory income tax rate	27.82%	0.28
At India' statutory income tax	(194.62)	(188.42)
Adjustments:		
Deferred tax assets created on carried forward losses	(193.52)	(322.32)
Deferred tax liabilities created on block of assets	166.75	227.76
Deferred tax liabilities created on section 43B disallowances	(2.49)	(7.41)
Others	15.73	89.36
Income tax expense reported in the statement of profit and loss	**(208.15)**	**(201.03)**

47. In the previous year ending 31 March 2019, unsecured loan amounting to Rs 227.08 lacs had been taken from Bharat Hotels Limited hitherto carrying interest @10.13% per annum that has been converted into interest free loan. However, in the current year ending 31 March 2020, Unsecured loan aggregating to Rs.278.74 lacs has been repaid to Bharat Hotels Limited hitherto carrying interest @ 10.56% per annum. This has resulted into recognition of deemed equity of Rs NIL (31 March 2019: Rs 145.20 lacs) and deferred tax liability of Rs.NIL (31 March 2019: Rs. 55.97 lacs) on deemed equity contribution and present value of the loan of Rs.(-) 33.20 Lacs (31 March 2019: Rs.25.91 Lacs) in the books. Further, interest @ 10.56% (31 March 2019: @ 10.13%) (being effective interest rate) for the year amounting to Rs.614.68 Lacs (31 March 2019: Rs. 331.37 lacs) on the carrying value of the loan has been charged to statement of profit and loss for the year.

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(All amounts Rs in Lacs)

48 Related party disclosures

a) Name of the related parties and their relationship:

i) Holding Company
1. Bharat Hotels Limited

ii) Fellow subsidiaries
1. Prima Buildwell Private Limited

iii) Key management personnel:
1. Dr. Jyotsna Suri - Managing Director
2. Mr. Lalit Bhasin - Director (till 06 September 2017)
3. Mr. Narindra Dhruv Batra - Director
4. Mr. Kirat Singh - Independent director
5. Mr. Saurabh Kaushik - Independent director (till 22 October 2018)
6. Mr.Ravinder Suri - Independent director (w.e.f 04 December 2018)
7. Mr. Ramesh Suri - Director
8. Mr. Keshav Suri - Director

iv) Enterprise owned or significantly influenced by key management personnel or their relatives.
1. Jyotsna Holding Private Limited
2. Responsible Builders Private Limited
3. Kronokare Cosmetics Private Limited (till 10 May 2018)
4. Deeksha Holding Limited
5. Deeksha Human Resource Initiatives Limited

v) Transaction with the above parties are in the ordinary course of business.

vi) The holding company has given following Corporate Guarantee on behalf of the Company:

Particulars	31 March 2020	31 March 2019
Corporate guarantees given to the Customs authority for issue of licenses under the 'Export Promotion for Capital Goods' scheme to the Company	774.05	796.85
Corporate guarantee given to banks against loans taken by the Company	9,988.10	12,275.00

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48 Related party transactions:

(All amounts Rs in Lacs)

The following table provides the total amount of transactions that have been entered into with related parties during the year ended 31 March 2020 and 31 March 2019

