



**MSSV & CO.**  
CHARTERED ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

**To the Members of**

**Prestige Leisure Resorts Private Limited**

**Report on the Audit of the Ind AS Financial Statements**

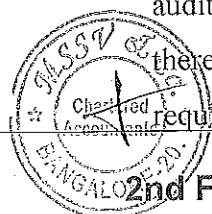
### Opinion

We have audited the Ind AS financial statements of **M/s. Prestige Leisure Resorts Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in equity and the Statement of Cash Flows for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in india, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India ("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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is



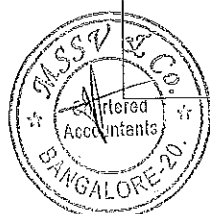
sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

**Key Audit Matters**

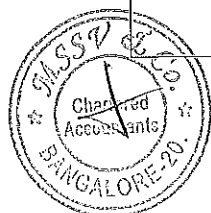
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

SI No.	Key Audit Matter	Auditor's Response
1	<b>Accuracy and completeness of related party transactions and disclosures (as described in note 40 of the financial statements)</b>	
	<p>The Company has undertaken transactions with its related parties in the normal course of business at arm's length.</p> <p>We identified the accuracy and completeness of the said related party transactions and its disclosure as set out in respective notes to the financial statements as a key audit matter due to the significance of transactions with</p>	<p>As part of our audit procedures, our procedures included the following:</p> <ul style="list-style-type: none"> <li>- Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, evaluation of arm's length, obtaining approval, recording and disclosure of related party transactions.</li> <li>- We tested, on a sample basis, related party transactions with the underlying contracts and other supporting documents and for</li> </ul>



SI No.	Key Audit Matter	Auditor's Response
	related parties during the year ended March 31, 2019 and regulatory compliance thereon.	<p>appropriate authorization and approval for such transactions.</p> <p>- We read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Company's assessment of related party transactions being in the ordinary course of business at arm's length.</p> <p>- Agreed the related party information disclosed in the financial statements with the underlying supporting documents, on a sample basis.</p> <p>- Evaluated the adequacy of the disclosures in the financial statements through review of statutory information, books and records and other documents obtained during the course of our audit.</p>
2	<b>Evaluation of uncertain tax positions (as described in note 31 of the financial statements)</b>	
	The Company has material uncertain tax positions including matters under dispute of Rs.1,65,40,910/- which involves significant judgement to determine the possible outcomes of the disputes	<p>We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.</p>



**Management's Responsibility for Financial Statements**

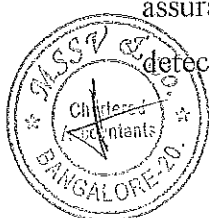
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash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

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

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**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and



are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

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

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



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian accounting standards) Rules, 2015.
  - e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

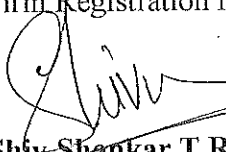


- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure A**'.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
2. 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 Companies Act, 2013, we give in the '**Annexure B**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

*for MSSV & Co.*

**Chartered Accountants**

Firm Registration Number: 001987S

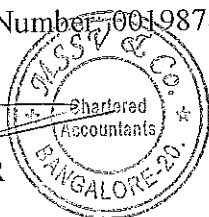
  
**Shiv Shankar T R**

Partner

Membership No. 220517

Place: Bengaluru

Date: May 20, 2019



**"ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT**

**Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date**

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

We have audited the internal financial controls over financial reporting with respect to financial statements of **M/s. Prestige Leisure Resorts Private Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with respect to financial statements 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with respect to financial statements 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, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with respect to





financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting with respect to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with respect to financial statements 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**

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

**Opinion**

In our opinion and according to information and explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with respect to financial statements and such internal financial controls over financial reporting were operating effectively as at 31 March 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

*for MSSV & Co*

Chartered Accountants

Firm Registration Number: 001987S

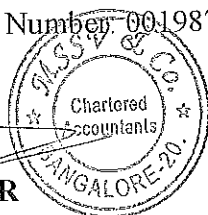
  
Shiv Shankar T R

Partner

Membership No: 220517

Place: Bengaluru

Date: May 20, 2019.



**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT****Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date**

Based upon the information and explanations furnished to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

i. In respect of Fixed Assets:

- a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. Fixed assets are physically verified every year. In our opinion and according to information and explanations given to us, having regard to the nature of fixed assets, the periodicity of physical verification is reasonable and adequate in relation to size of the company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanation given to us and on basis of our examination of the records of the company, the title deeds of all immovable properties of land and building are in the process of being transferred in the name of the Company.

ii. In respect of its inventories:

- a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. Further the company has not found out any material discrepancies during such physical verification.

iii. In respect of loans secured or unsecured granted by the Company to Companies, firms or other parties covered in the register maintained under Section 189 of the Act:

During the period covered by our audit, the company has not granted any loan to any person covered under the register maintained under Section 189 of the Act. Hence, commenting on paragraph 3(iii) of the Order does not arise.



- iv. In our opinion and according to information and explanation given to us, the Company has given corporate guarantee by way of security for loan taken by the prestige group companies, in respect of which provisions of section 185 and 186 of the companies act, 2013 are complied with.
- v. According to information and explanation given to us, the company has not accepted any deposits from the public during the year. Hence commenting on the compliance of Section 73 to 76 of the Act read with rules framed thereunder and the directives issued by the Reserve Bank of India does not arise.
- vi. According to the information and explanations given to us, having regard to the Company's nature of business, maintenance of cost records under sub section (1) of section 148 of the Act has not been prescribed to the Company. Hence, commenting on paragraph 3(vi) of the Order does not arise.
- vii. In respect of statutory dues:
- a. According to the information and explanations given to us and on the basis of our examination of records of the company, no undisputed statutory dues including Sales Tax, Service tax, Goods and Service Tax, Cess and other material statutory dues applicable to it have been regularly deposited during the year by the Company with the appropriate authorities. The Company did not have any dues on account of Provident Fund, Employees' State Insurance, Duty of Customs and Duty of Excise.

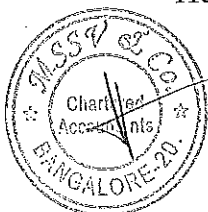
According to the information and explanations given to us, there are no undisputed amounts payable in respect of Sales tax, Duty of Customs, Value added tax, Goods and Service tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except the following dues of income tax and service tax.



Statute	Nature of the dues	From where dispute is pending	Period to which amounts relates to	Amount (in Rs.)
Finance Act, 1994	Service tax	Customs, Excise and Service tax Appellate Tribunal, Bengaluru	June 2006 to May 2007	1,05,25,114/-
Income-tax Act, 1961	Income tax	Rectification application filed before the Jurisdictional assessing officer	Assessment Year 2012 – 2013	60,15,910/-

The Company does not have any dues on account of provident fund, employee's state insurance, value added tax, duty of customs and duty of excise.

- b. According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Service tax, Duty of Customs and Value added tax which have not been deposited on account of any dispute.
- viii. According to information and explanations given to us the Company has not defaulted in repayment of any loans or borrowings from financial institutions, banks and government and debentures.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the financial year. Hence, commenting on paragraph 3(ix) of the Order does not arise.



- x. To the best of our knowledge and according to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration. Hence, commenting on paragraph 3(xi) of the Order does not arise.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence, commenting on of paragraph 3(xii) of the Order does not arise.
- xiii. According to information given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- xiv. According to information given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, commenting on paragraph 3(xiv) of the Order does not arise.
- xv. According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, commenting on of paragraph 3(xv) of the Order does not arise.



- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

*for* **MSSV & Co**

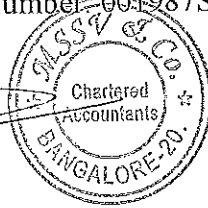
Chartered Accountants

Firm Registration Number ~~001987S~~

  
**Shiv Shankar T R**

Partner

Membership No: 220517



Place: Bengaluru

Date: May 20, 2019

**BALANCE SHEET AS ON 31 MARCH 2019**

Rs. In Hundreds

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
<b>A. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	4A	35,49,583.49	37,30,248.73
(b) Capital work-in-progress		3,852.42	-
(c) Other Intangible Assets	4B	3,518.54	6,029.89
(d) Financial assets			
(i) Investments	5	150.00	150.00
(ii) Loans	6	87,113.56	86,825.06
(e) Deferred tax assets		2,33,226.73	2,22,415.69
(f) Income tax assets (net)	7	7,04,231.44	5,44,006.32
		<b>45,81,676.18</b>	<b>45,89,675.69</b>
<b>(2) Current assets</b>			
(a) Inventories	8	72,233.40	62,088.87
(b) Financial assets			
(i) Trade receivables	9	5,39,975.00	5,17,490.87
(ii) Cash and cash equivalents	10	18,26,709.84	18,92,381.17
(iii) Other bank balances	11	778.96	778.96
(iv) Other financial assets	12	10,561.42	15,064.03
(c) Other current assets	13	28,411.82	64,407.37
		<b>24,78,670.44</b>	<b>25,52,211.27</b>
<b>Total</b>		<b>70,60,346.62</b>	<b>71,41,886.96</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Share capital	14	2,35,002.00	2,35,002.00
(b) Other Equity	15	34,69,834.95	27,39,165.32
		<b>37,04,836.95</b>	<b>29,74,167.32</b>
<b>(2) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	-	1,110.07
(b) Provisions	17	68,635.49	64,777.80
		<b>68,635.49</b>	<b>65,887.87</b>
<b>(3) Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	18	2,31,761.80	3,55,418.37
(ii) Other financial liabilities	19	27,51,529.94	35,62,340.89
(b) Other current liabilities	20	2,95,136.19	1,81,666.59
(c) Provisions	21	8,446.25	2,405.92
		<b>32,86,874.18</b>	<b>41,01,831.77</b>
<b>Total</b>		<b>70,60,346.62</b>	<b>71,41,886.96</b>

See accompanying notes to the Financial Statements

This is the balance sheet referred to in our report of even date

for MSSV & CO

Chartered Accountants

Firm Registration No. 001987/S

Shiv Shankar T.R.

