



INDEPENDENT AUDITOR'S REPORT

To the Members of

Sai Chakra Hotels Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **M/s. Sai Chakra Hotels Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, 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, 2020, the loss 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.



Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the 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 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 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 financial statements.

Sl No.	Key Audit Matter	Auditor's Response
1	Evaluation of the working capital position of the company	
	On an analysis of movement of cash flow and fund flow, it was observed that short term funds have been utilized for long term investments for acquisition of Property, plant and equipment and the working capital gap (Current asset less current liabilities) as on March 31, 2020 was negative Rs.1,547.96 million results in verification of ability of the company to clear the outstanding dues in a near future and we identified as key audit matter.	As part of our audit procedures, our procedures included the following: <ul style="list-style-type: none">- Management represented that the operations has started operation only two years ago and will generate the surplus.- Obtained the letter of support from ultimate holding company assuring that Inter corporate Deposits "ICD" together with interest of Rs.1071.15 million Outstanding as at March 31, 2020 will not be called for payment in near future till such time cash flows available at the disposal of the company to repay the ICD together interest.



We draw attention to Note 39A of the Statement, which describes that the potential impact of COVID-19 pandemic on the financial results of the Company are dependent on future developments, which remain uncertain.

Our opinion is not modified in respect of this matter.

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.



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 scepticism throughout the audit. We also:

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



the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the firm to express an opinion on the financial results.

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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 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:
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - 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.

UDIN: 20220517AAAAEH3966

Place : Bengaluru

Date : June 08, 2020

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 **Sai Chakra Hotels Private Limited** (“the Company”) as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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.



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 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For MSSV & Co.

Chartered Accountants

Firm Registration Number: 001987S



Shiv Shankar T R

Partner



Membership No: 220517

UDIN: 20220517AAAAEH3966

Place: Bengaluru

Date: June 08, 2020

"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 records showing particulars, including 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 size of the Company and the nature of fixed assets, the periodicity of physical verification is reasonable. Pursuant to the policy, fixed assets were physically verified during the year and 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 held in the name of the Company as at the balance sheet date.
- ii. In respect of inventory:
 - a. In our opinion the physical verification of inventory has been conducted at reasonable interval by the management.
 - b. According to information and explanations given to us no material discrepancies have been noticed on such verification.
- iii. During the year covered by our audit, Company has not granted any loan to any person covered under the register maintained under section 189 of the Companies Act, 2013. Hence, commenting on paragraph 3(iii) of the Order does not arise.



- iv. According to information and explanation given to us, the Company has not made any loans, investments, guarantees, and security during the financial year in respect of which provisions of section 185 and 186 of the Act, are to be complied with. Hence, commenting on paragraph 3(iv) of the Order does not arise.
- 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 paragraph 3(v) of the Order 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. Undisputed statutory dues including service tax, goods and service tax, cess and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities, though there have been delays in remittance of Income-tax (TDS). 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.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service 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 (tax deducted at source)

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which amount relates	Remarks
Income-tax Act, 1961	Income tax (TDS)	16,83,240	Financial year 2012 – 2013 to Financial year 2018 - 2019	Interest on late payment u/s 201& 220(2) and late filing fees u/s 234E



- 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. Based on our audit procedures performed and according to information and explanations given by the management, the Company has not defaulted in repayment of loans and borrowings to a financial institution, banks, government or dues to debenture holders.
- ix. In our opinion and according to the information and explanations given to us, the Company has utilized the monies raised by way of term loans (representing loans with a repayment period beyond 36 months) for the purposes for which those were raised, other than temporary deployment pending application of proceeds. The company has not raised any monies by way of initial public offer or further public offer.
- 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. Since the Company is wholly owned subsidiary of Public Limited Company section 177 of the Act is not applicable.



