

AUDIT REPORT

NEELDEEP DEVELOPERS PRIVATE LIMITED

FINANCIAL YEAR : 2019-20

303, 3rd Floor, Narayan Complex,  
Opp. Havmor Restaurant,  
Navrangpura, Ahmedabad - 380 009.  
Phone : +91-079-26443562, 26443637  
E-mail : darshanbparikh@gmail.com  
E-mail : anokhidparikh@gmail.com

**DARSHAN BAKUL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**DARSHAN PARIKH**  
B.Com, A.C.A.

**ANOKHI PARIKH**  
B.Com, A.C.A.

**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of,  
NEELDEEP DEVELOPERS PRIVATE LIMITED  
Ahmedabad

Report on the Financial Statements

**Opinion**

1. We have audited the accompanying financial statements of Neeldeep Developers Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (herein after referred to as "the financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the 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 including Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, of the state of affairs of the Company as at March 31, 2020 its profits (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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



#### Information other than the financial statements and Auditor's Report thereon

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

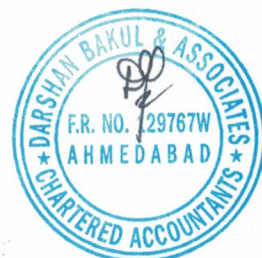
5. The company's board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statement that give a true and fair of the financial position, financial performance including other comprehensive Income, cash flows and changes in equity of the company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies making judgments and estimates that are reasonable and prudent and the design implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to preparation and presentation of the financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

8. 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.



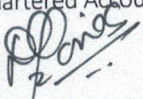
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform 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 explaining 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.
10. 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.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



### Report on Other Legal and Regulatory Requirements

13. 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 & on the basis of such checks of books & records of the company as we consider appropriate and according to the information and explanation given to us, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
14. As required by section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from the examination of those books;
  - The balance sheet, the statement of profit and loss including the statement of other Comprehensive Income, cash flow statement and statement of changes in Equity dealt with in this Report are in agreement with the books of accounts;
  - In our opinion, the aforesaid financial statements comply with accounting Standards specified under section 133 of the Act.
  - On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2020 and 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 sections 164(2) of the Act;
  - With respect to the adequacy of the internal financial controls over Financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in the "Annexure 2" to this report;

For,  
DASHAN BAKUL & ASSOCIATES  
Chartered Accountant.

  
DARSHAN PARIKH  
Partner.



M.No. : 131634

F.R.N. : 129767W

UDIN : 20131634AAAAF03786

Date : 01.12.2020

Place : Ahmedabad

## ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

### **Annexure 1 referred to in Paragraph 15 of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended March 31, 2020**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipments;  
(b) All Property Plant & Equipments have been physically verified by the management during the year, there is a regular programme of verification which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification;  
(c) According to the information and explanations given by the management, the title deeds of Immovable properties included in property, plant and equipment are held in the name of the Company.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in register maintained under section 189 of companies Act, 2013. Accordingly, the provision of clause 3(iii) (a), (b), and (c) of the order is not applicable to the company and hence not commented upon.
4. In our opinion and according to the information and explanations gives to us, the Company has not advanced any loans or made investments, given guarantees, and provided any securities in respect of which provision of section 185 and 186 of The Companies Act, 2013 are applicable and hence not commented upon.
5. In our opinion and according to the information and explanations gives to us , the Company has not accepted any deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of deposits) Rules, 2014 (as amended) framed there under. Accordingly, the provisions of this clause of the order are not applicable.
6. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the central government for the maintenance of cost records under section 148(1) of the companies Act, 2013, Cost accounting records are not required to be maintained by the company and hence, this clause is not applicable.

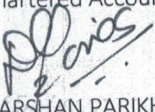


7. (a) The Company, during the year under consideration has cleared all the pending statutory dues pertaining to previous years and has been regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, goods and service tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales-tax, duty of custom, duty of excises, value added tax, cess and other statutory dues were outstanding, at the yearend for a period of more than six months from date they became payable.
- (c) According to the records of the company, there are no outstanding of income tax, value added tax, sales tax, excise duty and duty of custom on account of any dispute.
8. Based on audit procedures and according to the information and explanations given by the management the company has not defaulted in repayment of loans or borrowing to a bank.
9. To the best of our knowledge and belief and according to the information and explanations given by the management, the Company has not raised any money by way of Initial public offer / further public offer/debt instruments and term loans hence reporting under this clause of the order is not applicable to the Company and hence not commented upon.
10. Based on audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud /material fraud on the Company by the officer and employees of the Company has been noticed or reported during the year.
11. The Company being a Private Limited Company, this clause related to the managerial remuneration has been paid /provided in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013 is not applicable.
12. As the Company is not a Nidhi Company Consequently the Nidhi Rules, 2014 are not applicable to it, the provisions of this Clause of the Order are not applicable to the Company.
13. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of this Clause of the Order are not applicable to the Company.



15. According to the information and explanations given by the management, the Company has not entered into any non cash transactions with its Directors or persons connected with him as referred to in section 192 of the Companies Act, 2013. Accordingly, the provisions of this Clause of the Order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of this Clause of the Order are not applicable to the Company.

For,  
DASHAN BAKUL & ASSOCIATES  
Chartered Accountant.

  
DARSHAN PARIKH  
Partner.

M.No. : 131634

F.R.N. : 129767W

UDIN : 20131634AAAAF03786



Date : 01.12.2020  
Place : Ahmedabad

## "Annexure 2" to Independent Auditor's Report

Referred to in paragraph 16(f) of the Independent Auditor's Report of even date to the members of Neeldeep Developers Private Limited on the financial statements for the year ended March 31, 2020.

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

1. We have audited the internal financial controls over financial reporting of Neeldeep Developers Private Limited ("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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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, 2013.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards On Auditing deemed to be prescribed under section 143(10) of the Act, 2013 to the extent applicable to the audit of internal financial controls, and both issued by the ICAI. Those Standards and the Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## Meaning of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

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


## Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

7. 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For,  
DASHAN BAKUL & ASSOCIATES  
Chartered Accountant.

  
DARSHAN PARIKH  
Partner.

M.No. : 131634

F.R.N. : 129767W

UDIN : 20131634AAAAFD3786



Date : 01.12.2020

Place : Ahmedabad

|                                      | Notes | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|--------------------------------------|-------|------------------------|------------------------|-----------------------|
| <b>ASSETS</b>                        |       |                        |                        |                       |
| <b>Non-current assets</b>            |       |                        |                        |                       |
| Property, plant and equipment        | 5     | 111.28                 | 19.31                  | 29.28                 |
| Capital work-in-progress             | 5     | 2.72                   | -                      | -                     |
| <b>Financial assets</b>              |       |                        |                        |                       |
| (i) Investments                      | 6     | -                      | 95.60                  | 95.60                 |
| Non-current tax assets (net)         | 7     | 5.87                   | 6.48                   | -                     |
| Other non-current assets             | 11A   | 0.58                   | 0.58                   | 1.69                  |
| <b>Total non current assets</b>      |       | <b>120.45</b>          | <b>121.97</b>          | <b>126.57</b>         |
| <b>Current assets</b>                |       |                        |                        |                       |
| Inventories                          | 8     | 1.35                   | -                      | -                     |
| <b>Financial assets</b>              |       |                        |                        |                       |
| (i) Trade receivables                | 9     | 9.01                   | 4.56                   | 1.72                  |
| (ii) Cash and cash equivalents       | 10    | 6.85                   | 0.92                   | 0.94                  |
| Other current assets                 | 11B   | 6.21                   | -                      | 5.38                  |
| <b>Total current assets</b>          |       | <b>23.43</b>           | <b>5.48</b>            | <b>8.04</b>           |
| <b>Total assets</b>                  |       | <b>143.88</b>          | <b>127.45</b>          | <b>134.61</b>         |
| <b>EQUITY AND LIABILITIES</b>        |       |                        |                        |                       |
| <b>Equity</b>                        |       |                        |                        |                       |
| Share capital                        | 12    | 40.00                  | 40.00                  | 40.00                 |
| Retained earnings                    | 13    | -37.98                 | -94.16                 | -86.59                |
| <b>Total equity</b>                  |       | <b>2.02</b>            | <b>-54.16</b>          | <b>-46.59</b>         |
| <b>LIABILITIES</b>                   |       |                        |                        |                       |
| <b>Non-current liabilities</b>       |       |                        |                        |                       |
| <b>Financial Liabilities</b>         |       |                        |                        |                       |
| (i) Borrowings                       | 14A   | 72.69                  | -                      | 164.53                |
| Deferred tax liabilities (Net)       | 14B   | 15.89                  | -3.41                  | -2.00                 |
| Long term provisions                 | 15A   | 0.06                   | -                      | -                     |
| <b>Total non-current liabilities</b> |       | <b>88.64</b>           | <b>-3.41</b>           | <b>162.53</b>         |
| <b>Current liabilities</b>           |       |                        |                        |                       |
| <b>Financial Liabilities</b>         |       |                        |                        |                       |
| (i) Trade payables                   | 16    | 5.40                   | 0.98                   | 0.44                  |
| (ii) Other financial liabilities     | 17    | 16.32                  | 165.98                 | -                     |
| Net employee benefit liabilities     | 15B   | 0.01                   | -                      | -                     |
| Other current liabilities            | 18A   | 28.43                  | 14.85                  | 11.84                 |
| Short Term Provision                 | 18B   | 3.06                   | 3.21                   | 6.39                  |
| <b>Total current liabilities</b>     |       | <b>53.22</b>           | <b>185.02</b>          | <b>18.68</b>          |
| <b>Total liabilities</b>             |       | <b>141.86</b>          | <b>181.61</b>          | <b>181.20</b>         |
| <b>Total equity and liabilities</b>  |       | <b>143.88</b>          | <b>127.45</b>          | <b>134.61</b>         |