Partner

Membership No. 220517

Place: Bengaluru

Date: May 20, 2019

For and on behalf of the board

Badrunissa Irfan

Director

DIN: 01191458

Place: Bengaluru

Date: May 20, 2019

Sameera Noaman

Director

DIN: 01191723

Place: Bangalore

Date: May 20, 2019



**Prestige Leisure Resorts Private Limited**

'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001

CIN: U85110KA1998PTC023921

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019**

Rs. In Hundreds

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from Operations	22	65,18,432.41	62,87,185.03
Other Income	23	99,831.33	1,62,830.31
<b>Total Income - (I)</b>		<b>66,18,263.74</b>	<b>64,50,015.34</b>
<b>Expenses</b>			
Food and Beverage Consumed	24	3,53,617.61	3,87,795.16
Employee benefits expenses	25	12,66,990.11	12,22,049.07
Finance costs	26	754.64	4,50,262.45
Depreciation and amortisation expenses	4	3,28,143.06	3,57,637.70
Other expenses	27	38,92,010.61	35,64,744.01
<b>Total Expenses - (II)</b>		<b>58,41,516.03</b>	<b>59,82,488.38</b>
<b>Profit/(Loss) before tax (III= I-II)</b>		<b>7,76,747.71</b>	<b>4,67,526.96</b>
<b>Tax expense :</b>			
Current tax			
Deferred tax	28	45,047.66	(1,23,725.69)
<b>Total Tax expense (IV)</b>		<b>45,047.66</b>	<b>(1,23,725.69)</b>
<b>Profit/(Loss) for the year (V= III-IV)</b>		<b>7,31,700.05</b>	<b>5,91,252.65</b>
<b>Other Comprehensive Income</b>			
Items that will not be recycled to profit or loss			
Remeasurements of the defined benefit liabilities / (asset)			
(Net of Tax)		(1,027.88)	5,519.57
<b>Total other comprehensive income (VI)</b>		<b>(1,027.88)</b>	<b>5,519.57</b>
<b>Total Comprehensive Income (V+VI)</b>		<b>7,30,672.17</b>	<b>5,96,772.22</b>
<b>Earning per share (equity shares, par value of Rs. 10 each)</b>	29		
Basic (In Rs.)		31.09	25.39
Diluted (In Rs.)		14.94	12.20

See accompanying notes to the Financial Statements

This is the Statement of Profit and loss referred to in our report of even date

for MSSV &amp; CO

Chartered Accountants

Firm Registration No. 0019875

Shiv Shankar T.R

Partner

Membership No. 220517

Place: Bengaluru

Date: May 20, 2019

For and on behalf of the board

Badrunissa Irfan

Director

DIN: 01191458

Place: Bengaluru

Date: May 20, 2019

Sameera Noaman

Director

DIN: 01191723

Place: Bangalore

Date: May 20, 2019

Prestige Leisure Resorts Private Limited  
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001  
 CIN: U85110KA1998PTC023921

STATEMENT OF CHANGES IN EQUITY

Particulars	Equity share capital	Preference share capital	Other Equity - Reserves and		Total equity
			Securities Premium	Retained Earnings	
As on April 01, 2017	2,35,002.00	2,53,998.00	34,66,002.00	(16,00,053.30)	23,54,948.70
Profit for the period	-	-	-	5,91,247.57	5,91,247.57
Other Comprehensive Income / (Loss) for the year, net of income tax	-	-	-	27,968.51	27,968.51
Dividend paid on Equity / Preference Shares	-	-	-	(2.54)	(2.54)
As at March 31, 2018	2,35,002.00	2,53,998.00	34,66,002.00	(9,80,839.76)	29,74,162.24
Profit for the period	-	-	-	7,31,700.05	7,31,700.05
Other Comprehensive Income / (Loss) for the year, net of income tax	-	-	-	(1,027.88)	(1,027.88)
Dividend paid on Equity / Preference Shares	-	-	-	2.54	2.54
As at March 31, 2019	2,35,002.00	2,53,998.00	34,66,002.00	(2,50,165.05)	37,04,836.95

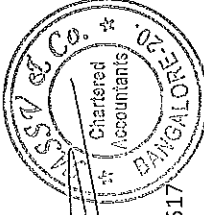
See accompanying notes to the Financial Statements

This is the statement of changes in equity referred to in our report of even date

for MSSV & CO

Chartered Accountants

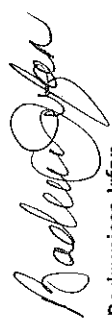
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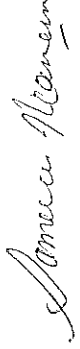
  
 Shiv Shankar T.R.  
 Partner  
 Membership No.220517

Place: Bangalore

Date: May 20, 2019

For and on behalf of the board

  
 Badrunissa Irfan  
 Director  
 DIN: 01191458

  
 Sameera Noaman  
 Director  
 DIN: 01191723

Place: Bangalore

Date: May 20, 2019

Place: Bangalore

Date: May 20, 2019

**Prestige Leisure Resorts Private Limited**

The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001

CIN: U85110KA1998PTC023921

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019**

Rs. In Hundreds

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<b>Cash flow from operating activities :</b>		
<b>Net profit / (Loss) before tax</b>	<b>7,75,719.83</b>	<b>4,73,046.53</b>
<b>Add: Adjustments for -</b>		
Depreciation and amortisation	3,28,143.06	3,57,637.70
Transition Adjustment reserve	-	22,448.94
	<b>11,03,862.89</b>	<b>8,53,133.17</b>
<b>Less: Incomes / credits considered separately</b>		
Interest income	85,368.76	60,857.94
Profit on sale of fixed assets	-	2,167.38
	<b>85,368.76</b>	<b>63,025.32</b>
<b>Add: Expenses / debits considered separately</b>		
Finance costs	754.64	4,50,262.45
	<b>754.64</b>	<b>4,50,262.45</b>
<b>Operating profit before changes in working capital</b>	<b>10,19,248.78</b>	<b>12,40,370.29</b>
<b>Adjustments for:</b>		
(Increase) / Decrease in trade receivables	(22,484.13)	(45,859.92)
(Increase) / Decrease in inventories	(10,144.53)	10,670.51
(Increase) / Decrease in other current Assets	35,995.55	2,34,360.70
(Increase) / Decrease in loans (Current and non Current )	(288.50)	64,557.04
Increase / (Decrease) in trade payables	(1,23,656.57)	(47,192.04)
Increase / (Decrease) in provisions	9,898.02	(8,975.97)
Increase / (Decrease) in other financial liabilities	(8,10,810.95)	17,12,361.82
Increase / (Decrease) in other Current Liabilities	1,13,469.60	(1,10,524.44)
	<b>(8,08,021.50)</b>	<b>18,09,397.70</b>
<b>Cash generated from operations</b>	<b>2,11,227.27</b>	<b>30,49,767.99</b>
Direct taxes paid	(2,16,084.82)	(1,21,595.50)
<b>Net cash from / (used in) generated from operations - A</b>	<b>(4,857.55)</b>	<b>29,28,172.49</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(1,48,817.91)	(88,934.15)
Sale proceeds of property, plant and equipments	-	3,293.12
Interest received	89,871.37	48,136.91
<b>Net cash from / (used in) investing activities - B</b>	<b>(58,946.54)</b>	<b>(37,504.12)</b>