- 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

UDIN: 20220517AAAAEH3966

Place: Bengaluru

Date: June 08, 2020

SAI CHAKRA HOTELS PRIVATE LIMITED
Prestige Falcon Tower, No 19, Brunton Road, Bangalore-560025.
CIN: U55100KA2011PTC061656
BALANCE SHEET AS AT 31 MARCH 2020

Rs in hundreds

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non Current Assets			
a) Property, plant and equipment	4	5,03,76,241.40	5,74,60,665.53
b) Other intangible assets	5	1,90,326.52	3,16,493.46
c) Financial assets			
(i) Loans	6	66,122.69	52,450.08
(ii) Other financial assets	7	5,26,506.29	3,39,883.43
d) Income tax assets (net)		2,89,311.68	1,10,856.31
e) Deferred tax assets (net)	23	31,82,398.56	6,48,573.53
f) Other non-current assets	8	1,65,435.13	3,19,971.67
		5,47,96,342.27	5,92,48,894.01
Current assets			
(a) Inventories	9	2,15,738.00	1,29,027.13
(b) Financial assets			
(i) Trade receivables	10	2,75,997.60	9,39,068.69
(ii) Cash and cash equivalents	11	16,40,028.09	14,16,422.77
(c) Other current assets	12	2,94,360.96	62,198.07
		24,26,124.65	25,46,716.66
Total		5,72,22,466.92	6,17,95,610.67
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	20,000.00	20,000.00
(b) Other equity	14	77,67,258.26	1,23,42,412.76
		77,87,258.26	1,23,62,412.76
Non Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	15	3,14,46,382.26	3,16,13,176.90
(b) Long term provisions	16	83,062.97	94,744.16
		3,15,29,445.23	3,17,07,921.06
Current liabilities			
a) Financial liabilities			
(i) Borrowings	17	77,65,456.54	66,56,379.24
(ii) Trade payables	18		
- Due to micro and small enterprises		-	-
- Due to creditors other than micro and small enterprises		7,40,291.05	5,61,088.84
(iii) Other financial liabilities	19	86,86,502.98	92,44,250.32
b) Other current liabilities	20	3,60,626.29	6,10,125.00
c) Short term provisions	21	3,527.22	6,106.19
d) Provisions	22	3,49,359.35	6,47,327.26
		1,79,05,763.43	1,77,25,276.85
Total		5,72,22,466.92	6,17,95,610.67

See accompanying notes to the financials statements

As per our report attached

for MSSV & Co.

Chartered Accountants

Firm Registration No.001987S



Shiv Shankar T.R.

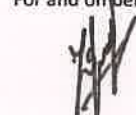
Partner

Membership No.220517

Place: Bengaluru

Date: 08 June,2020

For and on behalf of the Board



Mohmed Zaid Sadiq

Director

DIN: 01217079

Place: Bengaluru

Date: 08 June,2020



Faiz Rezwan

Director

DIN: 01217423

Place: Bengaluru

Date: 08 June,2020

SAI CHAKRA HOTELS PRIVATE LIMITED

Prestige Falcon Tower, No 19, Brunton Road, Bangalore-560025.

CIN: U55100KA2011PTC061656

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

Rs in hundreds

Particulars	Note No.	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations	24	1,31,59,441.65	94,44,324.12
Other income	25	61,811.06	44,357.14
Total Revenue - (I)		1,32,21,252.71	94,88,681.26
Expenses			
Food and beverage consumed	26	18,53,637.33	14,08,225.09
Employee benefits expense	27	26,18,468.11	22,16,719.08
Finance costs	28	46,57,891.98	22,07,527.43
Depreciation	4	67,05,486.89	37,25,036.23
Other Expenses	29	44,96,791.51	32,71,781.48
Total Expenses - (II)		2,03,32,275.82	1,28,29,289.31
Profit/(loss) before tax (III= I-II)		(71,11,023.11)	(33,40,608.05)
Tax expense:	30		
- Current tax		-	-
- Deferred tax		(25,33,825.03)	(6,47,523.46)
Total Tax expense (IV)		(25,33,825.03)	(6,47,523.46)
Profit/(loss) for the Period/year (V= III-IV)		(45,77,198.08)	(26,93,084.59)
Other Comprehensive income			
Items that will not be recycled to profit or loss			
Remeasurements of the defined benefit liabilities / (asset)		2,752.30	5,053.58
Tax impact		(708.72)	(1,313.93)
		2,043.58	3,739.65
Total Comprehensive Income (V+VI)		(45,75,154.50)	(26,89,344.94)
Earnings per Equity Share (equity shares, par value Rs 10 each)			
- basic and diluted(per share in rupees)	42	(2,287.58)	(1,344.67)
Weighted average number of equity shares considered for computing earnings per share		2,00,000	2,00,000

See accompanying notes to the financials statements

As per our report attached

for MSSV & Co.