The accompanying notes are an integral part of the standalone financial statements  
As per our report of even date

For DARSHAN BAKUL & ASSOCIATES  
Firm Registration No.: 129767W  
Chartered Accountants

DARSHAN PARIKH  
Partner  
Membership No. 131634  
UDIN :

20131634AAAAF03786

Place: Ahmedabad  
Date: 01.12.2020



For and on behalf of the board of directors of  
NEELDEEP DEVELOPERS PRIVATE LIMITED

Abhishek Bhalla  
Director  
DIN : 8190066



Varun Jairath  
Director  
DIN : 8190066

Place:  
Date: 01.12.2020

NEELDEEP DEVELOPERS PRIVATE LIMITED

CIN: U45201GJ2004PTC043615

Statement of profit and loss for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

|  | Notes | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 |
|--|-------|-------------------------------------|-------------------------------------|
| <b>INCOME</b>  |       |                                     |                                     |
| Revenue from contracts with customers  | 19    | 37.62                               | -                                   |
| Other income   | 20    | 5.34                                | 24.17                               |
| <b>Total income (I)</b>  |       | <b>42.95</b>                        | <b>24.17</b>                        |
| <b>EXPENSES</b>  |       |                                     |                                     |
| Cost of property consumables consumed  | 21    | 4.33                                | -                                   |
| Employee benefits expense  | 22    | 17.31                               | -                                   |
| Depreciation and amortization expense  | 23    | 10.38                               | 9.92                                |
| Finance cost   | 24    | 15.69                               | 15.72                               |
| Other expenses   | 25    | 40.45                               | 7.51                                |
| <b>Total expenses (II)</b>   |       | <b>88.17</b>                        | <b>33.15</b>                        |
| <b>Loss before tax (I-II)</b>  |       | <b>-45.22</b>                       | <b>-8.97</b>                        |
| Income tax expense   |       |                                     |                                     |
| (1) Deferred tax   | 14B   | 19.31                               | -1.41                               |
| <b>Loss for the year</b>   |       | <b>-64.52</b>                       | <b>-7.57</b>                        |
| <b>Loss per equity share</b>   |       |                                     |                                     |
| Nominal value of share INR 10 (31 March 2019: INR 10)  |       |                                     |                                     |
| Basic loss per share (in INR) computed on the basis of loss for the year attributable to equity holders of the company | 26    | (16.13)                             | (1.89)                              |

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For DARSHAN BAKUL &amp; ASSOCIATES

Firm Registration No.: 129767W

Chartered Accountants

DARSHAN PARIKH

Partner

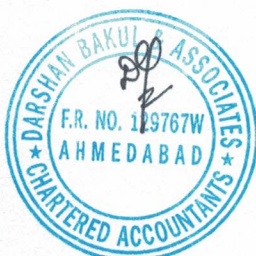
Membership No. 131634

UDIN :

80131634AAAAF03786

Place: Ahmedabad

Date: 01.12.2020

For and on behalf of the board of directors of  
NEELDEEP DEVELOPERS PRIVATE LIMITED

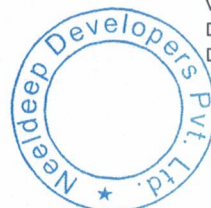
Abhishek Bhalla

Director

DIN : 8190066

Place:

Date: 01.12.2020



Varun Jairath

Director

DIN : 8190066

|   | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 |
|---|-------------------------------------|-------------------------------------|
| <b>Cash flow from operating activities:</b>                         |                                     |                                     |
| Loss before tax   | -45.22                              | -8.97                               |
| <b>Adjustment to reconcile profit before tax to net cash flows</b>  |                                     |                                     |
| Depreciation and amortization expense                               | 10.38                               | 9.92                                |
| Loss on Sale of Assets  | 12.95                               | -                                   |
| Provision for doubtful advance                                      | 5.23                                | -                                   |
| Interest income   | -0.09                               | -                                   |
| Interest expense  | 10.23                               | 15.64                               |
| <b>Operating loss before working capital changes</b>                | <b>-6.52</b>                        | <b>16.59</b>                        |
| <b>Movements in working capital :</b>                               |                                     |                                     |
| Increase in trade payables  | 4.42                                | 0.54                                |
| Increase/(decrease) in provisions                                   | -0.09                               | 0.00                                |
| Increase in other financial liabilities                             | 16.32                               | -                                   |
| (Increase) in other financial assets                                | -6.21                               | -                                   |
| Change in current Liabilities                                       | 13.63                               | -0.17                               |
| (Increase) in inventories   | -1.35                               | -                                   |
| (Increase) in trade receivables                                     | -9.68                               | -2.84                               |
| <b>Cash from operations</b>   | <b>10.52</b>                        | <b>14.12</b>                        |
| Direct taxes paid (net of refunds)                                  | 0.61                                | -                                   |
| <b>A. Net cash from operating activities</b>                        | <b>11.13</b>                        | <b>14.12</b>                        |
| <b>Cash flows from investing activities</b>                         |                                     |                                     |
| Purchase of fixed assets (including intangibles)                    | -19.75                              | -                                   |
| Addition in capital work in progress (net of sale)                  | -2.72                               | -                                   |
| Proceeds from sale of fixed assets                                  | -                                   | 0.05                                |
| Interest received   | 0.09                                | -                                   |
| <b>B. Net cash (used in) investing activities</b>                   | <b>-22.38</b>                       | <b>0.05</b>                         |
| <b>Cash flow from financing activities</b>                          |                                     |                                     |
| Equity Contribution of borrowing from Holding Company               | 120.70                              | -                                   |
| Interest paid   | -10.23                              | -15.64                              |
| Proceeds from Long Term Borrowings                                  | 72.69                               | 1.45                                |
| Repayment of long term borrowing                                    | -165.98                             | -                                   |
| <b>C. Net cash flow from financing activities</b>                   | <b>17.19</b>                        | <b>-14.20</b>                       |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b> | <b>5.94</b>                         | <b>-0.03</b>                        |
| Cash and cash equivalents at the beginning of the year              | 0.92                                | 0.94                                |
| <b>Cash and cash equivalents at the end of the year</b>             | <b>6.85</b>                         | <b>0.92</b>                         |
| <b>Components of cash and cash equivalents</b>                      |                                     |                                     |
| Cash on hand  | 0.06                                | 0.73                                |
| With banks:   |                                     |                                     |
| on current accounts   | 6.79                                | 0.19                                |
| on deposit accounts   | 0.00                                | 0.00                                |
| <b>Total cash and cash equivalents (refer note 10)</b>              | <b>6.85</b>                         | <b>0.92</b>                         |

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

Cash flow from financing

For DARSHAN BAKUL & ASSOCIATES

Firm Registration No.: 129767W

Chartered Accountants

Reported by

Net Cash

DARSHAN PARIKH

Partner

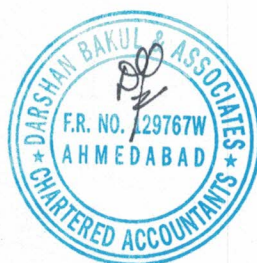
Membership No. 131634

UDIN :

20131634AAAAF03786

Place: Ahmedabad

Date: 01.12.2020



For and on behalf of the board of directors of  
NEELDEEP DEVELOPERS PRIVATE LIMITED

Abhishek Bhalla

Director

DIN : 8190066



Place:

Date:

Varun Jairath

Director

DIN : 8190066

## 1. Corporate Information

NEEDLDEEP DEVELOPERS PRIVATE LIMITED ("the 'Company'") is a private limited company domiciled in India and incorporated under the provisions of Indian Companies Act, 2013, with its registered office situated at 80A/303A, CHHADAWAD, MADALPUR, OPP. V. S. HOSPITAL, ELLISBRIDGE, AHMEDABAD GJ 380006 IN.

The principal activities of the Company is to carry out business of developing, owning, operating hotels and restaurants etc.

The financial statements are approved for issue by the Company's Board of Directors on 1<sup>st</sup> December 2020.

## 2. Basis of preparation of financial statements

These financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standard ('IndAS') as notified by the Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act, 2013 ("the Act") (to the extent notified). For all periods up to and including the year ended 31st March, 2019 the company prepared its financial statements in accordance with Accounting standards notified under Section 133 of the Companies Act, 2013("the Act") read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP"). These financial Statements for the year ended 31st March, 2020 are the first the company has prepared in accordance with IND AS. Refer note - 31 for the Information on how the company

adopted IND AS.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial statements' and division II of schedule III of the Companies Act 2013. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required.

### A. Basis of measurement

The financial statements have been prepared on going concern basis using historical cost convention and on an accrual method of accounting, except for the following items:

| Items   | Measurement basis                            |
|---|--|
| Financial assets and liabilities – Refer accounting policy regarding financial instrument | Fair Value/ Amortised cost                   |
| Net defined benefit (asset)/ liability  | Present value of defined benefit obligations |

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on this basis.