**Prestige Leisure Resorts Private Limited**

The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001

CIN: U85110KA1998PTC023921

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019**

<b>Cash flow from financing activities</b>		
Secured loans repaid	(1,110.07)	(12,669.87)
Inter corporate deposit repaid	-	(14,75,000.00)
Dividend pay-out including tax	(2.54)	(2.54)
Finance costs paid	(754.64)	(4,50,262.45)
<b>Net cash from / (used in) financing activities - C</b>	<b>(1,867.25)</b>	<b>(19,37,934.86)</b>
<b>Total increase in cash and cash equivalents during the year (A+B+C)</b>	<b>(65,671.34)</b>	<b>9,52,733.51</b>
Cash and cash equivalents opening balance	18,92,381.17	9,39,647.66
<b>Cash and cash equivalents closing balance</b>	<b>18,26,709.83</b>	<b>18,92,381.17</b>
<b>Reconciliation of Cash and cash equivalents with balance sheet</b>		
Cash and Cash equivalents as per Balance Sheet (Refer Note 11)	18,26,709.84	18,92,381.17
Less : Fixed Deposits & Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	-	-
<b>Cash and cash equivalents at the end of the year as above comprises:</b>		
Cash on hand	4,023.51	4,366.46
Balances with banks		
- in current accounts	5,51,133.68	6,26,891.51
- in fixed deposits	12,71,552.65	12,61,123.20
	<b>18,26,709.84</b>	<b>18,92,381.17</b>



See accompanying notes to Financial Statements

This is the statement of cash flow referred to in our report of even date

**for MSSV & CO**

Chartered Accountants

Firm Registration No. 0019875

Shiv Shankar T.R.  
Partner

Membership No.220517

Place: Bengaluru

Date: May 20, 2019

**For and on behalf of the board**



Badrunissa Irfan      Sameera Noaman  
Director      Director  
DIN: 01191458      DIN: 01191723

Place: Bangalore

Date: May 20, 2019

Place: Bangalore

Date: May 20, 2019

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1 Corporate Information

Prestige Leisure Resorts Private Limited ("the Company") was incorporated on July 2, 1998, as a company under the Companies Act, 1956 ("the 1956 Act"). The Company is engaged in the business of operation and maintenance of resorts, serviced apartments and clubs.

The Company is a private limited company incorporated and domiciled in India and has its registered office at 'The Falcon House', No1, Main Guard Cross Road, Bangalore 560001, Karnataka.

The financial statements have been authorised for issuance by the Company's Board of Directors on May 20, 2019

### 2 Significant accounting policies

#### 2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS").

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The application of Ind AS 115 has no impact on the financial statements.

#### 2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost and accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest hundreds Indian Rupees as per the requirement of Schedule III, unless otherwise stated.

#### 2.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities), income and expenses and accompanying disclosures. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Significant accounting judgements, estimates and assumptions used by management are as below:

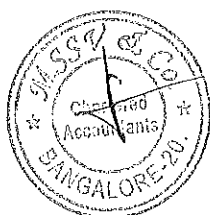
- Useful lives of Investment Property, Property Plant and Equipment and Intangible Assets.
- Fair value measurements

#### 2.4 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, 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 such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.



**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**2.5 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below:

**a. Revenue from Operations**

(i) Revenue comprises of income from room rentals, sale of food and beverages and allied services during a guest's stay at the hotel. Room revenue is recognized based on occupancy and revenue from sale of food and beverages and other allied services is recognised as and when the services are rendered.

(ii) Spa revenue is recognised as and when the services are rendered.

(iii) Membership fee is recognised on a straight line basis over the period of membership.

(iv) Rental income is recognised on accrual basis according to the terms and conditions of rental/ hiring agreements, provided it is not unreasonable to expect ultimate collection.

**b. Interest income**

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method.

**2.6 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**a. The Company as lessor**

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease except where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

**b. The Company as lessee**

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease except where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

**2.7 Borrowing Cost**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset, is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

A qualifying asset is an asset that necessarily takes 12 months or more to get ready for its intended use.

**2.8 Foreign Currency Transactions**

All transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. The difference, if any, on actual payment / realisation is recorded to the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such conversion is dealt with in the Statement of Profit and Loss.

**2.9 Employee Benefits**

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

**a. Short-term obligations**

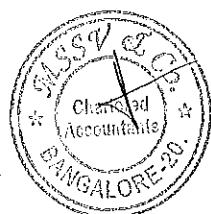
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

**b. Long-term employee benefit obligations**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statment of Profit and Loss.



**NOTES FORMING PART OF FINANCIAL STATEMENTS**

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**c. Post-employment obligations**

The Company operates the following post-employment schemes:

**i. Defined Contribution Plan:**

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made. The Company has no further payment obligations once the contributions have been paid.

**ii. Defined Benefit Plan:**

The liability or assets recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the Statement of Profit and Loss.

Remeasurement gains and loss arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

**d. Other Defined Contribution Plan**

The Company's contribution to employee state insurance scheme is charged as an expense based on the amount of contribution required to be made. The Company has no further payment obligations once the contributions have been paid.

**2.10 Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**a. Current tax**

Current 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. Current tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and 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.

**b. Deferred tax**

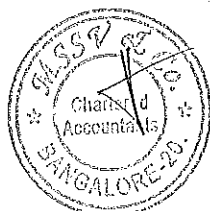
Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



NOTES FORMING PART OF FINANCIAL STATEMENTS

Current tax and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**c. Minimum Alternate Tax (MAT)**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset under deferred tax asset / liability in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the entity.

**2.11 Property, plant and equipment**

*Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be

Cost of the asset includes expenditure that is directly attributable to the acquisition and installation, including interest on borrowing for the project / property, plant and equipment's up to the date the asset is put to use. Any cost incurred relating to settlement of claims regarding titles to the properties is accounted for and capitalised as incurred.

*Depreciation method, estimated useful lives and residual values*

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment's is provided using written-down value method over the useful lives of assets estimated by the Management. The Management estimates the useful lives for the fixed assets as follows:

Particulars	Useful lives estimated by the Management
Building *	58 Years
Plant and machinery *	20 Years
Office Equipment*	20 Years
Furniture and fixtures *	15 Years
Vehicles*	10 Years
Computers and Accessories*	6 Years

\* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in Statement of Profit and Loss.

In respect of leasehold improvement - buildings, depreciation has been provided over lower of usefull lives or leaseable period.

**2.12 Capital work-in-progress**

Projects under which tangible assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

Depreciation is not provided on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

**2.13 Investments**

Long term investments are carried at cost, and provision is made to recognize any decline, other than temporary, in the value of such investment. Current investments are stated at lower of cost and net realisable value.





**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**2.14 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets, comprising of software are amortized on the basis of written down value method over a period of 6 years, which is estimated to be the useful life of the asset.

**2.15 Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

**2.16 Inventories**

Inventory comprises of stock of food and beverages and operating supplies and is carried at the lower of cost and net realisable value. Cost includes all expenses incurred in bringing the goods to the point of sale and is determined on a Weighted Average basis. Net realisable value is the estimated selling price in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale.

**2.17 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements but are

**2.18 Financial Instruments**

**2.18a Initial recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through Statement of Profit and Loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**2.18b Subsequent measurement**

**a. Non-derivative financial instruments**

**Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

**Financial assets at fair value through Profit and Loss (FVPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

**Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through Statement of Profit and Loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

**b. Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity, net of any tax effects.

**2.18c Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**2.18d Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit and loss.

**2.19 Operating cycle and basis of classification of assets and liabilities**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash and cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 2.20 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### 2.21 Earnings per share

Basic earnings per share has been computed by dividing profit attributable to owners of the Company by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

### 2.22 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

### 2.23 Statement of cash flows

Statement of Cash flows is prepared under Ind AS 7 'Statement of Cashflows' specified under Section 133 of the Act. Cash flows are reported using the indirect method, whereby profit / (loss) before tax and is adjusted for the effects of transactions of non-cash nature.

## 3 Recent accounting pronouncements

- a. On 30 March 2019, MCA notified Ind AS 116 Leases and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17.

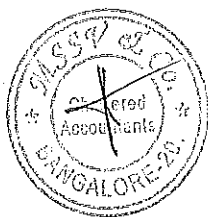
The Company will adopt Ind AS 116 effective from April 1, 2019. As at the date of issuance of the Company's standalone financial statements, the Company is in the process of evaluating the requirements of the said standard and the impact on its standalone financial statements in the period of initial application.

- b. Amendments to existing issued Ind-AS

The MCA has also carried out amendments of the following accounting standards:

- i) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment
- ii) Ind AS 109: Prepayment Features with Negative Compensation
- iii) Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendment will come into force from April 1, 2019. The Company has evaluated and observe that there is no impact of this on the financial statements.