Chartered Accountants

Firm Registration No.0019875

Shiv Shankar T.R

Partner

Membership No.220517

For and on behalf of the Board

Mohmed Zaid Sadiq

Director

DIN: 01217079

Faiz Rezwan

Director

DIN: 01217423

Place: Bengaluru

Date: 08 June,2020

Place: Bengaluru

Date: 08 June,2020

Place: Bengaluru

Date: 08 June,2020

SAI CHAKRA HOTELS PRIVATE LIMITED
Prestige Falcon Tower, No 19, Brunton Road, Bangalore-560025.
CIN: U55100KA2011PTC061656
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

		Rs in hundreds
Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before taxation	(71,08,979.53)	(33,36,868.40)
Adjustments for non cash & non operating items:		
Interest Income	(38,512.72)	(38,993.60)
Interest Expense	45,68,468.50	21,44,036.92
Depreciation	67,05,424.36	37,25,036.23
Operating profit before working capital changes	41,26,400.61	24,93,211.15
Adjustments for		
(Increase) / Decrease in loans	(13,672.61)	(46,150.08)
(Increase) / Decrease in Inventories	(86,710.87)	(1,29,027.13)
(Increase) / Decrease in Trade Receivables	6,63,071.09	(9,39,068.69)
(Increase) / Decrease in other assets	(2,33,791.39)	(1,57,168.59)
Increase / (Decrease) in Trade Payables	1,79,202.21	5,61,088.84
Increase / (Decrease) in other financial liabilities	(6,76,826.35)	3,51,995.25
Increase / (Decrease) in other liabilities	(5,61,726.78)	12,58,638.09
Cash generated from operations	33,95,945.91	33,93,518.84
Income tax refund / (payment)	(1,78,455.37)	(1,05,063.49)
Net Cash generated / (used in) from operating activities - A	32,17,490.54	32,88,455.35
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on office equipments , vehicles	5,05,166.71	(6,12,25,636.62)
Capital work-in-progress, net of interest	-	5,11,48,567.61
Capital advances and creditors	(5,01,819.58)	34,99,075.92
Investments in bank deposits (having original maturity of more than three months)	(1,97,352.82)	3,881.98
Interest received	49,242.68	19,254.19
Net Cash from / (used in) Investing Activities -B	(1,44,763.01)	(65,54,856.92)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings (Secured loans)	3,26,538.69	3,86,091.24
Inter corporate Deposit (paid)/ received	11,09,077.30	(80,04,799.95)
Issue of Optionally Convertible Debentures	-	1,50,00,000.00
Finance costs paid	(42,84,738.19)	(38,62,127.41)
Net Cash From / (used in) Financing Activities -C	(28,49,122.20)	35,19,163.88
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	2,23,605.33	2,52,762.31
Cash and Cash equivalents opening balance	14,16,422.77	11,63,660.46
Cash and Cash equivalents closing balance	16,40,028.09	14,16,422.77
Changes in liabilities arising from financing activities		
Borrowings (including current maturities):		
At the beginning of the year including accrued interest	4,11,83,449.98	4,81,98,243.75
Add: Cash inflows	14,35,615.99	2,07,132.90
Less: Cash outflows	-	(78,25,841.61)
Add: Interest accrued during the period/year	2,83,730.31	6,03,914.94
Less: Interest paid	-	-
Outstanding at the end of the year including accrued interest	4,29,02,796.28	4,11,83,449.98

See accompanying notes to the financials statements

As per our report attached

for MSSV & Co.

Chartered Accountants

Firm Registration No.0019875

Shiv Shankar T.R

Partner

Membership No.220517

For and on behalf of the Board

Mohmed Zaid Sadiq

Director

DIN: 01217079

Faiz Rezwan

Director

DIN: 01217423

Place: Bengaluru

Date: 08 June,2020

Place: Bengaluru

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Date: 08 June,2020

SAI CHAKRA HOTELS PRIVATE LIMITED
Prestige Falcon Tower, No 19, Brunton Road, Bangalore-560025.
CIN: U55100KA2011PTC061656