### B. Use of estimates and judgements



In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The areas involving critical estimates and judgements are:

i. **Estimation of useful life of property, plant and equipment and intangibles**

Useful lives of Property, plant and equipment & Intangible Assets (other than the life prescribed under Schedule II of the Companies Act, 2013) are estimated based on internal technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes. All these evaluations and assessments involve judgements on part of the management.

ii. **Estimation of defined benefit obligation**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary escalation and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations. Refer note 27 for further disclosures.

iii. **Key estimation relating to fair value measurements**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models and the discount rates are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 32 for further disclosures.

### 3. Significant accounting policies

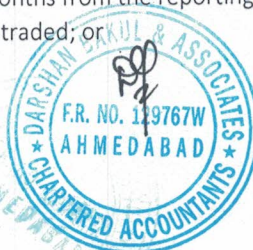
A. **Current/ non-current classification**

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

**Assets**

An asset is classified as current when:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or



- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

#### Liabilities

A liability is classified as current when:

- i. it is expected to be settled in the Company's normal operating cycle;
- ii. it is due to be settled within twelve months from the reporting date;
- iii. it is held primarily for the purposes of being traded; or
- iv. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date

All other liabilities are classified as non-current.

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

#### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has ascertained its operating cycle as twelve months for the purpose of current vs non-current classification of assets and liabilities.

### B. Functional and presentation currency

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. Presentation currency is the currency in which the company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) Millions, unless stated otherwise.

### C. Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

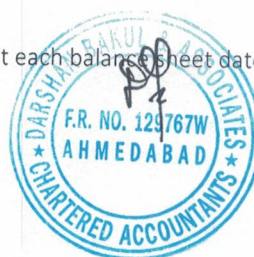
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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).

### D. Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.



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 most advantageous market for the asset or liability

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

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

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

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

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

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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.

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

- Disclosures for valuation methods, significant estimates and assumptions (note 31)
- Quantitative disclosures of fair value measurement hierarchy (note 32)

#### E. 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.

*Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in following 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)
- Equity instruments in subsidiaries carried at cost

*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.

*Debt instrument at FVTOCI*

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

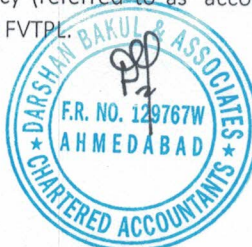
- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit & Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit & Loss. 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'). The Company has not designated any debt instrument as at FVTPL.



Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

#### *Equity investments*

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

#### *Derecognition*

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

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

#### *Impairment of financial assets*

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset

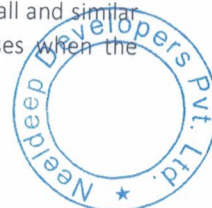
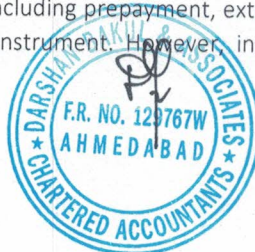
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date,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

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the



expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (STATEMENT OF PROFIT AND LOSS). This amount is reflected under the head 'other expenses' in the STATEMENT OF PROFIT AND LOSS. The balance sheet presentation for various financial instruments is described below:

- *Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:* ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- *Debt instruments measured at FVTOCI:* Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

#### 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, financial guarantee contracts.

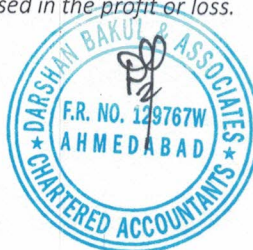
##### *Subsequent measurement*

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

Financial liabilities at fair value through Statement of Profit and loss.

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

Gains or losses on liabilities held for trading are recognised in the profit or loss.



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

#### *Financial liabilities at amortised cost*

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 is the most relevant to the Company. The difference between the transaction amount and amortized cost in case of interest free loan from holding company based on the expected repayment period is considered as 'Equity contribution from holding company'. After initial measurement, such financial liabilities 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 expense in the profit or loss. If there is any change in estimate for payment of loan (provided that there was no error in original estimate) , difference in carrying amount and repayment has been adjusted as return on contribution by the parent, based on condition/ situation prevailing on that date. The gain arising from such are recognised in the profit or loss.

This category generally applies to borrowings. For more information refer Note 14.

#### *Derecognition*

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

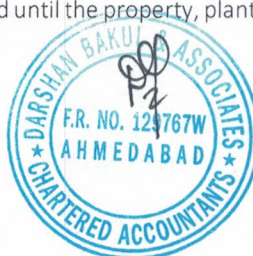
#### *Offsetting of financial instruments*

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

### **F. Property, plant and equipment**

#### **i. Recognition and measurement**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use.



The cost comprises purchase price, freight, expenditure incurred towards transformation of hotel including salary cost of transformation employees, duties, taxes, borrowing costs for long-term construction projects if the recognition criteria are met and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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.

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 profit or loss as incurred.

## ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

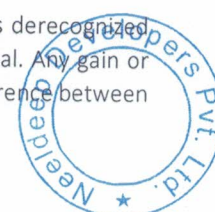
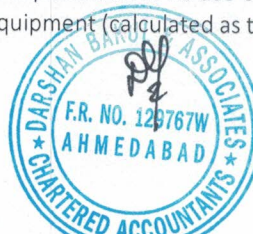
## iii. Depreciation

Depreciation on plant, property and equipment is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of fixed assets as follows:

| Property, plant and equipment | Useful life considered (SLM) |
|-------------------------------|------------------------------|
| Building                      | 60 years                     |
| Plant and Machinery           | 10 years                     |
| Office Equipment              | 5 years                      |
| Electrical Installation       | 5-10 years                   |
| Furniture and Fixtures        | 5-8 years                    |
| Computers                     | 3-6 years                    |

The Company, based on management estimates, depreciates certain items of building, plant and machinery, electrical installation, furniture and fixtures & computers over estimated useful lives which are lower than the useful life prescribed in Schedule II of the Companies Act, 2013. 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.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the plant, property and equipment (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.

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

#### G. Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. 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 realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

#### H. Impairment of non- financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The 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 Company of assets. Where 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.

#### I. Employee benefits

##### i. Short-term employee benefits

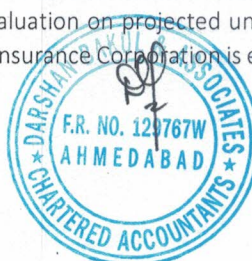
All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

##### ii. Post-employment benefits and other long term employee benefits

**Provident Fund:** Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

All employees are

**Gratuity:** Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expensed off at the time of payment of premium.



Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised 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.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

#### J. Provisions (other than for employee benefits)

##### i. General

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. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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 recognised as a finance cost.

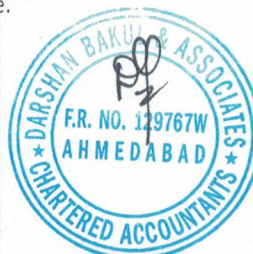
Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

##### ii. Contingent Assets/ Liabilities

of a past event,

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.



#### K. Revenue recognition

Revenue is recognised at an amount that reflects the consideration which is expected to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of the goods or services to the customer. Revenues is recognised net off indirect taxes and discounts.

Revenue of hotel operations from room revenue, sale of foods and beverages and other services:

Revenue is recognised at the transaction prices that is allocated to the performance obligation. Revenue comprises room revenue, sale of food and beverages and other services relating to the hotel operations. Revenue is recognised upon rendering of the services and sale of food and beverages.

Operator assumes major responsibilities towards performance obligation of service delivery, including but not limited to, setting the pricing, performance management and maintenance of quality standard of the hotel properties. Hence, revenue is presented on net basis in profit & loss statement after reduction of commission paid to the Operator.

#### Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

#### Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

#### Management Fee

Revenue from management services comprises variable income. Variable income is recognised on an accrual basis in accordance with the terms of the relevant agreement.

#### Trade receivables and contractual balances

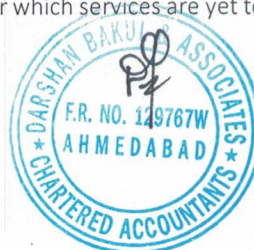
The Company classifies the right to receive consideration in exchange for services as either trade receivable or unbilled revenue. Accommodation revenue in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue).

#### Unbilled revenue

Unbilled revenue represents the gross unbilled amount expected to be realised from customers for services rendered up to the reporting date, and is measured as per the contractual terms under arrangements entered with the customers.

#### Contractual liabilities

Contract liabilities are primarily from customer advance for which services are yet to be rendered on the reporting date either in full or in parts.



## L. Taxes

Taxes comprises current income tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

### i. Current income tax

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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.

### ii. 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 (including MAT credit) 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 utilised

The carrying amount of deferred tax assets (including MAT credit available) 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.

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.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

#### Goods and Services Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and services tax paid, except:

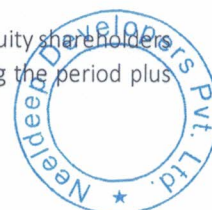
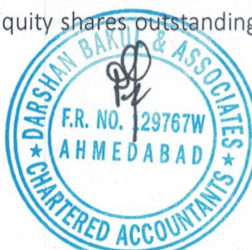
- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority; in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

#### M. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and taxes applicable) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue that have changed the number of outstanding, without a corresponding change in resources.