Particulars	Holding Company		Key management personnel (KMPs)		Entities where KMPs and their relatives have significant influence		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Loans Received								
Bharat Hotels Limited	1,748.49	1,517.75	-	-	-	-	**1,748.49**	**1,517.75**
Deeksha Holdings Limited	-	-	-	-	1,105.00	1,450.00	**1,105.00**	**1,450.00**
Dr. Jyotsna Suri	-	-	770.00	97.00	-	-	**770.00**	**97.00**
Jyotsna Holding Private Limited	-	-	-	-	30.00	80.00	**30.00**	**80.00**
Responsible Builders Private Limited	-	-	-	-	70.00	71.00	**70.00**	**71.00**
Loans repaid								
Bharat Hotels Limited	2,365.64	1,754.00	-	-	-	-	**2,365.64**	**1,754.00**
Deeksha Holdings Limited	-	-	-	-	300.00	750.00	**300.00**	**750.00**
Dr. Jyotsna Suri	-	-	700.00	-	-	-	**700.00**	-
Prima Buildwell Private Limited	-	-	-	-	-	-	-	-
Consultancy and brand fee								
Bharat Hotels Limited	350.41	376.00	-	-	-	-	**350.41**	**376.00**
Interest expense								
Bharat Hotels Limited	614.68	331.37	-	-	-	-	**614.68**	**331.37**
Responsible Builders Private Limited	-	-	-	-	11.90	6.94	**11.90**	**6.94**
Jyotsna Holding Private Limited	-	-	-	-	6.86	3.26	**6.86**	**3.26**
Dr. Jyotsna Suri	-	-	22.79	12.12	-	-	**22.79**	**12.12**
Prima Buildwell Private Limited	-	-	-	-	-	-	-	-
Deeksha Holdings Limited	-	-	-	-	92.89	24.81	**92.89**	**24.81**
Purchase of goods/ Services								
Kronokare Cosmetics Pvt. Ltd	-	-	-	-	-	-	-	-
Expenditure reimbursed by the Company								
Bharat Hotels Limited	19.98	131.25	-	-	-	-	**19.98**	**131.25**
Others								
Deemed equity contribution	-	201.17	-	-	-	-	-	**201.17**
Interest paid								
Deeksha Holdings Limited	-	-	-	-	-	-	-	-
Dr. Jyotsna Suri	-	-	-	-	-	-	-	-
Prima Buildwell Private Limited	-	-	-	-	-	-	-	-
Payments made against purchase of goods or services								
Deeksha Human Resource Initiatives Limited	-	-	-	-	-	-	-	-
Kronokare Cosmetics Pvt. Ltd	-	-	-	-	-	-	-	-
Director's sitting fees								
Dr. Jyotsna Suri	-	-	1.00	1.25	-	-	**1.00**	**1.25**
Mr. Ramesh Suri	-	-	1.00	1.25	-	-	**1.00**	**1.25**
Mr. Keshav Suri	-	-	1.50	1.05	-	-	**1.50**	**1.05**
Mr. Lalit Bhasin	-	-	-	-	-	-	-	-
Mr. Narindra Batra	-	-	0.25	0.25	-	-	**0.25**	**0.25**
Mr. Ravinder Suri	-	-	1.50	0.80	-	-	**1.50**	**0.80**
Mr. Kirat Singh	-	-	1.05	1.85	-	-	**1.05**	**1.85**
Mr. Saurabh Kaushik	-	-		1.05	-	-	-	**1.05**
Balance outstanding as at the year end								
Loan and expenses payable								
Bharat Hotels Limited	3,618.53	3,282.59	-	-	-	-	**3,618.53**	**3,282.59**
Dr. Jyotsna Suri	-	-	280.41	220.30	-	-	**280.41**	**220.30**
Deeksha Holdings Limited	-	-	-	-	1,696.77	827.18	**1,696.77**	**827.18**
Responsible Builders Private Limited	-	-	-	-	196.98	129.02	**196.98**	**129.02**
Jyotsna Holding Private Limited	-	-	-	-	112.55	82.93	**112.55**	**82.93**
Corporate guarantee outstanding								
Bharat Hotels Limited	10,762.15	13,071.85	-	-	-	-	**10,762.15**	**13,071.85**
Maximum amount outstanding at any time during the year								
Bharat Hotels Limited	3,618.53	3,282.59	-	-	-	-	**3,618.53**	**3,282.59**
Prima Buildwell Private Limited	-	-	-	-	-	-	-	-
Deeksha Holdings Limited	-	-	-	-	1,696.77	827.18	**1,696.77**	**827.18**
Dr. Jyotsna Suri	-	-	280.41	220.30	-	-	**280.41**	**220.30**
Responsible Builders Private Limited	-	-	-	-	196.98	129.02	**196.98**	**129.02**
Jyotsna Holding Private Limited	-	-	-	-	112.55	82.93	**112.55**	**82.93**
Kronokare Cosmetics Pvt. Ltd	-	-	-	-	-	-	-	-
Deeksha Human Resource Initiatives Limited	-	-	-	-	-	-	-	-

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49 COVID-19 pandemic has impacted and continues to impact business operations of the Company due to lockdown, travel bans, quarantines and other emergency measures. With respect to operations of the Company, it has impacted its business by way of reduction in occupancy rate of hotel and average realization rate per room starting from the month of March 2020 and management has undertaken/in undertaking various cost savings initiatives to conserve cash. Subsequent to the year end, the hotel was operational at 2% occupancy rate mainly due to accommodation taken by long staying guests and paid quarantine guests/doctors as per the government orders.

In evaluating the impact of COVID-19 on its ability to continue as a going concern and the possible impact on its financial position, the management has assessed the impact of macro-economic conditions on its business and the carrying value of its major assets comprising of Property, Plant and Equipment (PPE) as at the balance sheet date. In this regard, the management has carefully considered the circumstances and risk exposures arising from the COVID-19 situation for developing estimates on the basis of all available information in its assessment of impact thereof in its financial statements.

While assessing the recoverable amount of PPE, the Company has used significant assumptions such as hotel occupancy rates, average room rate per hotel, terminal growth hotel and weighted average cost of capital. The Company appointed independent valuer to assess fair value of the property, plant and equipment and its investment. Further, the Company has undergone an agreement to identify the buyer for few of its assets identified to sell at the balance sheet date. Based on aforesaid assessment, management believes that the Company will be able to meet all the of its obligations as well as recover the carrying amount of its aforesaid assets as on 31 March 2020.

Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of these financial statements. The associated economic impact of the pandemic is highly dependent on variables that are difficult to predict. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognised in the financial statements as and when these material changes to economic conditions arise.

50 **Post repoting date events:**

No adjusting or significant non-adjusting events have occurred between the 31 March reporting date and the date of authorisation.

For Walker Chandiok & Co. LLP Firm Registration Number: 001076N/N500013 Chartered Accountants	**For and on behalf of the Board of Directors of** **Lalit Great Eastern Kolkata Hotel Limited**

Rohit Arora Partner Membership No. 504774	**Dr. Jyotsna Suri** Managing Director DIN: 00004603	**Keshav Suri** Director DIN: 00005370
Place: New Delhi Date: 27 Aug 2020	Place: New Delhi Date: 27 Aug 2020	

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