



**V. SANKAR AIYAR & CO.**  
**CHARTERED ACCOUNTANTS**

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of PCL Hotels Limited (Formerly known as Prime Cellular Limited name changed w.e.f. 07.09.2019)

**Report on the Audit of Financial Statements**

**Opinion**

We have audited the financial statements of **PCL Hotels Limited (Formerly known as Prime Cellular Limited)** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2020, the statement of profit and loss, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020, its loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Material uncertainty relating to going concern**

We draw attention to Note 26 of the financial statements which states that Company is having negative net worth. However, in view of continued financial support from the Holding Company, the financial statements of the Company have prepared on going concern basis.

Our opinion is not modified in respect of this matter.

**Information Other than the Financial Statements and Auditor's Report Thereon**

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

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

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



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If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information; we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibility for the Audit of Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The balance sheet, the statement of profit and loss, the statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid / provided any managerial remuneration to its directors during the year in accordance with the provisions of section 197 of the Act. Therefore reporting under this clause is not applicable during the year under audit.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) There are no pending litigation at the year-end which would impact its financial position of the Company;
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts, which were required to be transferred during the year to the Investor Education and Protection Fund by the Company.

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

*Ajay Gupta*

(Ajay Gupta)  
Partner  
Membership No. 90104  
ICAI UDIN : 20090104AAAACM4970

Place : New Delhi  
Dated: 28<sup>th</sup> August 2020



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**Annexure "A" to the Independent Auditors' Report**

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

- i The Company does not have any fixed assets during the year. Therefore the provisions of clause 3(i)(a) to (c) of the Order are not applicable.
- ii The Company does not have any inventory during the year. Therefore the provisions of clause 3(ii)(a) to (c) of the Order are not applicable.
- iii The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties required to be covered in the register maintained under section 189 of the Act. Therefore, the provision of clause 3(iii) (a) to (c) of the order are not applicable.
- iv In our opinion and according to the information and explanations given to us and the representation obtained from the management, (i) the Company has not granted any loans to any of its directors or any other person in whom director is interested or given guarantee or provided any security in connection with any loan taken by him or such other person within the meaning of section 185 of the Act and (ii) provisions of section 186 of the Act in respect of loan given and investments made have been complied by the Company and the Company has not given any guarantee or provided any security in connection with a loan within the meaning of section 186 of the Act.
- v The Company has not accepted deposits within the provisions of sections 73 of the Act or any other relevant provisions and the Rules framed there under.
- vi The Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act in respect of Company's activities.
- vii a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company has been generally regular in depositing undisputed statutory dues including income-tax and any other statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31<sup>st</sup> March, 2020, which were outstanding for a period of more than six months from the date they became payable. We are informed that there is no liability towards provident fund, employees' state insurance, goods and services tax, duty of customs and cess for the year under audit.  
b) There are no disputed dues which have remained unpaid as on 31<sup>st</sup> March, 2020 in respect of income tax.
- viii The Company has not taken any loans or borrowings from financial institutions, banks, government or debenture holders. Therefore the question of default in repayment does not arise.
- ix The Company did not raise any money by way of initial / further public offer (including debt instruments) or term loans during the year.
- x Based on the audit procedure performed and the representation obtained from the management, no material fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.
- xi According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration within the meaning of section 197 of the Act. Therefore, the provisions of clause 3(xi) of the Order are not applicable.
- xii The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- xv According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the Order are not applicable.



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

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

*Ajay Gupta*

Place : New Delhi  
Dated: 28<sup>th</sup> August 2020

(Ajay Gupta)  
Partner  
Membership No. 90104  
ICAI UDIN : 20090104AAAACM4970



## **Annexure "B" to the Independent Auditors' Report**

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

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

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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



### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

*Ajay Gupta*

Place : New Delhi  
Dated: 28<sup>th</sup> August 2020

(Ajay Gupta)  
Partner  
Membership No. 90104  
ICAI UDIN : 20090104AAAACM4970



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**PCL Hotels Limited (Formerly known as Prime Cellular Limited, name changed wef 07.09.2019)**  
**Balance Sheet as at March 31, 2020**