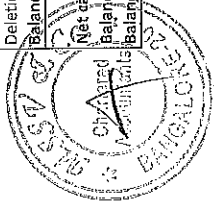
NOTES FORMING PART OF FINANCIAL STATEMENTS

4A Property, plant and equipment

Property, plant and equipment										Rs. In Hundreds
Particulars	Land - freehold	Buildings	Leasehold Improvements - Own use	Plant and Equipment - Owned	Office Equipment	Furniture and fixtures	Vehicles	Computers and Accessories	Total	
Deemed Cost										
Balance as at April 01, 2017	5,80,452.90	9,67,470.29	16,69,868.30	7,97,484.68	6,799.52	5,08,600.75	91,305.76	35,584.89	46,57,567.09	
Additions	-	76,487.29	-	23,205.21	-	21,167.66	-	16,624.17	1,37,484.33	
Deletions	-	-	-	6,269.14	-	-	-	-	6,269.14	
Balance as at March 31, 2018	5,80,452.90	10,43,957.58	16,69,868.30	8,14,420.75	6,799.52	5,29,768.41	91,305.76	52,209.06	47,88,782.18	
Additions	-	22,887.50	-	55,395.42	2,950.46	53,053.82	-	9,365.29	1,43,652.49	
Deletions	-	-	-	-	-	-	-	-	-	
Balance as at March 31, 2019	5,80,452.90	10,66,845.08	16,69,868.30	8,69,816.17	9,749.98	5,82,822.23	91,305.76	61,574.35	49,32,434.67	
Accumulated depreciation										
Balance as at April 01, 2017	-	81,357.34	2,31,987.24	1,82,287.54	2,384.37	1,87,434.75	7,262.91	17,737.31	7,10,451.46	
Depreciation charge during the year	-	45,227.22	1,02,664.71	86,461.28	799.14	85,928.61	21,758.69	10,385.80	3,53,225.46	
Deletions	-	-	-	5,143.40	-	-	-	-	5,143.40	
Balance as at March 31, 2018	-	1,26,584.56	3,34,651.95	2,63,605.42	3,183.51	2,73,363.36	29,021.60	28,123.11	10,58,533.52	
Depreciation charge during the year	-	43,129.75	99,889.48	80,001.18	802.02	73,025.82	16,125.37	11,344.10	3,24,317.73	
Deletions	-	-	-	-	-	-	-	-	-	
Balance as at March 31, 2019	-	1,69,714.31	4,34,541.43	3,43,606.60	3,985.53	3,46,389.19	45,146.97	39,467.21	13,82,851.24	
Net carrying amount										
Balance as at March 31, 2018	5,80,452.90	9,17,373.02	13,35,216.35	5,50,815.33	3,616.01	2,56,405.05	62,284.16	24,085.95	37,30,248.73	
Balance as at March 31, 2019	5,80,452.90	8,97,130.77	12,35,326.87	5,26,209.57	5,764.45	2,36,433.04	46,158.79	22,107.15	35,49,583.49	

4B Other intangible assets

Particulars	Rs. in Hundreds	
	Software	
Deemed Cost		
Balance as at April 01, 2017	11,844.07	
Additions	5,054.77	
Deletions	-	
Balance as at March 31, 2018	16,898.84	
Additions	1,314.00	
Deletions	-	
Balance as at March 31, 2019	18,212.84	
Accumulated amortisation		
Balance as at April 01, 2017	6,456.72	
Amortisation during the year	4,412.24	
Deletions	-	
Balance as at March 31, 2018	10,868.96	
Amortisation during the year	3,825.34	
Deletions	-	
Balance as at March 31, 2019	14,694.30	
Net carrying amount		
Balance as at March 31, 2018	6,029.89	
Balance as at March 31, 2019	3,518.54	



**Prestige Leisure Resorts Private Limited**

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****5 Investments (Non-current)**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
National Savings Scheme	150.00	150.00
	<b>150.00</b>	<b>150.00</b>

**6 Loans (Non-current)**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
To related parties - unsecured, considered good Carried at amortised cost		
Lease Deposit	38,724.26	38,724.26
To others - unsecured, considered good Carried at amortised cost		
Other Deposits	48,389.30	48,100.80
	<b>87,113.56</b>	<b>86,825.06</b>
Due from related parties:		
Directors	40 -	-
Firms in which directors are partners	40 -	-
Companies in which directors of the Company are directors or members	40 38,724.26	38,724.26

**7 Income Tax Assets (Net)**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
TDS and Advance Income Tax	12,88,721.49	10,72,637.68
Less: Provision for income tax	(5,84,490.06)	(5,28,631.36)
	<b>7,04,231.44</b>	<b>5,44,006.32</b>

**8 Inventories (At lower of cost and net realisable value)**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
Stock of raw materials		
Food & Beverage	36,344.69	32,299.30
Stores and operating supplies	35,888.71	29,789.57
	<b>72,233.40</b>	<b>62,088.87</b>



**Prestige Leisure Resorts Private Limited**

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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**9 Trade receivables (unsecured)**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>Carried at amortised cost</b>		
Considered good	5,39,975.00	5,17,490.87
Considered doubtful	128.91	128.91
Less : Provision for doubtful receivables	(128.91)	(128.91)
	<b>5,39,975.00</b>	<b>5,17,490.87</b>

**Due from :**

Directors	40	-	-
Firms in which directors are partners	40	-	-
Companies in which directors of the Company are directors or members	40	48,390.19	56,665.40
Companies in which KMP are directors, members or partners	40	54,344.58	25,709.07
Others	40	4,37,240.23	4,35,116.40

**Movement in allowance for doubtful accounts receivable is given below:**

	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	128.91	128.91
Additions during the year, net	-	-
Uncollectable receivables charged against allowance	-	-
Balance at the end of the year	<b>128.91</b>	<b>128.91</b>

**10 Cash and cash equivalents**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
Cash on hand	4,023.51	4,366.46
<b>Balances with banks</b>		
- in current accounts	5,51,133.68	6,26,891.51
- in fixed deposits	12,71,552.65	12,61,123.20
	<b>18,26,709.84</b>	<b>18,92,381.17</b>

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements are items marked \* above and aggregate to :

18,26,709.84 18,92,381.17

**11 Other bank balances**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>In earmarked accounts</b>		
Balances held as margin money	778.96	778.96
	<b>778.96</b>	<b>778.96</b>



**Prestige Leisure Resorts Private Limited**

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****12 Other financial assets (Current)**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>To Others - unsecured, considered good</b>		
<b>Carried at amortised cost</b>		
Interest accrued but not due on deposits	10,561.42	15,064.03
	<b>10,561.42</b>	<b>15,064.03</b>

**13 Other Current Assets**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>To others - unsecured, considered good</b>		
Prepaid expenses	13,288.04	17,740.75
Advance paid to suppliers	15,123.78	46,667.12
	<b>28,411.82</b>	<b>64,407.37</b>

**14 Equity share capital**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>Authorised capital</b>		
24,00,000 Equity Shares of Rs 10 each	2,40,000.00	2,40,000.00
	<b>2,40,000.00</b>	<b>2,40,000.00</b>
<b>Issued, Subscribed and Fully Paid up capital</b>		
23,50,020 Equity Shares of Rs 10 each fully paid up	2,35,002.00	2,35,002.00
	<b>2,35,002.00</b>	<b>2,35,002.00</b>

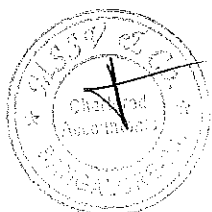
**A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No of shares	Amount (in Hundreds)	No of shares	Amount (in Hundreds)
At the beginning of the year	23,50,020	2,35,002.00	23,50,020.00	2,35,002.00
Shares issued during the year	-	-	-	-
Redeemed during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>23,50,020</b>	<b>2,35,002.00</b>	<b>23,50,020.00</b>	<b>2,35,002.00</b>

**B Shares held by the holding company**

Out of Equity and Preference shares issued by the Company, shares held by its holding company - Prestige Estates Projects Limited, is as follows:

	Nature of Relationship	As on 31 March, 2019	As on 31 March, 2018
Equity Shares	Holding Company	13,50,000.00	13,50,000.00



**Prestige Leisure Resorts Private Limited**

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****C List of persons holding more than 5 percent equity shares in the Company**

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No of shares	% of holding	No of shares	% of holding
Prestige Estates Projects Limited	13,50,000	57.45%	13,50,000.00	57.45%
Omer Bin Jung	4,60,000	19.57%	4,60,000.00	19.57%
Anjum Jung	1,51,000	6.43%	1,51,000.00	6.43%

**D Rights, Preferences and Restrictions on shares**

The Company has only one class of equity shares with voting rights having par value of Rs. 10 each. The rights, preferences and restrictions attached to such equity shares is in accordance with the terms of issue of equity shares under the Companies Act and the Articles of Association of the Company.