STATEMENT OF CHANGES IN EQUITY

Rs in hundreds

Particulars	Equity share capital	Optionally Convertible	Other Equity	Total equity
			Retained Earnings	
As at 1 April 2018	20,000.00	-	31,757.71	51,757.71
Profit for the Year	-	-	(26,93,084.60)	(26,93,084.60)
Other Comprehensive Income / (Loss) for the year, net of income tax	-	-	3,739.65	3,739.65
Optionally Convertible Debentures issued during the year	-	1,50,00,000.00	-	1,50,00,000.00
As at 31 March 2019	20,000.00	1,50,00,000.00	(26,57,587.24)	1,23,62,412.76
Profit for the year	-	-	(45,77,198.08)	(45,77,198.08)
Other Comprehensive Income / (Loss) for the year, net of income tax	-	-	2,043.58	2,043.58
As at 31 March 2020	20,000.00	1,50,00,000.00	(72,32,741.74)	77,87,258.26

See accompanying notes to the financial statements

As per our report attached

for MSSV & Co.

Chartered Accountants
Firm Registration No.0019875

Shiv Shankar T.R
Partner

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Place: Bengaluru
Date: 08 June,2020

For and on behalf of the Board

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NOTES FORMING PART OF FINANCIAL STATEMENTS

1 Corporate Information

M/s. Sai Chakra Hotels Private Ltd ("the Company") was incorporated on December 15, 2011 as a company under the Companies Act, 1956 ("the 1956 Act"). The Company is engaged in the business of real estate development.

The Company is a private limited company incorporated and domiciled in India and has its registered office at Prestige Falcon Tower, No 19, Brunton Road, Bangalore-560025, Karnataka, India.

The financial statements are approved for issue by the Company's Board of Directors on 08 June, 2020

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.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost 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, on decimal thereof 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.

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.



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2.5 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

a. Recognition of Revenue from hospitality services:

Revenues from the room rentals during a guest's stay at the hotel is recognised based on occupation and revenue from sale of food and beverages and other allied services, as the services are rendered.

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

b. Interest income

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

2.6 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 a 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Company.

2.7 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.

2.8 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 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 up to 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 Statement of Profit and Loss.

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.



NOTES FORMING PART OF FINANCIAL STATEMENTS

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 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.

2.9 Income Taxes

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

a. Current tax

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

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 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 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 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.



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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.

Current tax and deferred tax is recognised in statement of profit and 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 in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the entity.

2.10 Property, plant and equipment's

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost 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.

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 measured reliably.

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.

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	As at	As at
	31 March 2020	31 March 2019
Building *	58 Years	58 Years
Plant and machinery *	20 Years	20 Years
Office Equipment*	20 Years	20 Years
Furniture and fixtures *	15 Years	15 Years
Vehicles*	10 Years	10 Years
Computers and Accessories*	6 Years	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.



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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 plant and machinery and leasehold improvement furniture & fixtures, depreciation has been provided over lower of leasable period or useful lives.

2.11 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.

2.12 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.

2.13 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 Company 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.

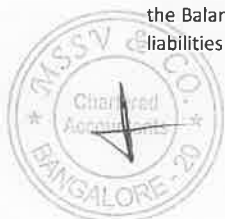
Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific 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.

2.14 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.



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2.15 Financial Instruments

2.15a 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.

2.15b 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.

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 statement of profit and loss

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 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.

2.15c 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.

2.15d 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 statement of profit and 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.



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2.16 Operating cycle and basis of classification of assets and liabilities

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.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

2.17 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.

2.18 Earnings per share

Basic earnings per share has been computed by dividing net income 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.

3 Recent accounting pronouncements

Since there were no standard issued but not effective as at the financial statements issue date, the disclosure is not applicable.



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4 Property, Plant and Equipment

Particulars	Rs in hundreds				
	Building	Land	Vehicles	Plant & Machinery	Furniture and Fixtures
As at 1 April 2018	-	56,438.36	2,29,715.25	62.56	-
Additions	1,95,13,000.28	43,33,966.97	2,57,057.29	1,22,67,472.53	2,44,55,584.38
Adjustments/Deletions	-	-	-	-	-
As at 31 March 2019	1,95,13,000.28	43,90,405.33	4,86,772.54	1,22,67,535.09	2,44,55,584.38
Additions	-	-	-	-	-
Adjustments/Deletions	(1,60,729.86)	(37,521.74)	(460.18)	(1,01,368.36)	(2,01,928.06)
As at 31 March 2020	1,93,52,270.42	43,52,883.59	4,86,312.36	1,21,66,166.73	2,42,53,656.32
Accumulated Depreciation					
As at 1 April 2018	-	-	9,595.01	62.56	-
Charge for the Period	4,89,161.51	-	78,685.94	8,55,540.26	22,19,586.81
Deletion	-	-	-	-	-
As at 31 March 2019	4,89,161.51	-	88,280.95	8,55,602.82	22,19,586.81
Charge for the Period	9,39,327.65	-	1,03,006.07	15,67,163.22	39,72,918.99
Deletion	-	-	-	-	-
As at 31 March 2020	14,28,489.16	-	1,91,287.02	24,22,766.04	61,92,505.80
Net Block					
As at 31 March 2019	1,90,23,839.00	43,90,405.00	3,98,492.00	1,14,11,932.00	2,22,35,998.00
As at 31 March 2020	1,79,23,781.26	43,52,883.59	2,95,025.34	97,43,400.69	1,80,61,150.52