		Amount in Rs.	
	Notes	<u>As at</u> <u>31.03.2020</u>	<u>As at</u> <u>31.03.2019</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Financial Assets			
Investments	2	1,00,00,000	40,00,00,000
Other Non-current Assets	3	-	33,30,983
<b>Total Non Current Assets</b>		<u>1,00,00,000</u>	<u>40,33,30,983</u>
<b>Current Assets</b>			
Financial Assets			
Cash and Cash Equivalents	4	4,66,292	3,66,085
Others	5	1,60,000	1,60,000
Other current assets - Income tax refund receivable		34,90,370	-
<b>Total Current Assets</b>		<u>41,16,662</u>	<u>5,26,085</u>
<b>Total Assets</b>		<u>1,41,16,662</u>	<u>40,38,57,068</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	6	40,00,00,000	40,00,00,000
Other Equity		(44,64,82,080)	(4,87,85,953)
<b>Equity attributable to the owners</b>		<u>(4,64,82,080)</u>	<u>35,12,14,047</u>
<b>Non-current Liabilities</b>			
Financial Liabilities			
Borrowings	7	5,43,69,735	5,11,69,735
<b>Total Non Current Liabilities</b>		<u>5,43,69,735</u>	<u>5,11,69,735</u>
<b>Current Liabilities</b>			
Financial Liabilities			
Trade Payables	8	-	-
Outstanding dues of micro enterprises and small enterprises		2,75,547	3,00,026
Outstanding dues of other than micro enterprises and small enterprises		51,71,095	3,95,501
Other Financial Liabilities	9	7,20,988	7,15,214
Provisions	10	61,377	62,545
Other Current Liabilities	11	62,29,007	14,73,286
<b>Total Current Liabilities</b>		<u>62,29,007</u>	<u>14,73,286</u>
<b>Total Equity and Liabilities</b>		<u>1,41,16,662</u>	<u>40,38,57,068</u>
Significant Accounting Policies	1		
Other Notes on Accounts	17 to 27		

As per our report of even date

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

*Ajay Gupta*

Ajay Gupta  
Partner  
Membership No. 90104

Place : New Delhi  
Date : 28/08/2020



For and on behalf of the Board of Directors  
of PCL Hotels Limited

*Deeksha Suri*  
Deeksha Suri  
Director  
DIN. 00005367

*Aftab Alam*  
Aftab Alam  
Chief Financial Officer

*Divya Suri Singh*  
Divya Suri Singh  
Director  
DIN. 00004559

*Vineet Maheshwari*  
Vineet Maheshwari  
Company Secretary

**PCL Hotels Limited (Formerly known as Prime Cellular Limited, name changed wef 07.09.2019)**  
**Statement of Profit and Loss for the year ended 31st March 2020**

Amount in Rs.			
	Notes	Year ended 31.03.2020	Year ended 31.03.2019
<b>Income</b>			
Other income	12	2,03,185	1,47,03,093
<b>Total income</b>		<b>2,03,185</b>	<b>1,47,03,093</b>
<b>Expenses</b>			
Employee benefits expense	13	19,82,346	20,64,760
Finance costs	14	52,98,663	1,81,19,066
Other expenses	15	6,18,303	6,17,844
Impairment Loss	2	39,00,00,000	-
		<b>39,78,99,312</b>	<b>2,08,01,670</b>
<b>Loss for the year before taxation</b>		<b>(39,76,96,127)</b>	<b>(60,98,577)</b>
<b>Less : Tax expense</b>			
Current tax		-	-
Deferred tax	25	-	-
<b>Loss for the year after taxation</b>		<b>(39,76,96,127)</b>	<b>(60,98,577)</b>
<b>Other Comprehensive Income</b>			
<b>Total Comprehensive Income</b>		<b>(39,76,96,127)</b>	<b>(60,98,577)</b>

**Earnings per share (face value of Rs. 100/- each)**  
Basic and Diluted

16 (99.42) (1.52)

Significant Accounting Policies  
Other Notes on Accounts

1  
17 to 27

As per our report of even date

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

*Ajay Gupta*

Ajay Gupta  
Partner  
Membership No. 90104

Place : New Delhi  
Date : 28/08/2020



For and on behalf of the Board of Directors  
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*Aftab Alam*  
Aftab Alam  
Chief Financial Officer

*Vineet Maheshwari*  
Vineet Maheshwari  
Company Secretary

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**PCL Hotels Limited (Formerly known as Prime Cellular Limited, name changed wef 07.09.2019)**  
**Cash flow statement for the year ended 31st March 2020**