**15 Other Equity**

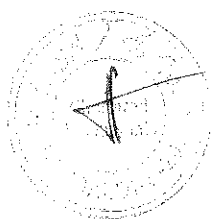
Particulars	Rs. in Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>15.1 Preference share capital</b>		
<b>Authorised capital</b>		
26,00,000 (31 March 2018 - 26,00,000,) 0.001% Preference shares of Rs 10 each	2,60,000.00	2,60,000.00
<b>Issued, subscribed and fully paid up capital</b>		
25,39,980 (31 March 2018 - 25,39,980) 0.001% Optionally Fully Convertible, Non-Redeemable Preference Shares (OFCMRPS) of Rs.10 each, fully paid up	2,53,998.00	2,53,998.00
	<b>2,53,998.00</b>	<b>2,53,998.00</b>

**A Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No of shares	Amount (In Hundreds)	No of shares	Amount (In Hundreds)
At the beginning of the year	25,39,980	2,53,998.00	25,39,980.00	2,53,998.00
Shares issued during the year	-	-	-	-
Redeemed during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>25,39,980</b>	<b>2,53,998.00</b>	<b>25,39,980.00</b>	<b>2,53,998.00</b>

**B List of persons holding more than 5 percent shares in the Company**

Name of the share holder	As at March 31, 2019		As at March 31, 2018	
	No of shares	% of holding	No of shares	% of holding
Prestige Estates Projects Limited	25,39,980	100	25,39,980.00	100
	<b>25,39,980</b>	<b>100</b>	<b>25,39,980.00</b>	<b>100</b>





**Prestige Leisure Resorts Private Limited**

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****C Terms of Optionally Fully Convertible, Non Cumulative Redeemable Preference Shares (OFCNRPS)**

25,39,980 0.01%, Class 'A' OFCNRPS of Rs. 10 each fully paid up at a premium of Rs. 72.68 each

Each OFCNRPS are

a) Convertible at the option of the holder into equity shares of Rs. 10 each fully paid up, within 10 years from the date of allotment.

The Company has received a letter of intent from the holder of OFCNRPS indicating their interest to convert the same into equity shares.

b) If remaining unconverted, these OFCNRPS are redeemable within 10 years from the date of allotment.

The date of issuance and the earliest date of expiry of the OFCNRPS is as given below :

No. of OFCNRPS	Date of Issue	Earliest date of Redemption
25,39,980	28-12-2011	27-12-2021

**15.2 Securities Premium Account**

Opening balance	34,66,002.00	34,66,002.00
Add: Additions during the year	-	-
Less : Utilised for Issue expenses	-	-
	<b>34,66,002.00</b>	<b>34,66,002.00</b>

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**15.3 Retained Earnings**

Opening balance	(9,80,834.68)	(16,00,053.30)
Add: Net profit for the year	7,31,700.05	5,91,252.65
Add: Other Comprehensive Income	(1,027.88)	5,519.57
(-) Preference Dividend	(2.54)	(2.54)
Transition adjustment reserve	-	22,448.94
	<b>(2,50,165.05)</b>	<b>(9,80,834.68)</b>
<b>Total Reserves</b>	<b>34,69,834.95</b>	<b>27,39,165.32</b>

**16 Borrowings (Non-current)**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>Carried at amortised cost</b>		
<b>Term loans (Secured)</b>		
- From banks	-	1,110.07
	-	<b>1,110.07</b>

**16a Aggregate amount of loans guaranteed by directors****16b Security Details :**

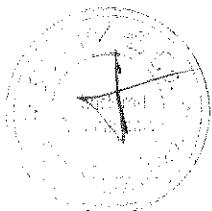
Mortgage of certain immovable properties of the company

Hypothecation of equipment &amp; vehicles.

**16c Repayment and other terms :**

Repayable within 36 instalments commencing from May 2016

These loans are subject to interest rate 9.35% per annum.

**16d Refer Note No. 18 for current maturities of long-term debt.**

**Prestige Leisure Resorts Private Limited**

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****17 Provisions (Non-current)**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>Provision for employee benefits</b>		
Gratuity	53,330.92	51,713.94
Leave Encashment	15,304.57	13,063.86
	<b>68,635.49</b>	<b>64,777.80</b>

**18 Trade Payables**

Particulars	Note No.	Rs. In Hundreds	
		As at March 31, 2019	As at March 31, 2018
<b>Carried at amortised cost</b>			
- Dues to micro & small enterprises	18a	-	-
- Dues to creditors other than micro & small enterprises		2,31,761.80	3,55,418.37
		<b>2,31,761.80</b>	<b>3,55,418.37</b>

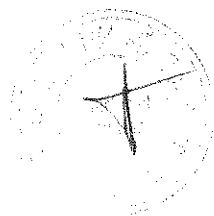
**18a Disclosure as required under Micro Small and Medium Enterprise Development Act, 2006:**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
iii. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
iv. The amount of interest due and payable for the year	-	-
v. The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

**Note :** The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 is determined to the extent such parties have been identified on the basis of the information available with the company. This has been relied upon by the Auditors.

**19 Other financial liabilities (Current)**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>Carried at amortised cost</b>		
Current maturities of long-term debt (Secured)	1,110.07	12,669.87
Interest accrued but not due on borrowings	14,48,763.26	14,88,763.24
Creditors for capital expenditure	66,928.18	29,575.32
Deposits towards lease & maintenance	1,41,768.37	1,15,768.37
Other liabilities	10,92,960.05	19,15,564.09
	<b>27,51,529.94</b>	<b>35,62,340.89</b>



**Prestige Leisure Resorts Private Limited**

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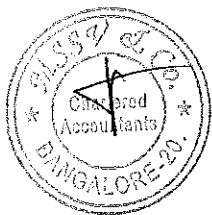
CIN: U85110KA1998PTC023921

**NOTES FORMING PART OF FINANCIAL STATEMENTS****20 Other current liabilities**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
Advance from customers	1,83,484.22	68,442.65
Withholding taxes and duties	1,11,651.97	1,13,224.94
	<b>2,95,136.19</b>	<b>1,81,667.59</b>

**21 Provisions (Current)**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>Provision for employee benefits</b>		
Gratuity	7,028.16	1,698.14
Leave Encashment	1,397.77	690.00
<b>Other Provisions</b>		
Provision for Preference share dividend	20.32	17.78
	<b>8,446.25</b>	<b>2,405.92</b>



**Prestige Leisure Resorts Private Limited**

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****22 Revenue from Operations**

Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
Room revenue	47,61,341.32	42,11,274.26
Food and beverages	8,41,009.20	11,14,921.56
Income - Membership Fee	24,881.64	36,981.87
Income - Spa services	1,92,658.48	2,13,581.18
Property /Rental income	5,36,338.71	5,21,296.15
Other operating revenues	1,62,203.06	1,89,130.01
	<b>65,18,432.41</b>	<b>62,87,185.03</b>

**23 Other Income**

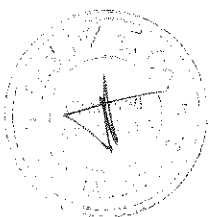
Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
Interest income		
- Banks	85,368.76	53,666.41
- Others	-	7,191.53
Miscellaneous income	14,462.57	742.72
Profit on sale of assets	-	2,167.38
Income - Provision no longer required, written back	-	99,062.27
	<b>99,831.33</b>	<b>1,62,830.31</b>

**24 Food and Beverage Consumed**

Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
Opening Stock	32,299.30	34,759.00
Add: Purchases during the year	3,57,662.99	3,85,335.46
Less: Closing Stock	36,344.69	32,299.30
Consumption	<b>3,53,617.61</b>	<b>3,87,795.16</b>

**25 Employee benefits expense**

Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and wages	11,46,647.27	11,03,978.99
Contribution to provident and other funds	80,054.08	80,132.15
Gratuity expense	18,022.32	16,712.43
Staff welfare expenses	6,616.75	5,719.23
Employee benefits expense - Management Contribution to ESIC	15,649.69	15,506.27
	<b>12,66,990.11</b>	<b>12,22,049.07</b>



**Prestige Leisure Resorts Private Limited**

The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001

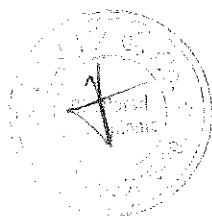
CIN: U85110KA1998PTC023921

**NOTES FORMING PART OF FINANCIAL STATEMENTS****26 Finance costs**

Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
Interest on borrowings	754.64	1,53,410.96
Other borrowing costs (Ind AS)	-	2,96,851.49
<b>Cost considered as finance cost in Statement of Profit and Loss</b>	<b>754.64</b>	<b>4,50,262.45</b>

**27 Other Expenses**

Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
Advertisement and sponsorship fee	31,598.60	34,219.99
Travelling expenses	29,638.58	34,525.10
Commission	2,36,481.97	2,14,284.29
Business promotion	8,820.70	9,679.49
<b>Repairs and maintenance</b>		
Building	1,11,077.94	83,467.70
Fitout expenses	20,600.13	16,200.07
Plant & Machinery and Computers	90,064.13	91,785.77
Vehicles	20,097.24	19,668.75
Other Repairs	3,01,085.16	2,58,851.45
Power and fuel	6,51,861.91	6,91,050.48
Rent	14,27,561.94	11,68,948.52
Property tax	9,800.44	10,134.36
Insurance	15,303.31	12,639.24
Rates and taxes	39,976.08	33,112.01
Legal and professional charges	27,372.71	23,048.56
Auditor's remuneration (Refer Note No. 27a)	4,625.00	4,625.00
Other expenses - Books and periodicals	1,086.95	1,380.60
Other expenses - Membership & subscription	990.00	1,220.00
Postage & courier	466.86	754.57
Telephone expenses	56,742.14	86,840.81
Printing and stationery	19,494.50	21,383.66
Foreign Exchange Loss	1,914.11	898.46
Contract Labour	1,58,176.90	1,50,144.97
Provision for doubtful debts	-	11,012.79
Miscellaneous expenses	89,591.15	59,112.27
<b>Expenses - Facilities expenses</b>		
Operating fees	2,72,831.51	2,66,389.66
Spares and supplies	1,05,301.39	1,13,711.48
Freight and cartage	1,477.72	1,942.02
Crockery, cutlery and silverware	16,284.13	21,311.00
Security charges	85,507.98	75,909.92
Banquet and security expenses	41,594.52	42,848.86
Linen	14,584.90	3,642.15
	<b>38,92,010.61</b>	<b>35,64,744.01</b>