Diluted earnings per share is calculated by dividing the profit attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the period plus



the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

**N. 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.

**O. Cash flow statement:**

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

**Note 4: 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, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

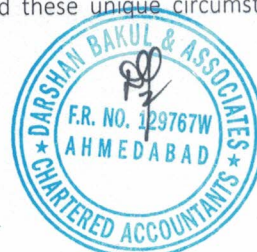
Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

**Estimation of Uncertainties related to global health pandemic on COVID-19**

The COVID-19 pandemic is affecting major economic and financial markets, and virtually all industries and governments are facing challenges associated with the economic conditions resulting from efforts to address it. As the spread of the pandemic increased, entities are experiencing conditions often associated with a general economic downturn. In many countries, there has been severe disruption in regular business operations due to lockdown, travel bans, quarantines and other emergency measures. Currently there is a particularly high degree of uncertainty about the ultimate trajectory of the pandemic and the path and time needed for a return to a "steady state." The continuation of these circumstances could have a prolonged negative impact on the financial condition and results of operations.

For the year ended March 31, 2020; the Company has considered possible effects due to COVID 19 in its assessment of the going concern assumption and liquidity position for the next one year, recoverability of assets comprising Property, Plant and Equipment (PPE), trade receivables as at the balance sheet date.

The Management have assessed the effect of these macro-economic conditions into their estimates of future cash flows to make good-faith estimates for determining the values of the Company's assets including investments and liabilities. The Management has carefully considered these unique circumstances and risk



exposures when analyzing how recent events may affect their financial reporting to develop estimates considering all available relevant information.

Specifically for investments, the Management has considered the following in its evaluation:

- The industry in which the investee entity operates
- The geographic location of the investee entity
- The size of the investee entity
- The quantitative significance of the investee entity
- Other factors specific to the investee entity
- Liquidity risk premiums
- Appropriateness of valuation techniques and inputs used including current market assessment of credit risk and liquidity risk.

While assessing the recoverable amount of PPE and investments, the Company has used significant assumptions such as hotel occupancy rates, average room rate per hotel, terminal growth rate and weighted average cost of capital. For assessing the recoverable amount of trade receivables, the Company has calculated the expected credit loss from the debtors considering amount to be realized from them in future after factoring the impact on credit risk due to COVID 19.

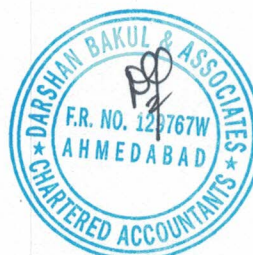
Management has also taken various cost savings initiatives during the months of April, May and June 2020, which will have a positive impact going forward. Management believes that the easing of lockdown in India including domestic flight operations and expected increase in business travel would be beneficial for the Company.

Management believes that it has taken into account 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 including the degree to which governments may further restrict business and other activities. 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 recognized in the financial statements as and when these material changes to economic conditions arise. The management believes that it will not have negative impact on future cash flows and the financial position of the Company.

Based on a collective assessment of the above factors management believes that the Company will continue as a going concern for the next one year, has enough liquidity to meet its obligations and based on fair value assessment will be able to recover the carrying amount of its assets as on March 31, 2020.

#### 1. Loss Allowance on trade receivables

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness and existing market conditions as well as forward looking estimates. In calculating expected credit loss, the Company has also considered the likelihood of consequential default considering emerging situations due to COVID-19 and has taken into account estimates of possible effect from the pandemic relating to COVID-19. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2020 is considered adequate.



NEELDEEP DEVELOPERS PRIVATE LIMITED  
CIN: U45201GJ2004PTC043615  
STATEMENT OF CHANGE IN EQUITY AS ON 31.03.2020  
(Amount in Indian Rupees Millions, unless stated otherwise)

| a. Share capital       | Equity shares |        |
|------------------------|---------------|--------|
|                        | No. of shares | Amount |
| Particulars            |               |        |
| As at 31 March 2019    | 40,00,000     | 40.00  |
| Issued during the year | 0             | 0.00   |
| As at 31 March 2020    | 40,00,000     | 40.00  |

| b. Other equity                                   | Reserves & Surplus |                                 | Equity contribution from holding company | Total  |
|---|--------------------|---------------------------------|--|--------|
|   | Securities premium | Retained earnings including OCI |  |        |
| As at 31 March 2019                               | -                  | -94.19                          | -  | -94.19 |
| Loss for the year                                 | -                  | -64.52                          | -  | -64.52 |
| Total Comprehensive Loss                          | -                  | -64.52                          | -  | -64.52 |
| Add : Issued during the year ( Loan from Holding) | -                  | 0.00                            | 120.70                                   | 120.70 |
| As at 31 March 2020                               | -                  | -158.72                         | 120.70                                   | -38.02 |

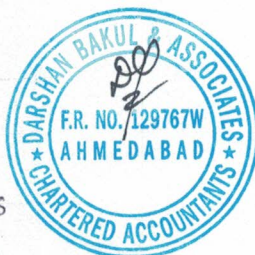
The accompanying notes are an integral part of the standalone financial statements

For DARSHAN BAKUL & ASSOCIATES  
Firm Registration No.: 129767W  
Chartered Accountants

DARSHAN PARIKH  
Partner  
Membership No. 131634  
UDIN :

20131634AAAAF03186

Place: Ahmedabad  
Date: 01.12.2020



For and on behalf of the board of directors of  
NEELDEEP DEVELOPERS PRIVATE LIMITED

Abhishek Bhalla  
Director  
DIN : 8190066

Varun Jairath  
Director  
DIN : 8190066



Place:  
Date: 01.12.2020

Neeldeep Developers Pvt Ltd  
CIN: U45201GJ2004PTC043615

Notes to financial statements for the year ended 31 March 2020  
(Amount in Indian Rupees Millions, unless stated otherwise)

5. Property, plant & equipment

|                          | Air<br>Conditioner | Building | Computer<br>And Software | Electric<br>Fitting | Furniture And<br>Fixtures | Land | Office<br>Equipment | Plant And<br>Machinery | Vehicle | Total  | Capital work<br>in progress |
|--------------------------|--------------------|----------|--------------------------|---------------------|---------------------------|------|---------------------|------------------------|---------|--------|-----------------------------|
| Gross carrying amount    |                    |          |                          |                     |                           |      |                     |                        |         |        |                             |
| At 1 April 2018          | 2.07               | 0.00     | 0.01                     | 4.48                | 9.16                      | 0.00 | 0.06                | 11.88                  | 1.63    | 29.28  | 0.00                        |
| Additions                | 0.00               | 0.00     | 0.00                     | 0.00                | 0.00                      | 0.00 | 0.00                | 0.00                   | 0.00    | 0.00   | 0.00                        |
| Disposals                | 0.00               | 0.00     | 0.00                     | 0.00                | 0.00                      | 0.00 | 0.00                | 0.00                   | 0.05    | 0.05   | 0.00                        |
| At 31 March 2019         | 2.07               | 0.00     | 0.01                     | 4.48                | 9.16                      | 0.00 | 0.06                | 11.88                  | 1.58    | 29.23  | 0.00                        |
| Additions                | 5.51               | 91.02    | 0.00                     | 6.42                | 7.07                      | 4.57 | 0.75                | 0.00                   | 0.00    | 115.34 | 0.00                        |
| Disposals                | 0.00               | 0.00     | 0.00                     | 2.22                | 2.56                      | 0.00 | 0.05                | 7.93                   | 0.22    | 12.99  | 0.00                        |
| At 31 March 2020         | 7.58               | 91.02    | 0.01                     | 8.67                | 13.66                     | 4.57 | 0.76                | 3.95                   | 1.36    | 131.58 | 0.00                        |
| Accumulated Depreciation |                    |          |                          |                     |                           |      |                     |                        |         |        |                             |
| At 1 April 2018          | 0.00               | 0.00     | 0.00                     | 0.00                | 0.00                      | 0.00 | 0.00                | 0.00                   | 0.00    | 0.00   | 0.00                        |
| Charged for the year     | 0.66               | 0.00     | 0.01                     | 1.41                | 5.98                      | 0.00 | 0.01                | 1.39                   | 0.45    | 9.92   | 0.00                        |
| Disposals                | 0.00               | 0.00     | 0.00                     | 0.00                | 0.00                      | 0.00 | 0.00                | 0.00                   | 0.00    | 0.00   | 0.00                        |
| At 31 March 2019         | 0.66               | 0.00     | 0.01                     | 1.41                | 5.98                      | 0.00 | 0.01                | 1.39                   | 0.45    | 9.92   | 0.00                        |
| Charged for the year     | 0.93               | 5.28     | 0.00                     | 0.70                | 0.90                      | 0.00 | 0.05                | 1.62                   | 0.91    | 10.38  | 0.00                        |
| Disposals                | 0.00               | 0.00     | 0.00                     | 0.00                | 0.00                      | 0.00 | 0.00                | 0.00                   | 0.00    | 0.00   | 0.00                        |
| At 31 March 2020         | 1.59               | 5.28     | 0.01                     | 2.11                | 6.88                      | 0.00 | 0.06                | 3.01                   | 1.36    | 20.30  | 0.00                        |
| Net carrying amount      |                    |          |                          |                     |                           |      |                     |                        |         |        |                             |
| At 31 March 2018         | 2.07               | 0.00     | 0.01                     | 4.48                | 9.16                      | 0.00 | 0.06                | 11.88                  | 1.63    | 29.28  | 0.00                        |
| At 31 March 2019         | 1.40               | 0.00     | 0.00                     | 3.07                | 3.17                      | 0.00 | 0.05                | 10.49                  | 1.13    | 19.31  | 0.00                        |
| At 31 March 2020         | 5.99               | 85.75    | 0.00                     | 6.56                | 6.78                      | 4.57 | 0.70                | 0.94                   | 0.00    | 111.28 | 2.72                        |

Notes to Fixed Asset Register

The Company has changed the useful life of assets resulting in an additional depreciation of MINR 2.58, basis the revised professional evaluation.