	Amount in Rs.	
	<u>Year ended</u> <u>31.03.2020</u>	<u>Year ended</u> <u>31.03.2019</u>
<b>A. Cash flow from/(used in) operating activities</b>		
Net loss before taxation	(39,76,96,127)	(60,98,577)
Adjustments for:		
Impairment Loss	39,00,00,000	-
Interest income	(1,59,387)	(1,47,03,093)
Interest expense	52,98,663	1,81,19,066
<b>Operating loss before working capital changes</b>	(25,56,851)	(26,82,604)
Movements in working capital:		
Increase / (decrease) in trade payable	(24,479)	1,65,942
Increase / (decrease) in other current liabilities and provisions	4,606	32,104
(Increase) / Decrease in other financial assets	-	(1,60,000)
<b>Cash generated from/(used in) operations</b>	(25,76,724)	(26,44,558)
Direct taxes (paid) / refund	-	6,06,757
<b>Net cash from/(used in) operating activities</b>	<u>(25,76,724)</u>	<u>(20,37,801)</u>
<b>B. Cash flow from/(used in) investing activities</b>		
Interest received	-	8,69,96,304
<b>Net cash from investing activities</b>		<u>8,69,96,304</u>
<b>C. Cash flow from financing activities</b>		
Payment of interest	(5,23,069)	(10,51,83,761)
Proceeds / (Repayment) from loans given	-	18,75,11,427
Proceeds / (Repayment) from loans taken	32,00,000	(16,70,34,280)
<b>Net cash used in financing activities</b>	<u>26,76,931</u>	<u>(8,47,06,614)</u>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<u>1,00,207</u>	<u>2,51,889</u>
<b>Cash and cash equivalents at the beginning of the year</b>	<u>3,66,085</u>	<u>1,14,196</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>4,66,292</u>	<u>3,66,085</u>
<b>Components of cash and cash equivalents</b>		
Cash in hand	-	4,210
Balances with scheduled banks:		
In current accounts	4,66,292	3,61,875
	<u>4,66,292</u>	<u>3,66,085</u>

**Note**

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

As per our report of even date

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

*Ajay Gupta*

Ajay Gupta  
Partner  
Membership No. 90104

Place : New Delhi  
Date : 28/08/2020

For and on behalf of the Board of Directors  
of PCL Hotels Limited

*Deeksha Suri*

Deeksha Suri  
Director  
DIN. 00005367

Divya Suri Singh  
Director  
DIN. 00004559

*Arbab Alam*  
Arbab Alam  
Chief Financial Officer

*Vineet Maheshwari*  
Vineet Maheshwari  
Company Secretary



**Statement of Changes in Equity**

**(a) Equity Share Capital**

As at 01.04.2018	Changes in equity share capital during 2018-19	Balance as at 31.3.2019	Changes in equity share capital during 2019-20	Balance as at 31.03.2020
40,00,00,000	-	40,00,00,000	-	40,00,00,000

**(b) Other Equity as at 31.03.2020**

Particulars	Reserves and Surplus (Deficit)	Items of other comprehensive income (Items that will not be re-classified to Profit and Loss)	Total Equity
As at April 1, 2018	(4,26,87,376)	-	(4,26,87,376)
Additions	(60,98,577)		(60,98,577)
Loss for the year			
As at March 31, 2019	(4,87,85,953)	-	(4,87,85,953)
Additions	(39,76,96,127)	-	(39,76,96,127)
Loss for the year			
As at March 31, 2020	(44,64,82,080)	-	(44,64,82,080)

As per our report of even date

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

*Ajay Gupta*

Ajay Gupta  
Partner  
Membership No. 90104

For and on behalf of the Board of Directors  
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Aftab Alam  
Chief Financial Officer

*Vineet Maheshwari*

Vineet Maheshwari  
Company Secretary

Place: New Delhi  
Date : 28/08/2020



**Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2020**

**1. Corporate Information**

- i) PCL Hotels Limited (Formerly known as Prime Cellular Limited) ('the Company') is a subsidiary of Bharat Hotels Limited (BHL) incorporated in India under the provisions of the Companies Act, 1956. The Company has entered into a Joint Venture with Eila Holding Limited (formerly known as Eila Builders and Developers Limited), a subsidiary of Deeksha Holding Limited, and has established a Joint Venture Company named Kujjal Hotels Private Limited, (formerly known as Kujjal Builders Pvt Ltd.) for the purpose of developing, constructing and operating a hotel and convention centre at Chandigarh. The Company has its principal place of business located at 401, World Trade Tower, Barakhamba Lane, New Delhi- 110001.