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**NOTES FORMING PART OF FINANCIAL STATEMENTS****27a Auditors Remuneration**

Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
<b>Payment to Auditors (net of applicable Goods and service tax) :</b>		
For Statutory audit fees	2,500.00	2,500.00
For tax audit fees	1,000.00	1,000.00
For Limited review fees	1,125.00	1,125.00
	<b>4,625.00</b>	<b>4,625.00</b>

**28 Tax Expenses****a Income tax recognised in profit or loss**

Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
<b>Current tax</b>		
In respect of the current year	-	-
In respect of prior years	-	-
	-	-
<b>MAT</b>		
In respect of the current year	50,196.07	98,690.00
In respect of prior years	45,047.66	(1,23,725.69)
	<b>95,243.73</b>	<b>(25,035.69)</b>
<b>Deferred tax</b>		
In respect of the current year	(50,196.07)	(98,690.00)
	<b>(50,196.07)</b>	<b>(98,690.00)</b>
	<b>45,047.66</b>	<b>(1,23,725.69)</b>

**b Reconciliation of tax expense and accounting profit**

Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
Profit before tax from continuing operations	7,75,719.83	4,73,046.53
Applicable tax rate	31.03%	33.06%
Income tax expense at applicable tax rate <b>(A)</b>	<b>2,40,705.86</b>	<b>1,56,389.18</b>
<b>Adjustment on account of timing differences as per income tax and as per books</b>		
Tax effect of timing difference of disallowed expenses	1,20,877.47	1,37,756.70
Tax effect of timing difference of deductible expenses	(99,768.07)	(1,52,339.14)
Tax effect of permanent non taxable items	-	(33,466.52)
Tax effect of discounting entry as per Ind AS not recognised as deferred tax liability	-	7,421.62
Tax effect of brought forward losses set off	(2,61,815.25)	(1,15,761.84)
Tax effect of MAT credit entitlement	45,047.66	(1,23,725.69)
	<b>(1,95,658.20)</b>	<b>(2,80,114.88)</b>
<b>Income tax expense recognised in Statement of Profit and Loss <b>(A+B)</b></b>	<b>45,047.66</b>	<b>(1,23,725.69)</b>

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****29 Earning per share (EPS)**

Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
Profit for the year attributable to owners of the Company and used in calculation of EPS	7,30,672.17	5,96,772.22
Weighted average number of equity shares		
Basic (in Numbers)	23,50,020.00	23,50,020.00
Diluted (in Numbers)	48,90,000.00	48,90,000.00
Nominal value of shares (in Rupees)	10.00	10.00
Earning per share (in Rupees)		
Basic	31.09	25.39
Diluted	14.94	12.20



NOTES FORMING PART OF FINANCIAL STATEMENTS

30 Commitments

Particulars	Rs. in Hundreds	
	As at March 31, 2019	As at March 31, 2018
Bank guarantees	778.96	778.96

**Export obligation** - During the year ended March 31, 2009, the Company had imported capital goods under 'Export Promotion Capital Goods Scheme' ('EPCG'). Under this scheme, the Company is entitled to import goods at a concessional rate of duty. Against these imports, the Company has an export obligation equal to eight times the duty amount saved. During the year, the Company has fulfilled its pending obligations and had received the redemption certificate from the relevant authorities. The outstanding obligation as at March 31 2019 is NIL (March 31, 2018 - Nil.).

31 Contingent liabilities (to the extent not provided for)

Particulars	Rs. in Hundreds	
	As at March 31, 2019	As at March 31, 2018
1. Claims against Company not acknowledged as debts		
a. Disputed Service Tax *	1,05,250.00	1,49,710.00
b. Disputed Income Tax	60,159.10	60,159.10

\* Disputed Service Tax for the year FY 2012-13

During the year 2012 -13, Company has received a show cause Notice dated 24th October 2012 from Commissioner of Service Tax , Bangalore demanding 67,371.14 Hundreds towards Service tax and interest levied under 'Infrastructural Support Service ' for the period 18/04/2006 to 31/05/2007 on rental income at Transit Forum Mall. Company has filed an appeal with Appellate Tribunal the disposal of which is pending as at the year end. The above mentioned contingent liability includes interest of 37,880.00 Hundreds.

2. Corporate guarantees given on behalf of other entities	2,70,00,000.00	2,70,00,000.00
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32 Operating Lease arrangements

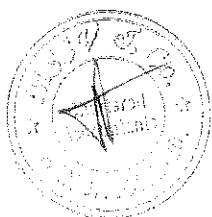
a As a lessee

The Company has taken commercial spaces under operating lease basis which include (a) leases that are renewable on a yearly basis, (b) cancellable at the Company's option and (c) other long term leases.

Rental expense for operating leases included in the Statement of Profit and Loss for the year is 14,27,561.94 Hundreds [31.03.2018-11,68,948.52 Hundreds ].

Non-cancellable operating lease commitments:

Particulars	Rs. in Hundreds	
	As at March 31, 2019	As at March 31, 2018
Not later than 1 year	10,80,000.00	8,10,000.00
Later than 1 year and not later than 5 years	18,90,000.00	-
Later than 5 years	-	-





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**NOTES FORMING PART OF FINANCIAL STATEMENTS****b As a lessor**

The company has entered into cancellable and non cancellable sub leases for commercial premises which are renewable at the option of both the lessor and the lessee at the end of the primary lease period. The rental income generated from sub leases is generally based on minimum lease payments or contingent rent whichever is higher. The total rental income under both cancellable and non cancellable , sublease arrangements credited to statement of Profit and Loss is 5,36,338.71 Hundreds (31.03.2018- 5,21,296.15 Hundreds)

The details of future minimum lease receipts with in the non- cancellable period as follows:

**Non-cancellable operating lease commitments:**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>Lease Receipts</b>		
Not later than 1 year	93,000.00	-
Later than 1 year and not later than 5 years	1,05,000.00	-
Later than 5 years	-	-

**33 Segment information**

The Chief Operating Decision Maker reviews the operations of the Company as a hospitality activity and letting out of developed properties, which is considered to be the only reportable segment by the Management. The Company's operations are in India only.

**34 Employee Benefit Plans**

- (i) **Defined Contribution Plans :** The Company contributes to provident fund and employee state insurance scheme which are defined contribution plans.

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss under defined contribution plan whereby the Company is required to contribute a specified percentage of the payroll costs to fund the benefits:

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
Employers' Contribution to Provident Fund	80,054.08	80,132.15
Employers' Contribution to Employee State Insurance Scheme	15,649.69	15,506.27
	<b>95,703.77</b>	<b>95,638.42</b>

Note: The contributions payable to the above plan by the Company is at rates specified in the rules of the schemes

- (ii) **Defined Benefit Plan :** The Company provides gratuity for employees who are in continuous services for a period of 5 years. The amount of gratuity is payable on retirement / termination, computed based on employees last drawn basic salary per month.

**Risk exposure**

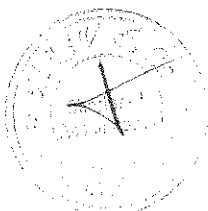
The defined benefit plan typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

**Investment Risk**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below the discount rate, it will create a plan deficit.

**Interest Risk**

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.