The Building earlier was part of the Investments and has now been reclassified into Property plant and Equipments. Hence accordingly the depreciation for the same since inception has been shown as part of the current year charge. (Depreciation for current year for building being MINR 2.09 and for previous years being MINR 3.19)

(This space has been intentionally left blank)



| 6. Investments   | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|--|------------------------|------------------------|-----------------------|
| Investment other than subsidiary in fully paid equity instrument |                        |                        |                       |
| Non Trade (Unquoted)   | -                      | 0.01                   | 0.01                  |
| Ahmedabad Mercantile Co-operative Bank                           |                        |                        |                       |
| Investment in immovable property                                 | -                      | 4.57                   | 4.57                  |
| Freehold Land  | -                      | 91.02                  | 91.02                 |
| Building   | 0.00                   | 95.60                  | 95.60                 |
| Total non current financial assets                               |                        |                        |                       |

(During the current year company has reclassified its Investment property to fixed assets and classified as "Building" -refer note 5)

| 7. Non-current tax assets (net) | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|---------------------------------|------------------------|------------------------|-----------------------|
| Advance income tax              | 4.82                   | 6.48                   | -                     |
| Income tax recoverable          | 1.05                   | -                      | -                     |
| Total                           | 5.87                   | 6.48                   | -                     |

| 8. Inventories   | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|--|------------------------|------------------------|-----------------------|
| Hotel consumables (at lower of cost or net realizable value) | 1.35                   | -                      | -                     |
| Total  | 1.35                   | -                      | -                     |

| 9. Trade receivables        | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|-----------------------------|------------------------|------------------------|-----------------------|
| Trade receivables           | 14.24                  | 4.56                   | 1.72                  |
| Less : Expected Credit Loss | -5.23                  | -                      | -                     |
| Total trade receivables     | 9.01                   | 4.56                   | 1.72                  |

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.  
Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.



## 10. Cash and cash equivalent

|                       | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|-----------------------|------------------------|------------------------|-----------------------|
| Cash on hand          | 0.06                   | 0.73                   | 0.52                  |
| Balances with banks   | 6.79                   | 0.19                   | 0.43                  |
| - In current accounts | 6.85                   | 0.92                   | 0.94                  |
| Total                 |                        |                        |                       |

## Break-up of financial assets carried at amortised cost:

|  | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|--|------------------------|------------------------|-----------------------|
| Trade receivables (refer note 9)                 | 9.01                   | 4.56                   | 1.72                  |
| Cash and cash equivalents (refer note 10)        | 6.85                   | 0.92                   | 0.94                  |
| Other financial assets (refer note 6)            | 0.00                   | 95.60                  | 95.60                 |
| Total financial assets carried at amortised cost | 15.87                  | 101.08                 | 98.26                 |

## 11A. Other non-current assets

|                   | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|-------------------|------------------------|------------------------|-----------------------|
| Security Deposits | 0.58                   | 0.58                   | 1.69                  |
|                   | 0.58                   | 0.58                   | 1.69                  |

## 11B. Other current assets

|   | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|---|------------------------|------------------------|-----------------------|
| Unsecured and considered good   | 0.73                   | -                      | -                     |
| Prepaid expenses  | 0.73                   | -                      | -                     |
| Other amounts recoverable in cash or in kind for value to be received | 0.00                   | -                      | -                     |
| Unbilled Revenue  | 5.48                   | -                      | 5.38                  |
| others  | 6.21                   | -                      | 5.38                  |
| Total   |                        |                        |                       |

(This space has been intentionally left blank)



NEELDEEP DEVELOPERS PRIVATE LIMITED

CIN: U45201GJ2004PTC043615

Notes to financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

| 12. Share capital   | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|---|------------------------|------------------------|-----------------------|
| Authorized capital  |                        |                        |                       |
| Equity shares   | 50.00                  | 50.00                  | 5.00                  |
| 50,00,000 (31 March 2019: 50,00,000) equity shares of INR 10 each |                        |                        |                       |
|   | 50.00                  | 50.00                  | 5.00                  |
| Total authorized share capital                                    |                        |                        |                       |
| Issued, subscribed and fully paid-up                              |                        |                        |                       |
| Equity shares   | 40.00                  | 40.00                  | 40.00                 |
| 40,00,000 (31 March 2020: 40,00,000) equity shares of INR 10 each |                        |                        |                       |
|   | 40.00                  | 40.00                  | 40.00                 |
| Total issued, subscribed and fully paid equity share capital      |                        |                        |                       |

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

| Equity shares          | No. of shares | Amount | Amount |
|------------------------|---------------|--------|--------|
| As at 1 April 2018     | 4.00          | 40.00  | 40.00  |
| Issued during the year | -             | -      | -      |
| As at 31 March 2019    | 4.00          | 40.00  | 40.00  |
| Issued during the year | -             | -      | -      |
| As at 31 March 2020    | 4.00          | 40.00  | 40.00  |

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share and equal rights in distribution of profit/surplus in proportionate to the equity share held by shareholder. 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.



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

| Equity shares   | As at 31 March 2020 |           | As at 31 March 2019 |           | As at 31 March 2018 |           |
|---|---------------------|-----------|---------------------|-----------|---------------------|-----------|
|   | No of shares        | % holding | No of shares        | % holding | No of shares        | % holding |
| Mountainia Developers and Hospitality Private Limited                         | 39,99,900           | 99.9975%  | -                   | -         | -                   | -         |
| Rakesh Kumar Prusti (as a nominee of Mountainia Developers & Hospitality P L) | 100                 | 0.0025%   | -                   | -         | -                   | -         |
| Amrutbhai Ichchhabhai Patel   | -                   | -         | 28,00,000           | 70%       | 28,00,000           | 70%       |
| Narmadaben Amrutbhai Patel  | -                   | -         | 6,00,000            | 15%       | 6,00,000            | 15%       |
| Binalben Parixit Patel  | -                   | -         | 6,00,000            | 15%       | 6,00,000            | 15%       |

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

(d) Shares held by Holding Company

| Name of shareholder                                    | 31 March 2020<br>(Amount in INR) | 31 March 2019<br>(Amount in INR) | 31 March 2018<br>(Amount in INR) |
|--|----------------------------------|----------------------------------|----------------------------------|
| *Mountainia Developers and Hospitality Private Limited | 40.00                            | -                                | -                                |

\* 100 shares of INR 10/- each are held by Mr. Rakesh Kumar Prusti as a Nominee of Mountainia Developers and Hospitality Private Limited

(This space has been intentionally left blank)



13. Other equity

|   | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|---|------------------------|------------------------|-----------------------|
| a. Retained earnings                        | -158.68                | -94.16                 | -86.59                |
| Other reserves                              | 120.70                 | -                      | -                     |
| b. Equity contribution from holding company | -37.98                 | -94.16                 | -86.59                |
| Total                                       |                        |                        |                       |

a. Retained earnings

|                                      | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|--------------------------------------|------------------------|------------------------|-----------------------|
| Balance at the beginning of the year | -94.16                 | -86.59                 | -107.04               |
| Add: Loss for the year               | -64.52                 | -7.57                  | -                     |
| Reinstatement effect due to Ind AS   | -158.68                | -94.16                 | -86.59                |

b. Equity contribution from holding company

|                                      | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|--------------------------------------|------------------------|------------------------|-----------------------|
| Balance at the beginning of the year | 120.70                 | -                      | -                     |
| Add: additional contribution         | 120.70                 | -                      | -                     |
| Balance at the end of year           |                        |                        |                       |

a. Retained earning: Retained earnings represent the amount of accumulated earnings of the Company.

b. Equity contribution from holding company: Equity contribution represent the amount of equity component of Loan from Holding company

14A. Borrowings- Non current

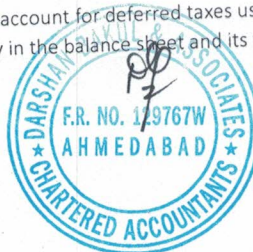
|   | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|---|------------------------|------------------------|-----------------------|
| <b>Secured Loan</b>                           |                        |                        | 0.00                  |
| A) Term Loan -From Bank                       | -                      | -                      | 67.53                 |
| Capital First Ltd. - Loan 1                   | -                      | -                      | 42.94                 |
| Capital First Ltd. - Loan 2                   | -                      | -                      | 9.12                  |
| Cholamandalam Investment and Finance Co. Ltd. | -                      | -                      | 6.60                  |
| Fullerton India Credit Co. Ltd. - Loan 1      | -                      | -                      | 7.73                  |
| Fullerton India Credit Co. Ltd. - Loan 2      | -                      | -                      | 1.67                  |
| Fullerton India Credit Co. Ltd. - Loan 3      | -                      | -                      | 0.00                  |
| B) Vehicle Loans - From Bank                  | -                      | -                      | 0.31                  |
| HDFC Bank - Swift Dzire - 5368                | -                      | -                      | 0.24                  |
| Saraswat Car Loan Innova                      | -                      | -                      | -                     |
| <b>Unsecured Loan</b>                         |                        |                        | 28.39                 |
| A) Other Loan                                 | -                      | -                      | -                     |
| -From Directors                               | -                      | -                      | -                     |
| B) Other Loan                                 | 72.69                  | -                      | -                     |
| -Inter Corporate Deposit                      | 72.69                  | -                      | 164.53                |
| Total   |                        |                        |                       |

In 2019-20 companies borrowing were taken over by the holding company, due to which the company's borrowing as on 31.03.2019 were restated as current liabilities. Total proceeds from borrowing from Holding company during 2019-20 is MINR 217.86 (out of which MINR 120.70 has been classified as equity).