The Company has changed its name from Prime Cellular Limited to PCL Hotels Limited wef 07.09.2019.

The financial statements were authorised for issue in accordance with a resolution of the directors on 28th of 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. These are separate financial statement of the Company and the company has availed exemption from preparing consolidated financial statements (CFS) in accordance with section 129(3) of the Companies Act 2013 read with paragraph 4(a) of Ind AS 110 i.e. Consolidated Financial Statement. The parent company has prepared its CFS as per Ind AS and it is available for public use at their registered office i.e. 401, World Trade Tower, Barakhamba Lane New Delhi-110001. The parent Company is engaged in the business of operating hotels in India.

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

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

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

**iii) Significant Accounting Policies**

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

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.



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

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

**b) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

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

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

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

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

**c) Revenue Recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

**Interest Income:**

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



**d) Financial Instruments**

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

**Financial Assets**

**Initial recognition and measurement**

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

**Debt instruments at amortised cost**

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

**Equity investments**

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

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

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

**Investment in Subsidiaries**

Investment in subsidiaries are measured at cost less impairment as per Ind AS 27 - 'Separate Financial Statements'.

**Derecognition**

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



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

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

### **Financial Liabilities**

#### **Initial recognition and measurement**

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

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

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

#### **Subsequent measurement**

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

#### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

### **e) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of Profit and Loss net of any reimbursement.

### **f) Earnings per share**

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

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



**g) Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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

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

**h) Cash and cash equivalents**

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



**PCL Hotels Limited (Formerly known as Prime Cellular Limited, name changed wef 07.09.2019)**  
**Notes on accounts for the year ended 31st March 2020**

	Amount in Rs.	
	As at 31.03.2020	As at 31.03.2019
<b>2 Non-current Investments</b>		
At Cost		
Investment in Equity Instruments		
In Subsidiary		
4,00,00,000 (Previous Year 4,00,00,000) equity shares of Rs. 10/- each fully paid up in Kujjal Hotels Private Limited (Formerly Known as Kujjal Builders Private Limited)	40,00,00,000	40,00,00,000
Less:- Impairment Loss	39,00,00,000	-
	<u>1,00,00,000</u>	<u>40,00,00,000</u>

**Note :**

The Holding Company i.e. Bharat Hotels Limited (BHL) has performed an impairment tests in the value of investment made by PCL Hotels Limited in Kujjal Hotels Pvt Ltd by computing value-in-use amount with the carrying value. For the purpose of impairment testing, in accordance with IND AS 36, the Company has made detailed projections and computed the value in use of its investment through Discounted Cash Flow ("DCF") method, which requires the use of various other key assumptions including projections, which are approved by management. Basis their calculation, PCL Hotels Limited has recorded an impairment in the value of KHPL equity investment of Rs 39,00 lacs. Key considerations pertaining to computation/valuation of recoverable amount are listed below:

Carrying amount of investment as at March 31, 2020	₹ 40,00,00,000
Value in use	₹ 1,00,00,000
Impairment loss recognized	₹ 39,00,00,000
Basis on which the recoverable amount has been determined	DCF method with observable market data
Growth rate used for computing value in use	Compounding Annual Growth rate of 38.40% is forecasted, with terminal growth rate of 5%
Discount rate	12.36%
Management's approach to determining the value assigned to each key assumption	Valuation is as per forecasted business plan, which is backed up by internal and external information available with the management.

**3 Other Non-current Assets**

Tax deducted at source	-	33,30,983
	<u>-</u>	<u>33,30,983</u>

**4 Cash and Cash Equivalents**

Balances with banks		
In current accounts	4,66,292	3,61,875
Cash on hand	-	4,210
	<u>4,66,292</u>	<u>3,66,085</u>

**5 Other Financial Assets**

(Unsecured, receivable on demand)		
Security deposit	1,60,000	1,60,000
	<u>1,60,000</u>	<u>1,60,000</u>



**PCL Hotels Limited (Formerly known as Prime Cellular Limited, name changed wef 07.09.2019)**

Amount in Rs.