**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Life expectancy**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk**

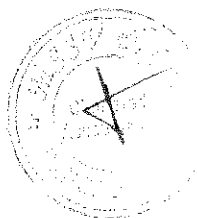
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Particulars	Rs. in Hundreds	
	As at March 31, 2019	As at March 31, 2018
<b>a. Components of defined benefit cost</b>		
Current Service cost	13,974.97	13,208.97
Interest expenses / (income) net	4,047.35	4,377.43
Past service cost	-	1,138.73
<b>Components of defined benefit cost recognised in Statement of Profit and Loss</b>	<b>18,022.32</b>	<b>18,725.13</b>
<b>Remeasurement (gains) / losses in OCI:</b>		
Return on plan assets (greater)/ less than discount rate	299.40	(2,445.10)
Actuarial (Gain) / loss for changes in financial assumptions	728.48	(3,074.47)
Actuarial (Gain) / loss due to experience adjustments	1,027.88	(5,519.57)
<b>Components of defined benefit cost recognised in other comprehensive income</b>		
<b>Total components of defined benefit cost for the year</b>	<b>19,050.20</b>	<b>13,205.56</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of Profit and Loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

- b. The amount included in the consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:**

Particulars	Rs. in Hundreds	
	As at March 31, 2019	As at March 31, 2018
Present value of funded defined benefit obligation	60,359.07	53,412.09
Fair value of plan assets	-	-
<b>Funded Status</b>	<b>60,359.07</b>	<b>53,412.09</b>
Present value of unfunded defined benefit obligation	-	-
<b>Unfunded Status</b>	<b>-</b>	<b>-</b>
<b>Net liability arising from defined benefit obligation</b>	<b>60,359.07</b>	<b>53,412.09</b>



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**NOTES FORMING PART OF FINANCIAL STATEMENTS****c. Movements in the present value of the defined benefit obligation are as follows.**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
Opening defined benefit obligation	53,412.09	60,989.72
Current service cost	13,974.97	13,208.97
Interest cost	4,047.35	4,377.43
Past service cost	-	1,138.73
<b>Actuarial (Gain) / Loss (through OCI):</b>		
Actuarial (Gain) / loss for changes in demographic assumptions	-	-
Actuarial (Gain) / loss for changes in financial assumptions	299.40	(2,445.10)
Actuarial (Gain) / loss due to experience adjustments	728.48	(3,074.47)
Liability assumed in business combination	-	-
Liability acquired on acquisition of joint venture	-	-
Benefits paid	(12,103.22)	(20,783.19)
<b>Closing defined benefit obligation</b>	<b>60,359.07</b>	<b>53,412.09</b>

**d. Movements in fair value of plan assets are as follows.**

Particulars	Rs. In Hundreds	
	As at March 31, 2019	As at March 31, 2018
Opening Fair Value of Plan Assets		
Interest income	-	-
<b>Remeasurement gains/ (losses):</b>		
Return on plan assets (excluding amounts included in net interest expense)	-	-
Actuarial gains/(losses)	-	-
Contributions by Employer	-	-
Benefits paid	-	-
<b>Closing Fair Value of Plan Assets</b>	<b>-</b>	<b>-</b>

**e. Net asset/(liability) recognised in balance sheet**

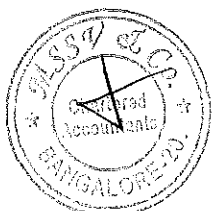
Fair value of plan assets	-	-
Present Value of Defined Benefit Obligation	60,359.07	53,412.09
<b>Net asset/(liability) recognised in balance sheet - Non current portion</b>	<b>53,330.91</b>	<b>51,713.95</b>
<b>Net asset/(liability) recognised in balance sheet - Current portion</b>	<b>7,028.16</b>	<b>1,698.14</b>

**f. Actuarial Assumptions**

Particulars	As at	
	March 31, 2019	March 31, 2018
Discount Rate	0.08	0.08
Rate of increase in compensation	0.05	0.05
Attrition rate	Refer Table Below	
Retirement age	58 years	60 years

**Attrition rate**

Age	As at	
	March 31, 2019	March 31, 2018
Upto 44	0.04	0.04
Above 45	0.01	0.01



**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**g. Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

		Rs. In Hundreds	
Particulars		As at March 31, 2019	As at March 31, 2018
Impact on defined benefit obligation:			
Discount rate	Increase by 50 basis points	(57,467.09)	(50,578.93)
	Decrease by 50 basis points	63,486.24	56,495.07
Salary escalation rate	Increase by 50 basis points	63,462.86	56,457.90
	Decrease by 50 basis points	57,404.25	50,669.35

If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by 57,467.09 Hundreds (increase by 63,486.24 Hundreds)

If the expected salary growth increases (decreases) by 50 basis points, the defined benefit obligation would increase by 63,462.86 Hundreds (increase by 57,404.25 Hundreds)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**(iii) Other Employee Benefits - Compensated absences**

The leave obligations cover the Company's liability for earned leave and is not funded.

Leave encashment benefit expensed in the Statement of Profit and Loss for the year is 8,687.03 Hundreds (31 March, 2018: 4,045.03 Hundreds)

Leave encashment benefit outstanding is 16,70,234 Hundreds (31 March, 2018: 13,753.86 Hundreds)

**35 The foreign currency exposures as at 31 March 2019 that have not been hedged by a derivative instruments or otherwise.**

Particulars	Currency	As at March 31, 2019		As at March 31, 2018	
		Amount (in foreign currency)	Amount (in Hundreds)	Amount (in foreign currency)	Amount (in Hundreds)
Due to:					
Creditors	USD	1,02,069	71,829.88	18,415.19	12,300.00
	SGD	1,73,287	88,344.95		
	Euro	890	708.90		

**36 Foreign exchange transactions**

Particulars	Rs. In Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
Earnings in foreign exchange	24,88,000.74	19,92,312.90
Expenditure in foreign exchange		
Management Fee	1,28,626.26	1,36,025.21
Commission	5,564.08	51,675.99
Travel	22,385.42	-
Others	4,307.97	35,229.49

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****37 Financial instruments**

The fair value of the financial assets and liabilities approximate to its carrying amounts. The carrying value of financial instruments by categories is as follows:

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
	Fair Value through profit and loss	Cost/ Amortised Cost	Fair Value through profit and loss	Cost/ Amortised Cost
<b>Financial asset</b>				
Investments	-	150.00	-	150.00
Loans	-	87,113.56	-	86,825.06
Trade receivables	-	5,39,975.00	-	5,17,490.87
Cash and cash equivalents	-	18,26,709.84	-	18,92,381.17
Other bank balances	-	778.96	-	778.96
Other financial assets	-	10,561.42	-	15,064.03
	-	<b>24,65,288.78</b>	-	<b>25,12,690.09</b>
<b>Financial liabilities</b>				
Borrowings	-	-	-	1,110.07
Trade payables	-	2,31,761.80	-	3,55,418.37
Other financial liabilities	-	27,51,529.94	-	35,62,340.89
	-	<b>29,83,291.74</b>	-	<b>39,18,869.33</b>

**38 Financial risk management objectives and policies**

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the 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. 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 summarised below.

**I 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 two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk. The Company has no exposure to commodity prices as it does not deal in derivative instruments whose underlying is a commodity. Financial instruments affected by market risk include loans and borrowings.

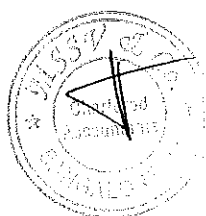
The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018. The sensitivity analysis have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analysis:

Refer Note No. 18 for current maturities of long-term debt.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018.



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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The Company does not have any interest rate swaps.

**II 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 lease deposits, security deposits, loans to employees and other financial instruments.

**Trade receivables**

Trade receivables of the Company comprises of receivables towards room revenue, rental receivables and other receivables.

Receivables towards sale of property - The Company is not substantially exposed to credit risk as property is delivered on payment of dues . However the Company make provision for expected credit loss where any property developed by the Company is delayed due to litigation as further collection from customers is expected to be realised only on final outcome of such litigation.

Receivables towards rental receivables - The Company is not substantially exposed to credit risk as Company collects security deposits from lessee.

Other Receivables - Credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

**Financial Instrument and cash deposits**

Credit risk from balances with banks and financial institutions 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 minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2019 and 2018 is the carrying amounts.



# NOTES FORMING PART OF FINANCIAL STATEMENTS

## III Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans. The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments:

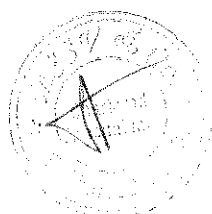
Particulars	Rs. in Hundreds		
	On demand	< 1 year	> 5 years
<b>As at 31 March 2019</b>			
Borrowings	-	1,110.07	-
Other financial liabilities	-	27,50,419.87	-
Trade payables	-	2,31,761.80	-
	-	<b>29,83,291.74</b>	-
<b>As at 31 March 2018</b>			
Borrowings	-	12,669.87	-
Other financial liabilities	-	35,49,671.02	-
Trade payables	-	3,55,418.37	-
	-	<b>39,17,759.26</b>	-

## 39 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value.

The Company, through its Board of Directors manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio, which is net debt divided by total capital. The Company's policy is to keep the debt equity ratio below 1.00. The Company includes within net debt, interest bearing loans and borrowings (excluding borrowings from group companies) less cash and cash equivalents, current investments, other bank balances and margin money held with banks. The disclosure below could be different from the debt and equity components which have been agreed with any of the lenders.