5 Intangible Assets

Particulars	Rs in hundreds	
	Computer Software	Total
As at 1 April 2018	-	-
Additions	3,98,555.17	3,98,555.17
Adjustments/Deletions	-	-
As at 31 March 2019	3,98,555.17	3,98,555.17
Additions	-	-
Adjustments/Deletions	(3,158.51)	(3,158.51)
As at 31 March 2020	3,95,396.66	3,95,396.66
Accumulated Depreciation		
As at 1 April 2018	-	-
Charge for the Period	82,061.71	82,061.71
Deletion	-	-
As at 31 March 2019	82,061.71	82,061.71
Charge for the Period	1,23,008.43	1,23,008.43
Deletion	-	-
As at 31 March 2020	2,05,070.14	2,05,070.14
Net Block		
As at 31 March 2019	3,16,493.46	3,16,493.46
As at 31 March 2020	1,90,326.52	1,90,326.52

6 Loans - (Non Current)

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Carried at amortised cost		
To others - unsecured, considered good		
Lease deposits	3,000.00	3,000.00
Security deposits	63,122.69	49,450.08
	66,122.69	52,450.08



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7 Other Financial assets - (Non Current)

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Carried at amortised cost		
To others - unsecured, considered good		
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	4,49,541.56	2,52,188.74
Interest accrued but not due on deposits	76,964.73	87,694.69
	5,26,506.29	3,39,883.43

8 Other non-current assets

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Capital Advances	56,987.17	2,13,152.21
Prepaid Expense	1,08,447.96	1,06,819.46
	1,65,435.13	3,19,971.67

9 Inventories (Lower of cost and net realisable value)

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Stock of raw materials:		
- Food & Beverage	2,15,738.00	1,29,027.13
	2,15,738.00	1,29,027.13

10 Trade receivables (unsecured)

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Considered good	2,75,997.60	9,39,068.69
Considered doubtful receivables	16,697.90	13,205.70
Less : Provision for doubtful receivables	(16,697.90)	(13,205.70)
	2,75,997.60	9,39,068.69

11 Cash and cash equivalents

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Cash on hand	750.00	750.00
Balances with banks		
- in current accounts	16,39,278.09	14,15,672.77
	16,40,028.09	14,16,422.77

12 Other current assets

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
To others - unsecured, considered good		
Advance paid to Staff	106.66	-
Balances with government authorities	2,55,939.87	-
Advance paid to suppliers	38,314.43	62,198.07
	2,94,360.96	62,198.07



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13 Equity Share Capital

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Authorised capital		
10,00,000 (31 March 2019 - 10,00,000) equity shares of Rs 10 each	1,00,000.00	1,00,000.00
Issued, subscribed and paid up capital		
200,000 (31 March 2019 - 200,000) equity shares of Rs 10 each, fully paid up	20,000.00	20,000.00
	20,000.00	20,000.00

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

Name of the share holder	As at 31 March 2020		As at 31 March 2019	
	No of shares	% holding	No of shares	% holding
Equity Share Capital				
Prestige Hospitality Ventures Limited	1,99,999	100%	1,99,999	100%

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

Particulars	As at 31 March 2020		As at 31 March 2019	
	No of shares	Amount	No of shares	Amount
Equity Shares				
At the beginning of the year	2,00,000	20,000.00	2,00,000	20,000.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	2,00,000	20,000.00	2,00,000	20,000.00

There have been no buy back of shares by way of bonus shares for the period of five years immediately preceding the balance sheet date. 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, 2013.