	As at 31.03.2020	As at 31.03.2019
<b>6 Share Capital</b>		
<b>Authorised</b>		
40,00,000 (previous year 40,00,000) Equity Shares of Rs. 100/- each	40,00,00,000	40,00,00,000
<b>Issued, Subscribed &amp; Paid up</b>		
40,00,000 (previous year 40,00,000) Equity Shares of Rs 100/- each fully paid-up	40,00,00,000	40,00,00,000
	<u>40,00,00,000</u>	<u>40,00,00,000</u>
(a) The Company has only one class of shares referred to as equity shares having a par value of Rs. 100/-. Each holder of equity shares is entitled to one vote per share.		
	<b>Numbers</b>	<b>Numbers</b>
<b>(b) Reconciliation of number of shares</b>		
Shares outstanding at the beginning of the year	40,00,000	40,00,000
Shares outstanding at the end of the year	40,00,000	40,00,000
<b>(c) Shares held by each shareholder holding more than 5% shares</b>		
Bharat Hotels Limited (being the Holding Company)	39,84,000	39,84,000
% holding	99.60%	99.60%
<b>7 Borrowings</b>		
Unsecured loan from related party	5,43,69,735	5,11,69,735
- From Bharat Hotels Limited (Holding Company)		
	<u>5,43,69,735</u>	<u>5,11,69,735</u>
<b>Terms of Repayment</b>		
The above loan is repayable within a period of 8 years starting from May 2013 Interest rate at year end is 10% per annum		
<b>8 Trade Payables</b>		
Outstanding dues of other than micro enterprises and small enterprises	2,75,547	3,00,026
	<u>2,75,547</u>	<u>3,00,026</u>
<b>9 Other Financial Liabilities</b>		
Unsecured and Repayable on Demand	51,64,297	3,95,501
Interest Accrued - Bharat Hotels Limited	6,798	-
Payable to Bharat Hotels Limited towards re-imbursement of expenses	<u>51,71,095</u>	<u>3,95,501</u>
<b>10 Provisions</b>		
Provision for employee benefits	5,92,936	5,43,364
Gratuity	1,28,052	1,71,850
Leave Encashment	<u>7,20,988</u>	<u>7,15,214</u>
<b>11 Other Current Liabilities</b>		
Statutory dues payable - TDS	61,377	62,545
	<u>61,377</u>	<u>62,545</u>



**PCL Hotels Limited (Formerly known as Prime Cellular Limited, name changed wef 07.09.2019)**

Amount in Rs.

	<u>Year ended</u> <u>31.03.2020</u>	<u>Year ended</u> <u>31.03.2019</u>
<b>12 Other Income</b>		
Interest on loan to Related Parties Kujjal Hotels Private Limited	-	1,45,58,709
Interest on Income tax refund	1,59,387	1,44,384
Provision for leave encashment written back	43,798	
<b>Total</b>	<b>2,03,185</b>	<b>1,47,03,093</b>
<b>13 Employee Benefit Expenses</b>		
Salaries, wages and allowances	19,32,774	18,95,970
Gratuity expenses	49,572	1,39,490
Leave compensation expenses	-	29,300
	<b>19,82,346</b>	<b>20,64,760</b>
<b>14 Finance Costs</b>		
Interest on loan from Holding Company (Bharat Hotels Limited)	52,98,663	1,81,19,066
	<b>52,98,663</b>	<b>1,81,19,066</b>
<b>15 Other Expenses</b>		
Rates and taxes	1,29,099	98,151
Traveling and conveyance	2,04,355	2,10,000
Professional fees	66,638	60,696
Bank Charges	531	3,192
Payment to auditors		
- Audit Fees	1,50,000	1,50,000
- Tax Audit	-	70,000
- Other Services	30,000	-
- Taxes on above	32,400	24,300
Others	5,280	1,505
	<b>6,18,303</b>	<b>6,17,844</b>
<b>16 Earnings per Share</b>		
Loss after current and deferred tax	(39,76,96,127)	(60,98,577)
Weighted average number of equity shares of Rs. 100/- each	40,00,000	40,00,000
EPS (Rs.)- Basic and Diluted	(99.42)	(1.52)