14B Deferred Tax Liabilities

|  | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|--|------------------------|------------------------|-----------------------|
| Opening Balance of DTL   | -3.41                  | -2.00                  | 18.45                 |
| Add:   |                        |                        | -20.45                |
| Reinstatement effect due to Ind AS                                     | 19.31                  | -1.41                  | -                     |
| Deferred Tax Liability/ (Asset) on account of Accumulated Depreciation | 15.89                  | -3.41                  | -2.00                 |
| Total  |                        |                        |                       |

From 01.04.2018 company has adopted Ind AS, Ind AS 12 requires entities to account for deferred taxes using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.



## NEELDEEP DEVELOPERS PRIVATE LIMITED

CIN: U45201GJ2004PTC043615

Notes to financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

**15A. Provisions- Non-current**

|                              | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|------------------------------|------------------------|------------------------|-----------------------|
| Employee benefit obligations | 0.06                   | -                      | -                     |
| - Gratuity (refer note 30)   | 0.06                   | -                      | -                     |

**15B. Provisions- Current**

|                              | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|------------------------------|------------------------|------------------------|-----------------------|
| Employee benefit obligations | 0.01                   | -                      | -                     |
| - Gratuity (refer note 28)   | 0.01                   | -                      | -                     |

**16. Trade payables**

|  | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|--|------------------------|------------------------|-----------------------|
| -total outstanding dues of micro enterprises and small enterprises (refer note 33)       | 4.06                   | -                      | -                     |
| -total outstanding dues of creditors other than micro enterprises and small enterprises* | 1.35                   | 0.98                   | 0.44                  |
|  | 5.40                   | 0.98                   | 0.44                  |

Terms and conditions of the above financial liabilities:

Trade payables are interest bearing and are normally settled on 30 day terms.

For explanations on the Company's credit risk management processes, Refer note 34.

**17. Other financial liabilities**

|  | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|--|------------------------|------------------------|-----------------------|
| Employees payable                                  | 5.43                   | -                      | -                     |
| Expense payable                                    | 10.78                  | -                      | -                     |
| Others   | 0.11                   | -                      | -                     |
| Current maturity of long term loan (refer note 14) | -                      | 165.98                 | -                     |
|  | 16.32                  | 165.98                 | -                     |

**Break-up of financial liabilities carried at amortised cost:**

|   | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|---|------------------------|------------------------|-----------------------|
| Borrowings- non current (refer note 14)     | 72.69                  | -                      | 164.53                |
| Trade payables (refer note 16)              | 5.40                   | 0.98                   | 0.44                  |
| Other financial liabilities (refer note 17) | 16.32                  | 165.98                 | -                     |
|   | 94.41                  | 166.96                 | 164.97                |

**Total financial liabilities carried at amortised cost**

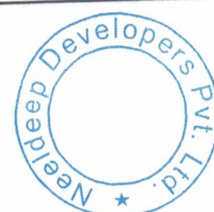
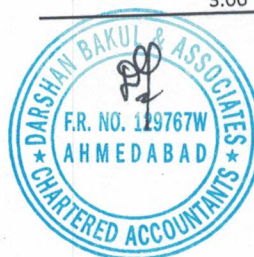
In 2019-20 companies borrowing were taken over by the holding company, due to which the company's borrowing as on 31.03.2019 were restated as current liabilities.

**18A. Other current liabilities**

|  | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|--|------------------------|------------------------|-----------------------|
| (a) Current maturities of long-term debt | -                      | 5.94                   | 7.27                  |
| (b) Current maturities of vehicle loan   | 0.08                   | 0.21                   | 0.57                  |
| (c) Security Deposits                    | -                      | 4.00                   | 4.00                  |
| (d) TDS Payable - Interest (Co)          | -                      | -0.13                  | -                     |
| (e) Statutory liabilities                | 3.88                   | 4.83                   | -                     |
| (f) Inter Corporate Deposit              | 24.47                  | -                      | -                     |
|  | 28.43                  | 14.85                  | 11.84                 |

**18B. Short Term Provisions**

|                            | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>1 April 2018 |
|----------------------------|------------------------|------------------------|-----------------------|
| (a) Provision for Taxation | 3.06                   | 3.21                   | 6.39                  |
| Total                      | 3.06                   | 3.21                   | 6.39                  |



CIN: U45201GJ2004PTC043615

Notes to financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

**19. Revenue from contracts with customers**

|  | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 |
|--|-------------------------------------|-------------------------------------|
| <b>Disaggregated revenue information</b> |                                     |                                     |
| Type of services                         | 21.14                               | -                                   |
| - Room rental                            | 6.99                                | -                                   |
| - Banquet rental                         | 2.67                                | -                                   |
| - Food and beverages                     | 11.28                               | -                                   |
| Other Operating income                   | 42.08                               | -                                   |
|  | -4.46                               | -                                   |
| Less : Operators commission              | 37.62                               | -                                   |

**20. Other income**

|                       | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 |
|-----------------------|-------------------------------------|-------------------------------------|
| Interest income       | 0.09                                | 0.12                                |
| Rent Income           | 5.25                                | 24.00                               |
| Profit on sale of car | -                                   | 0.02                                |
| Miscellaneous income  | -                                   | 0.03                                |
|                       | 5.34                                | 24.17                               |

**21. Cost of food and beverages consumed**

|  | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 |
|--|-------------------------------------|-------------------------------------|
| Inventory at the beginning of the year | -                                   | -                                   |
| Add: Purchases                         | 5.68                                | -                                   |
|  | 5.68                                | -                                   |
|  | 1.35                                | -                                   |
| Less: Inventory at the end of the year | 4.33                                | -                                   |
| Cost of food and beverages consumed    |                                     |                                     |

**22. Employee benefits expense**

|   | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 |
|---|-------------------------------------|-------------------------------------|
| Salaries, wages and bonus                 | 15.34                               | -                                   |
| Contribution to provident and other funds | 1.39                                | -                                   |
| Gratuity expense (refer note 30)          | 0.06                                | -                                   |
| Staff welfare expenses                    | 0.53                                | -                                   |
|   | 17.31                               | -                                   |

**23. Depreciation and amortization expense**

|  | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 |
|--|-------------------------------------|-------------------------------------|
| Depreciation of property, plant & equipment (refer note 5) | 10.38                               | 0.45                                |
|  | 10.38                               | 0.45                                |



CIN: U45201GJ2004PTC043615

Notes to financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

**24. Finance cost**

|                          | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 |
|--------------------------|-------------------------------------|-------------------------------------|
| Interest on Vehicle loan | 0.01                                | 0.05                                |
| Interest on Term loan    | 10.21                               | 15.59                               |
| Loan Settlement Charges  | 5.40                                | -                                   |
| Loan Processing Fees     | -                                   | 0.06                                |
| Bank charges             | 0.08                                | 0.02                                |
|                          | <u>15.69</u>                        | <u>15.72</u>                        |

**25. Other expenses**

|  | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 |
|--|-------------------------------------|-------------------------------------|
| Consumption of Stores, Cutlery, linen , provision and others | 0.89                                | -                                   |
| Rent Expense   | 0.69                                | -                                   |
| Commission   | 0.05                                | -                                   |
| Rates and taxes  | 5.27                                | 5.54                                |
| Miscellaneous expenses                                       | 8.32                                | 0.07                                |
| Audit Fees   | 0.12                                | 0.06                                |
| Sundry Balance Written -off                                  | -                                   | 1.36                                |
| Legal and Professional Fees                                  | 3.64                                | 0.48                                |
| Bad Debts  | 5.23                                | -                                   |
| Electricity and power cost                                   | 3.25                                | -                                   |
| Outsourced manpower  | 0.04                                | -                                   |
| Loss on disposal of assets (net)                             | <u>12.95</u>                        | <u>-</u>                            |
|  | <u>40.45</u>                        | <u>7.51</u>                         |
| <b>Payment to auditor</b>                                    |                                     |                                     |
| As auditor:  | 0.09                                | 0.03                                |
| - Statutory audit fee  | 0.03                                | 0.02                                |
| - Tax audit fee  | <u>0.12</u>                         | <u>0.05</u>                         |

(This space has been intentionally left blank)



26. Earning per share

Basic and Diluted EPS amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars  | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 |
|--|-------------------------------------|-------------------------------------|
| Loss attributable to equity holders for basic loss   | -64.52                              | -7.57                               |
| Weighted average number of equity shares at the year for the calculation of basic loss per share | 40,00,000                           | 40,00,000                           |
| Loss Per Share   | (16.13)                             | (1.89)                              |
| EPS (Basic & Diluted)  |                                     |                                     |

Face value of share is INR 10

(This space has been intentionally left blank)



Neeldeep Developers Private Limited

CIN: U45201GJ2004PTC043615

Notes to financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

## 27. Employee benefits

### Defined Contribution Plan : Provident fund

During the year, the Company has recognized INR 1.04 millions (31 March 2019: NIL) as contribution to Employee Provident Fund in the statement of profit

### Defined Benefit Plans - Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of INR 2 million at

The following tables summarise the components of net benefit expense recognized in the statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