14 Other Equity

Particulars	Note No.	Rs in hundreds	
		As at 31 March 2020	As at 31 March 2019
Retained earnings	14.1	(12,32,741.74)	(26,57,587.24)
Optionally Convertible Debentures	14.2	1,50,00,000.00	1,50,00,000.00
		77,67,258.26	1,23,42,412.76

14.1 Retained earnings

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Opening balance	(26,57,587.24)	31,757.70
Add: Net profit for the year	(45,77,198.08)	(26,93,084.59)
Add: Other comprehensive income arising from remeasurements of Defined benefit liabilities/(asset) (net of tax)	2,043.58	3,739.65
	(72,32,741.74)	(26,57,587.24)



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14.2 Debentures

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Optionally Convertible Debentures (OCD's)	1,50,00,000.00	1,50,00,000.00
	1,50,00,000.00	1,50,00,000.00

Terms of Optionally Convertible Debentures

15,00,00,000 0% Optionally Convertible Debentures ("OCD") of Rs. 10 each

a) 100 OCD of Rs. 10 each are convertible at the option of the holder into one Equity Share of Rs. 10/-

b) If remaining unconverted, these OCD are redeemable within 20 years from the date of allotment.

15 Borrowings (Non current)

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Term loans (Secured)		
- From Banks	3,14,46,382.26	3,16,13,176.90
	3,14,46,382.26	3,16,13,176.90

Security Details :

Mortgage of certain immovable properties of the company.

Charge on all the current assets including the receivables / cash flows and movable fixed assets

Repayment and other terms :

Repayment in quarterly structured installments after moratorium of 48 months from date of first disbursement

Corporate Guarantee of Prestige Estates Projects limited

Personal guarantee of certain directors of the company and their relatives.

The loan carry interest rate of 11.75% per annum payable monthly.

16 Long-term provisions

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
- Gratuity	58,958.66	32,276.30
- Compensated absences	24,104.31	62,467.86
	83,062.97	94,744.16

17 Borrowings (Current)

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Loan from related parties (unsecured) payable on demand		
Inter corporate deposits	77,65,456.54	66,56,379.24
	77,65,456.54	66,56,379.24

18 Trade Payables

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Carried at amortised cost		
- Dues to creditors other than micro & small enterprises	7,40,291.05	5,61,088.84
	7,40,291.05	5,61,088.84



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19 Other Financial liabilities (Current)

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Current maturities of long term debts (Secured)	7,21,250.00	2,27,916.67
Interest accrued but not due on borrowings	29,69,707.48	26,85,977.17
Capital Creditors	2,02,428.47	8,60,413.10
Retention Creditors	5,20,323.75	7,71,207.35
Others	42,72,793.28	46,98,736.03
	86,86,502.98	92,44,250.32

20 Other current liabilities

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Advance from customers	2,60,949.15	2,40,700.47
Withholding taxes and duties	99,677.14	3,69,424.53
	3,60,626.29	6,10,125.00

21 Provisions (Current)

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
- Compensated absences	3,438.94	6,040.09
- Gratuity	88.28	66.10
	3,527.22	6,106.19

22 Provisions

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Provision for completed projects	3,49,359.35	6,47,327.26
	3,49,359.35	6,47,327.26
Estimated project cost to be incurred for the completed projects		
Provision outstanding at the beginning of the year	6,47,327.26	
Add: Provision made during the year	-	40,45,487.26
Less: Provision utilised / reversed during the year	2,97,967.91	33,98,160.00
Provision outstanding at the end of the year	3,49,359.35	6,47,327.26

23 Deferred tax asset/ (liabilities) (net)

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Deferred tax relates to the following		
<i>Deferred tax Asset</i>		
Impact of fair valuation of financial assets	31,82,398.56	-
<i>Deferred tax liabilities</i>		
Impact of difference in carrying amount of Property, plant and equipment as per books and tax accounts	-	(6,48,573.53)
Net deferred tax asset	31,82,398.56	6,48,573.53
Net deferred tax liabilities	-	-



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24 Revenue from Operations

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Sale of services		
Room revenue	55,56,795.78	42,55,204.91
Food and beverages	63,45,168.12	44,66,949.06
Spa services	54,648.71	43,185.56
Other operating revenues	12,02,829.04	6,78,984.59
	1,31,59,441.65	94,44,324.12