20

**PCL Hotels Limited (Formerly known as Prime Cellular Limited, name changed wef 07.09.2019)**

**17 Financial risk management objectives and policies**

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

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

**18 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.

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 includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Particulars	31.03.2020	31.03.2019
Borrowings including interest accrued	5,95,40,830	5,15,65,236
Trade payables	2,75,547	3,00,026
Less: Cash and cash equivalents	(4,66,292)	(3,66,085)
<b>Net debt</b>	<b>5,93,50,085</b>	<b>5,14,99,177</b>
Equity	(4,64,82,080)	35,12,14,047
<b>Equity and net debt</b>	<b>1,28,68,005</b>	<b>40,27,13,224</b>
Gearing ratio	461%	13%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

**19 Fair value measurement**

**Financial instruments by category**

Particulars	31.03.2020			31.03.2019		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
<b>Financial Assets</b>			1,00,00,000			40,00,00,000
Investments in equity instruments (net of impairment; Previous Year Nil)	-	-	1,60,000	-	-	1,60,000
Security Deposit	-	-	4,66,292	-	-	3,66,085
Cash and Cash Equivalents	-	-	1,06,26,292	-	-	40,05,26,085
<b>Total Financial Assets</b>						
<b>Financial Liabilities</b>			5,43,69,735			5,11,69,735
Borrowings	-	-	51,71,095	-	-	14,73,286
Other Current Liabilities	-	-	7,20,988	-	-	7,15,214
Short Term Provisions	-	-	2,75,547	-	-	3,00,026
Trade Payables	-	-	6,05,37,365	-	-	5,36,58,261
<b>Total Financial Liabilities</b>						



**PCL Hotels Limited (Formerly known as Prime Cellular Limited, name changed wef 07.09.2019)**

**20 Related Party Disclosures:**

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

- i) Holding Company - Bharat Hotels Limited  
 ii) Subsidiary Company - Kujjal Hotels Private Limited (Wef 21.02.2019) (Formerly Kujjal Builders Private Limited till 20.02.2019)  
 iii) Key Management Personnel:  
 - Mr. Keshav Suri – Director  
 - Ms. Divya Suri Singh – Director  
 - Ms. Deeksha Suri – Director  
 - Mr. Krishan Kumar - Managing Director (till 30.04.2020)

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

	31.03.2020	31.03.2019
<b>Bharat Hotels Limited</b>		
-Loan received	32,00,000	14,30,000
-Loan (repaid)	-	(6,48,92,433)
-Interest expense	52,98,663	1,81,19,066
-Reimbursement of expenses	6,798	1,99,991
-Loan outstanding at the year end (including interest accrued)	5,43,69,735	5,15,65,236
-Payable to towards re-imburement of expenses	6,798	-
<b>Kujjal Hotels Private Limited</b>		
-Interest income	-	1,45,58,709

- 21 The number of employees in the roll of the Company as on 31.03.2020 is two. Provision for Gratuity and Leave Encashment has been made for accruing liability as on 31.03.2020. Keeping in view the small number and non-materiality, actuarial valuation is not considered necessary.

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

Details of dues to Micro enterprises and Small Enterprises as per MSMED Act, 2006	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil

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

Name of the Company	Nature	Balance as at 31st March 2020	Balance as at 31st March 2019
Kujjal Hotels Private Limited	Investment made (net of Impairment)	1,00,00,000	40,00,00,000



**PCL Hotels Limited (Formerly known as Prime Cellular Limited, name changed wef 07.09.2019)**

**24 Segment Information**

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

25 In accordance with IND AS -12 " Income Taxes" in view of losses incurred by the Company , deferred tax asset on losses incurred have not been accounted in the books in absence of virtual certainty.

26 The Company is having negative net worth of Rs.4,64,82,080 and accumulated losses of Rs.44,64,82,080 as at 31.03.2020. However, in view of continued financial support from the Holding Company, the financial statement of the Company have prepared on going concern basis

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

**Annexure of our report of even date**

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

*Ajay Gupta*

Ajay Gupta  
Partner  
Membership No. 90104

For and on behalf of the Board of Directors  
of PCL Hotels Limited

*Deeksha Suri*

Deeksha Suri  
Director  
DIN. 00005367

*Divya Suri Singh*

Divya Suri Singh  
Director  
DIN. 00004559

*Aftab Alam*

Aftab Alam  
Chief Financial officer

*Vineet*

Vineet Maheshwari  
Company Secretary

Place: New Delhi  
Date : 28/08/2020