Changes in the present value of the defined benefit obligation (unfunded gratuity) is, as follows:

| Particulars   | As at<br>31 March 2020 | As at<br>31 March 2019 |
|---|------------------------|------------------------|
| Defined benefit obligations as at the beginning of the year | -                      | -                      |
| Current service cost  | 0.06                   | -                      |
| Interest expense  | -                      | -                      |
| Remeasurement (gain)/ loss - OCI                            | -                      | -                      |
| Contribution paid to fund                                   | 0.06                   | -                      |
| Defined benefit obligations as at 31 March 2020             | -                      | -                      |

### Amount recognized in Statement of Profit and Loss:

| Particulars                                       | As at<br>31 March 2020 | As at<br>31 March 2019 |
|---|------------------------|------------------------|
| Current service cost                              | 0.06                   | -                      |
| Net interest expense                              | -                      | -                      |
| Amount recognized in Statement of Profit and Loss | 0.06                   | -                      |

### Amount recognized in Other Comprehensive Income:

| Particulars                                   | As at<br>31 March 2020 | As at<br>31 March 2019 |
|---|------------------------|------------------------|
| Remeasurement of Net Benefit Liability/ Asset | -                      | -                      |
| Total   | -                      | -                      |

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

| Particulars                    | As at<br>31 March 2020 | As at<br>31 March 2019 |
|--------------------------------|------------------------|------------------------|
| Discount rate (in %)*          | 6.65%                  | -                      |
| Salary Escalation (in %)       | 0.00%                  | -                      |
| Withdrawal rate (in %)         | 32.00%                 | -                      |
| Mortality rate of IALM 2012-14 | 100.00%                | -                      |
| Retirement age                 | 58 years               | -                      |

\*The discount rate as at 31 March 2020 is based on 8 years government bond yields as at 31 March 2020



Due to its defined benefit plans, the company is exposed to following significant risk

Change in Discount Rate : A decrease in discount rate will increase plan liability.

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

Withdrawal Rate : A decrease in withdrawal rate will increase plan liability.

The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefit obligations is as follows:

| Particulars            | As at<br>31 March 2020 | As at<br>31 March 2019 |
|------------------------|------------------------|------------------------|
| Discount rate          | (0.00)                 | -                      |
| - Increase by 0.50%    | 0.00                   | -                      |
| - Decrease by 0.50%    |                        |                        |
| Salary escalation rate | 0.00                   | -                      |
| - Increase by 1%       | (0.00)                 | -                      |
| - Decrease by 1%       |                        |                        |
| Withdrawal rate        | (0.02)                 | -                      |
| - Increase by 5%       | 0.02                   | -                      |
| - Decrease by 5%       |                        |                        |

The base liability is calculated at discount rate of 6.65% per annum and salary inflation rate as given; Liabilities are very sensitive to salary escalation rate, discount rate & withdrawal rate; Liabilities are very less sensitive due to change in mortality assumptions. Hence, sensitivities due to change in mortality are

The following payments are expected contributions to the defined benefit plan in future years:

| Particulars             | As at<br>31 March 2020 | As at<br>31 March 2019 |
|-------------------------|------------------------|------------------------|
| Year 1                  | 0.00                   | -                      |
| Year 2                  | 0.00                   | -                      |
| Year 3                  | 0.00                   | -                      |
| Year 4                  | 0.00                   | -                      |
| Year 5                  | 0.00                   | -                      |
| After 5th Year          | 0.09                   | -                      |
| Total expected payments | 0.09                   | -                      |

The approximate duration of the defined benefit plan obligation at the end of the reporting period is 8 years.



28. Commitments and Contingencies

A. Contingent liabilities

| 31.03.2020 | 31.03.2019 |
|------------|------------|
| -          | -          |
| -          | -          |

Bank guarantees

Total

B. Capital commitments

| 31.03.2020 | 31.03.2019 |
|------------|------------|
| -          | -          |
| -          | -          |

Property, plant & equipment (net of advance)

Total

(This space has been intentionally left blank)



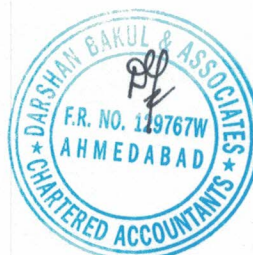
28. Related party transactions

a) Names of related parties and related party relationship

1. MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED (Investing Company)
2. MULTITUDE INFRASTRUCTURES PRIVATE LIMITED (Fellow Subsidiaries)
3. OYO HOTELS AND HOMES PRIVATE LIMITED
4. NARITA HOTEL
5. VARUN JAIRATH (Director)
6. ABHISHEK BHALLA (Director)
7. KARTHIK BALASUBRAMANIAN (Director)
8. AMRUTBHAI I. PATEL (Director)
9. BINALBEN P. PATEL (Director)
10. NARMADABEN A. PATEL (Director)

b) Related party transactions:

|   | Investing Company |               | Fellow Subsidiaries |               | Others        |               | 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 |
| Supply of Manpower Services (Income)<br>MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED                       | 9.47              | -             | -                   | -             | -             | -             | 9.47          | -             |
| Deemed Investment by Holding Company<br>MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED                       | 120.70            | -             | -                   | -             | -             | -             | 120.70        | -             |
| Loans (Received)<br>MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED   | 102.36            | -             | -                   | -             | -             | -             | 102.36        | -             |
| Interest Expenses<br>MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED  | 4.73              | -             | -                   | -             | -             | -             | 4.73          | -             |
| Expenses incurred by Company on behalf of<br>Related Party<br>MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED | 0.16              | -             | -                   | -             | -             | -             | 0.16          | -             |
| MULTITUDE INFRASTRUCTURES PRIVATE LIMITED   | -                 | -             | 0.05                | -             | -             | -             | 0.05          | -             |
| Management Fee Expense<br>MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED                                     | 0.97              | -             | -                   | -             | -             | -             | 0.97          | -             |
| Reimbursement of Collections<br>MULTITUDE INFRASTRUCTURES PRIVATE LIMITED   | -                 | -             | 0.42                | -             | -             | -             | 0.42          | -             |
| Outsourced Employee Cost<br>OYO HOTELS AND HOMES PRIVATE LIMITED  | -                 | -             | -                   | -             | 1.40          | -             | 1.40          | -             |



|                                      |   |   |   |   |       |       |       |       |  |
|--------------------------------------|---|---|---|---|-------|-------|-------|-------|--|
| Operator Management Fee              |   |   |   |   |       |       |       |       |  |
| OYO HOTELS AND HOMES PRIVATE LIMITED | - | - | - | - | 5.94  | -     | 5.94  | -     |  |
| Sale of services                     |   |   |   |   |       |       |       |       |  |
| OYO HOTELS AND HOMES PRIVATE LIMITED | - | - | - | - | 10.10 | -     | 10.10 | -     |  |
| Unsecured loan Taken                 |   |   |   |   |       |       |       |       |  |
| DIRECTORS                            | - | - | - | - | 3.12  | 26.66 | 3.12  | 26.66 |  |
| NARITA HOTEL                         | - | - | - | - | 3.50  | -     | 3.50  | -     |  |
| Payment of Unsecured Loan            |   |   |   |   |       |       |       |       |  |
| DIRECTORS                            | - | - | - | - | 58.17 | -     | 58.17 | -     |  |
| NARITA HOTEL                         | - | - | - | - | 3.50  | -     | 3.50  | -     |  |

(c) Balance outstanding at the year end

| Particulars   | Investing Company |               | Fellow Subsidiaries |               | Others        |               | 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 |
| <b>Payable to Related Parties</b>                     |                   |               |                     |               |               |               |               |               |
| MOUNTAINIA DEVELOPERS AND HOSPITALITY PRIVATE LIMITED | 97.16             |               | -                   |               | -             |               | 97.16         | -             |
| OYO HOTELS AND HOMES PRIVATE LIMITED                  | -                 |               | -                   |               | 7.93          |               | 7.93          | -             |
| AMRUTBHAI I. PATEL                                    | -                 |               | -                   |               | -             | 53.75         | -             | 53.75         |
| BINALBEN P. PATEL                                     | -                 |               | -                   |               | -             | 0.30          | -             | 0.30          |
| NARMADABEN A. PATEL                                   | -                 |               | -                   |               | -             | 1.00          | -             | 1.00          |
| NARITA HOTEL  | -                 |               | -                   |               | -             | -             | -             | -             |
| <b>Recoverable from Related Parties</b>               |                   |               |                     |               |               |               |               |               |
| MULTITUDE INFRASTRUCTURES PRIVATE LIMITED             | -                 |               | 0.47                |               | -             |               | 0.47          | -             |
| OYO HOTELS AND HOMES PRIVATE LIMITED                  | -                 |               | -                   |               | 3.14          |               | 3.14          | -             |

(d) Terms and conditions of transactions with related parties

Outstanding balances with related parties at the year end are unsecured and settlement occurs in cash. For the year ended March 31, 2020; the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2019: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(e) Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

(This space has been intentionally left blank)



Neeldeep Developers Private Limited

CIN: U45201GJ2004PTC043615

Notes to financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

**30. Dues to Micro, Small and Medium Enterprises**

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

|  | As at<br>31 March 2020 | As at<br>31 March 2019 |
|--|------------------------|------------------------|
| Amount due and payable at the year end                 | -                      | -                      |
| - Principal  | -                      | -                      |
| - Interest on above principal                          | -                      | -                      |
| Payments made during the year after the due date       | 4.06                   | -                      |
| - Principal  | -                      | -                      |
| - Interest   | -                      | -                      |
| Interest due and payable for principals already paid   | 0.24                   | -                      |
| Total Interest accrued and remained unpaid at year end | -                      | -                      |