Particulars	Rs. in Hundreds	
	As at March 31, 2019	As at March 31, 2018
Borrowings - Current	-	-
Borrowings - Non Current	-	1,110.07
Current maturities of long term borrowings	1,110.07	12,669.87
Less: Borrowings from related parties	-	-
Less: Cash and cash equivalents	18,26,709.84	18,92,381.17
Less: Other bank balances	778.96	778.96
<b>Net debt</b>	<b>(18,26,378.74)</b>	<b>(18,79,380.19)</b>
Equity	37,04,836.95	29,74,167.32
<b>Total capital</b>	<b>37,04,836.95</b>	<b>29,74,167.32</b>
Debt equity ratio	(0.49)	(0.63)



**Prestige Leisure Resorts Private Limited**  
The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001  
CIN: U85110KA1998PTC023921

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**40 Related Party Disclosure**

**i) List of related parties and relationships**

**A. Holding Company**

Prestige Estates Projects Limited

**B. Other Parties**

**(i) Company in which the Directors and relatives are interested:**

- a) Prestige Amusements Private Limited
- b) Prestige Constructions Ventures Private Limited
- c) Sai Chakra Hotels Private Limited
- d) Northland Holding Company Private Limited
- e) Prestige Fashions Private Limited
- f) Prestige Garden Constructions Private Ltd
- g) Prestige Property Management Services
- h) Dollars Hotels Private Limited
- i) Prestige Retail Ventures Limited
- j) Prestige Hospitality Ventures Limited
- k) Prestige Owners NWC County

**(ii) Partnership firms in which some of the directors and relatives are interested:**

- a) Morph
- b) Prestige Ozone Properties (POP)
- c) Good Food company
- d) Morph Design Company
- e) Sublime
- f) Window care
- g) Go Gourmet
- h) Overture hospitality Private Limited

**(iii) Key management personnel:**

Badrunissa Irfan, Director  
Almas Rezwan, Director

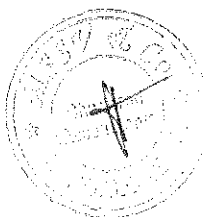
**(iv) Relative of key management personnel:**

Omer Bin Jung

Note: The related party relationships are as identified by management which has been relied upon by the auditors.

**ii) Transactions with Related Parties during the year**

Particulars	Rs. in Hundreds	
	Year ended March 31, 2019	Year ended March 31, 2018
Interest Paid on ICD		
Controlling Enterprise		
Prestige Estates Projects Limited	-	1,53,410.96
	-	1,53,410.96





**Prestige Leisure Resorts Private Limited**

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****Rent received***Companies/ firms in which directors/ KMP are interested*

The Good Food Co.	55,644.14	52,991.37
Go gourmet	32,417.03	12,983.23
Overture Hospitality Pvt Ltd	28,199.38	34,769.79
	<b>1,16,260.55</b>	<b>1,00,744.39</b>

**Rent Expenses***Controlling Enterprise*

Prestige Estates Projects Limited	53,231.53	1,55,206.24
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*Companies/ firms in which directors/ KMP are interested*

Prestige Retail Ventures Limited	2,49,891.62	1,37,165.51
Prestige Hospitality Ventures Limited	10,80,000.00	10,80,000.00
	<b>13,83,123.15</b>	<b>13,72,371.75</b>

**Purchase of fixed assets***Companies/ firms in which directors/ KMP are interested*

Morph Design Company	29,523.60	-
Window care	-	-
Morph	-	-
	<b>29,523.60</b>	<b>-</b>

**Other advances received***Companies/ firms in which directors/ KMP are interested*

Prestige Hospitality Ventures Limited	-	7,00,000.00
	<b>-</b>	<b>7,00,000.00</b>

**Purchase of Goods***Companies/ firms in which directors/ KMP are interested*

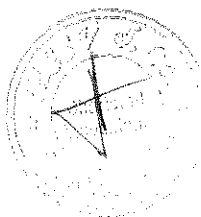
Prestige Fashions Private Limited (PFPL)	210.71	-
Window care	-	635.30
	<b>210.71</b>	<b>635.30</b>

**Sales of services***Controlling Enterprise*

Prestige Estates Projects Limited	11,758.60	41,952.09
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*Companies/ firms in which directors/ KMP are interested*

Prestige Garden Constructions Private Ltd	1,007.45	393.75
Prestige Property Management Services	140.00	-
Prestige Owners NWC County	478.39	-
Sublime	287.88	3,065.75
Sai Chakra Hotels Private Limited	155.00	84.86
Prestige Garden Leisure Resorts private limited	-	316.72
The Good Food Co.	2,931.31	2,099.81
Prestige Amusements Private Limited	2,925.00	958.08
Overture Hospitality Pvt Ltd	6,100.68	-
	<b>25,784.30</b>	<b>48,871.06</b>



**Prestige Leisure Resorts Private Limited**

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****Purchase of Services***Companies/ firms in which directors/ KMP are interested*

Prestige Property Management Services	89,283.11	81,001.01
Prestige Amusements Private Limited	35,208.88	34,712.49
Morph Design Company	-	16,307.85
Sublime	2,815.52	1,961.23
	<b>1,27,307.51</b>	<b>1,33,982.58</b>

**Release of Guarantees & Collaterals provided towards loan availed by related entities( Axis Bank)***Controlling Enterprise*

Prestige Estates Projects Limited	-	1,18,00,000.00
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*Companies/ firms in which directors/ KMP are interested*

Sai Chakra Hotels Private Limited ( Non fund based corporate guarantee)	-	22,00,000.00
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Morph ( Non fund based corporate guarantee)	-	60,00,000.00
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	-	<b>2,00,00,000.00</b>
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**Remuneration paid***Relatives of Key Management**Personnel*

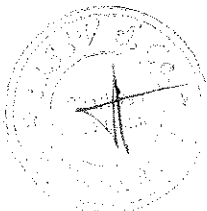
Omer Bin Jung - CEO

	1,80,000.00	1,80,000.00
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	<b>1,80,000.00</b>	<b>1,80,000.00</b>
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**iii) Balance Outstanding**

Particulars	Rs. in Hundreds	
	As at March 31, 2019	As at 31 March, 2018
<b>Inter Corporate Deposit Interest Payable</b>		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	13,78,226.10	14,18,226.10
	<b>13,78,226.10</b>	<b>14,18,226.10</b>
<b>Security deposit paid</b>		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	22,400.00	22,400.00
<i>Companies/ firms in which directors/ KMP are interested</i>		
Prestige Amusements Private Limited	13,382.26	13,382.26
Prestige Property Management Services	1,000.00	1,000.00
Prestige constructions	1,942.00	1,942.00
	<b>38,724.26</b>	<b>38,724.26</b>
<b>Rent payables</b>		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	5,987.77	3,266.86
Prestige Hospitality Ventures Limited	-	7,77,600.00
	<b>5,987.77</b>	<b>7,80,866.86</b>



Prestige Leisure Resorts Private Limited  
The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001  
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NOTES FORMING PART OF FINANCIAL STATEMENTS

Trade payables

Companies/ firms in which directors/ KMP are interested

Prestige Amusements Private Limited	2,267.50	2,267.50
Prestige Retail Ventures Limited	34,724.76	20,829.47
Prestige Property Management Services	50,068.69	89,910.14
Sublime	61.85	45.28
Morph Design Company	2,766.79	2,766.79
Window care	2,538.16	2,538.16
	<u>92,427.75</u>	<u>1,18,357.34</u>

Other advances received

Companies/ firms in which directors/ KMP are interested

Prestige Hospitality Ventures Limited	7,00,000.00	7,00,000.00
	<u>7,00,000.00</u>	<u>7,00,000.00</u>

Trade Receivables

Controlling Enterprise

Prestige Estates Projects Limited	34,856.49	34,856.49
Prestige Estates Projects Limited (cochin)	-	368.64

Companies/ firms in which directors/ KMP are interested

Prestige Amusements Private Limited	4,505.55	761.55
Prestige Garden Constructions Private Limited	7,615.47	15,403.77
The Good Food Co.	11,433.96	6,017.56
Sai Chakra Hotels Private Limited	932.16	708.36
Sublime	100.00	4,186.06
Prestige Garden Leisure Resorts	380.52	380.52
Overture Hospitality Pvt Ltd	37,859.92	15,726.89
Go gourmet	5,050.70	3,964.62
	<u>1,02,734.77</u>	<u>82,374.47</u>

- a) Related party relationships are as identified by the management on the basis of information available with them and accepted by the auditors.  
b) No amount is / has been written back during the period in respect of debts due from or to related party.  
c) Reimbursement of actual expenses is not considered in the above disclosure.

41 Previous years figures have been regrouped/reclassified wherever necessary to correspond to the current years's classification/disclosure.

for MSSV & CO  
Chartered Accountants  
Firm Registration No.0019875

Shiv Shankar T.R  
Partner

Membership No.220517

Place: Bengaluru  
Date: May 20, 2019

For and on behalf of the board

Badrunissa Irfan Sameera Noaman

Badrunissa Irfan  
Director  
DIN: 01191458

Sameera Noaman  
Director  
DIN: 01191723

Place: Bengaluru  
Date: May 20, 2019

Place: Bangalore  
Date: May 20, 2019