(This space has been intentionally left blank)



## NEELDEEP DEVELOPERS PRIVATE LIMITED

CIN: U45201GJ2004PTC043615

Notes to financial statements for the year ended 31 March 2020

(Amount in Indian Rupees Millions, unless stated otherwise)

**31. Fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

|                            | Carrying value   |                  | Fair value       |                  |
|----------------------------|------------------|------------------|------------------|------------------|
|                            | As at            | As at            | As at            | As at            |
|                            | 31 March<br>2020 | 31 March<br>2019 | 31 March<br>2018 | 31 March<br>2018 |
| Financial assets           |                  |                  |                  |                  |
| Investment in mutual funds | -                | -                | -                | -                |
| Other financial assets     |                  |                  |                  |                  |
| Trade receivables          | 9.01             | 4.56             | 1.72             | 1.72             |
| <b>Total</b>               | <b>9.01</b>      | <b>4.56</b>      | <b>1.72</b>      | <b>1.72</b>      |

|                             | Carrying value   |                  | Fair value       |                  |
|-----------------------------|------------------|------------------|------------------|------------------|
|                             | As at            | As at            | As at            | As at            |
|                             | 31 March<br>2020 | 31 March<br>2019 | 31 March<br>2018 | 31 March<br>2018 |
| Financial liabilities       |                  |                  |                  |                  |
| Trade payables              | 5.40             | 0.98             | 0.44             | 0.44             |
| Borrowings                  | 72.69            | 0.00             | 164.53           | 164.53           |
| Other financial liabilities | 16.32            | 165.98           | 0.00             | 0.00             |
| <b>Total</b>                | <b>94.41</b>     | <b>166.96</b>    | <b>164.97</b>    | <b>164.97</b>    |

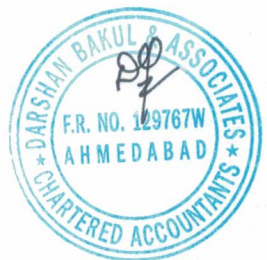
The management assessed that cash and cash equivalents, long term deposits with banks, bonds, unbilled revenue, recoverable from group companies, trade receivables, employee related payables, trade payables and borrowings approximate their carrying amounts largely due to the short-term maturities

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

The following methods and assumptions were used to estimate the fair values:

Receivables/Borrowings are evaluated by the company based on parameters such as interest Rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

(This space has been intentionally left blank)



### 32. Fair value hierarchy

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

#### Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2020:

|   | Date of valuation | Total | Fair value measurement using              |   |   |
|---|-------------------|-------|---|---|---|
|   |                   |       | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Financial assets and liabilities measured at amortized cost | 31 March 2020     |       |   |   |   |
| Trade receivables   |                   | 9.01  | -   | 9.01                                    | -   |
| Trade payables  |                   | 5.40  | -   | 5.40                                    | -   |
| Borrowings  |                   | 72.69 | -   | 72.69                                   | -   |
| Other financial liabilities                                 |                   | 16.32 | -   | 16.32                                   | -   |

There are no transfers between levels 1, 2 and 3 during the year.

#### Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2019:

|   | Date of valuation | Total  | Fair value measurement using              |   |   |
|---|-------------------|--------|---|---|---|
|   |                   |        | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Financial assets and liabilities measured at amortized cost | 31 March 2019     |        |   |   |   |
| Trade receivables   |                   | 4.56   | -   | 4.56                                    | -   |
| Trade payables  |                   | 0.98   | -   | 0.98                                    | -   |
| Borrowings  |                   | 0.00   | -   | 0.00                                    | -   |
| Other financial liabilities                                 |                   | 165.98 | -   | 165.98                                  | -   |

There are no transfers between levels 1, 2 and 3 during the year.

The company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Specific valuation techniques used to value financial instrument include:

- Fair value of security deposits paid having maturity of more than 12 months has been determined based on cash flows discounted using bank deposit rate.
- Trade receivables, trade payables and other financial liabilities are carried at amortized cost.

(This space has been intentionally left blank)



**33. Financial risk management objectives and policies**

The Company's principal financial liabilities comprise trade payables, employee liabilities and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized 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 risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include trade payables and trade receivables

**Interest 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, company have fixed rate interest bearing long term and short term debts. A change in interest rates at the reporting date would not affect significantly on profit or loss and equity.

**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 deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

**Trade receivables**

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

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions.

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

**Liquidity risk**

The Company monitors its risk of a shortage of funds doing a liquidity planning exercise.

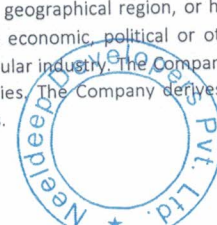
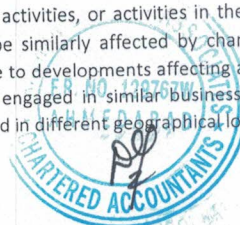
The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of short term and long term loans and borrowings. The Company's treasury function reviews the liquidity position on an ongoing basis. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

|                             | 0 to 1 year   | More than 1 year | Total         |
|-----------------------------|---------------|------------------|---------------|
| <b>As at 31 March 2020</b>  |               |                  |               |
| Borrowings                  | 72.69         | -                | 72.69         |
| Trade payables              | 5.40          | -                | 5.40          |
| Other financial liabilities | 16.32         | -                | 16.32         |
|                             | <b>94.41</b>  | <b>-</b>         | <b>94.41</b>  |
| <b>As at 31 March 2019</b>  |               |                  |               |
| Borrowings                  | -             | -                | 0.00          |
| Trade payables              | 0.98          | -                | 0.98          |
| Other financial liabilities | 165.98        | -                | 165.98        |
|                             | <b>166.96</b> | <b>-</b>         | <b>166.96</b> |

**Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company is not exposed to excessive concentration since the customers of the Company are not engaged in similar business activities. The Company derives its revenues and corresponding trade receivables from a large number of customers scattered in different geographical locations.



**34. 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.

**Critical accounting 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.

**a) Impairment of non-financial asset**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

**b) Defined benefit liabilities (gratuity benefits)**

The cost and present value of the defined benefit gratuity plan 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. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

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 for the respective countries.

Further details about gratuity obligations is given in Note 30.

**c) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

(This space has been intentionally left blank)



### 35. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, preference shares, securities 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 maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company return capital to shareholders or issue new shares. There are no financial covenants attached to interest-bearing loans and borrowings that define capital structure requirements.

|                                 | As at<br>31 March 2020 | As at<br>31 March 2019 |
|---------------------------------|------------------------|------------------------|
| Total financial liabilities     | 99.82                  | 167.94                 |
| Less: cash and cash equivalents | 6.85                   | 0.92                   |
| Net debt                        | 92.96                  | 167.03                 |
| Total equity                    | 2.02                   | -54.16                 |
| Gearing ratio                   | 98%                    | 148%                   |

### 36. Segment reporting

The Company is into Hospitality business. The Board of Directors of the Company functions in a supervisory capacity. The management of the Company which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, advises on resource allocation and monitor various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments". Further, the Company has only domestic operations. Therefore, the Company does not operate in more than one geographical segment hence the relevant disclosures as per Ind AS 108 are not applicable to the Company.

### 37. First time Adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in Note1 have been applied in preparing the financial statements for the year ended 31 March 2020, the comparative information presented in these financial statements for the year ended 31 March 2019 and in the preparation of an opening Ind AS balance sheet at 1 April 2018 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and financial performance is set out in the following tables and notes.

| Nature of adjustments                                 | Net Profit | Other Equity            |                     |
|---|------------|-------------------------|---------------------|
|   | 2018-19    | As at March<br>31, 2019 | As at April 1, 2018 |
| Net Profit / Other Equity as per previous Indian GAAP | -7.53      | -114.58                 | -107.04             |
| Deferred Tax impact due to balance sheet approach     | -0.03      | 20.45                   | 20.45               |
| Net Profit / Other Equity as per Ind AS               | -7.57      | -94.13                  | -86.59              |

#### Exemption and exceptions availed:

##### Ind AS optional exemptions

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

##### IND AS mandatory exceptions:

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.



Explanatory Notes to the transaction from previous GAAP to Ind AS:

1. Deferred tax adjustments:

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognized in co-relation to the underlying transaction either in retained earnings or a separate component of equity.


38. Previous year

The previous year's figures have been re-grouped/reclassified, where necessary to conform to current year's classification.

For DARSHAN BAKUL & ASSOCIATES

Firm Registration No.: 129767W

Chartered Accountants



DARSHAN PARIKH

Partner

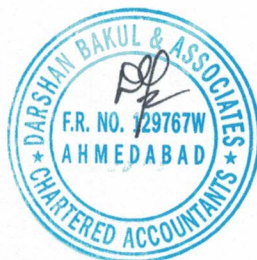
Membership No. 131634

UDIN :

20131634AAAAF03786

Place: Ahmedabad

Date: 01.12.2020



For and on behalf of the board of directors of  
NEELDEEP DEVELOPERS PRIVATE LIMITED



Abhishek Bhalla

Director

DIN : 8190066



Varun Jairath

Director

DIN : 8190066

Place:

Date: 01.12.2020