25 Other Income

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Interest Income	38,512.72	38,993.60
Rental Income	-	396.00
Miscellaneous	-	4,505.91
Liabilities Written back	23,298.34	461.63
	61,811.06	44,357.14

26 Food and Beverage Consumed

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Opening Stock	1,29,027.13	-
Add: Purchases during the year	19,40,348.20	15,37,252.22
Less: Closing Stock	2,15,738.00	1,29,027.13
	18,53,637.33	14,08,225.09

27 Employee benefits expense

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Salaries and wages	22,66,629.65	18,36,082.56
Employee benefits expense - Employers' Contribution to PF	91,313.37	64,880.92
Employee benefits expense - Management Contribution to ESIC	13,405.47	14,433.85
Staff welfare expenses	2,59,336.20	1,96,731.75
Gratuity expense	28,748.12	36,082.05
Leave encashment	(40,964.70)	68,507.95
	26,18,468.11	22,16,719.08

28 Finance Cost

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Interest on Borrowings		
- Secured Loan	39,39,128.26	38,25,087.06
- ICD	6,29,340.24	6,40,955.29
Other borrowing costs	89,423.48	44,630.90
Interest on delayed payments of statutory dues	-	18,859.61
	46,57,891.98	45,29,532.86
Less: Borrowing cost capitalised to capital work in progress	-	(23,22,005.43)
	46,57,891.98	22,07,527.43



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29 Other Expenses

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Auditors' Remuneration (Refer note no. 41)	2,183.00	684.40
Bank Charges	2,28,043.38	1,19,083.84
Property tax	2,94,685.26	3,59,806.99
Legal & Professional fees	1,00,232.27	39,066.93
Facilities expenses - Linen	-	35,863.20
Facilities expenses - Spares and supplies	1,16,696.77	1,76,934.97
Facilities expenses - Banquet and security expenses	20,801.72	16,960.46
Membership & subscription	2,603.98	2,497.50
Rates & Taxes	5,57,192.78	97,374.80
Postage & courier	880.97	895.53
Miscellaneous	3,55,091.20	2,91,655.05
Security charges	1,59,165.56	1,07,913.94
Contractors and franchise cost	5,69,625.05	2,51,844.70
Repairs and maintenance		
- Building	1,29,682.58	1,08,882.82
- Vehicles	20,342.55	7,744.30
- Others	1,12,017.03	1,25,094.12
Advertisement and sponsorship fee	-	39,506.65
Business promotion	3,50,712.67	2,62,218.42
Travelling Expenses	1,06,091.95	61,662.43
Commision	1,26,362.60	93,272.98
Power and fuel	10,95,775.82	9,70,184.43
Rent	55,391.44	5,407.35
Insurance	31,321.79	15,433.62
Provision for doubtful debts	3,492.19	13,205.70
Telephone expenses	-	3,339.00
Printing and stationery	39,290.52	58,185.88
Foreign Exchange Loss	19,108.43	7,061.47
	44,96,791.51	32,71,781.48

30 Tax expenses

a Income tax recognised in statement of profit and loss

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Current tax		
In respect of the current year	-	-
In respect of prior years	-	-
Deferred tax		
In respect of the current year	(25,33,825.03)	(6,47,523.46)
	(25,33,825.03)	(6,47,523.46)
	(25,33,825.03)	(6,47,523.46)



NOTES FORMING PART OF FINANCIAL STATEMENTS

b Reconciliation of tax expense and accounting profit

Particulars		Rs in hundreds	
		Year ended 31 March 2020	Year ended 31 March 2019
Profit before tax from continuing operations		(71,08,270.81)	(33,35,554.47)
Applicable tax rate		29.12%	26.00%
Income tax expense at applicable tax rate	A	(20,69,928.46)	(8,67,244.16)
Adjustment on account of :			
Effect on timing difference		(3,20,121.04)	1,31,151.76
Unabsorbed losses		34,014.08	88,568.95
Effect of expenses that are not deductible in determining taxable profit		12,231.83	
Effect of rate difference		(1,90,021.43)	
	B	(4,63,896.57)	2,19,720.70
Income tax expense recognised in Statement of Profit and Loss	(A+B)	(25,33,825.03)	(6,47,523.46)

31 Employee benefit plans

- (i) **Defined Contribution Plans** : The employees of the firm are members of state-managed retirement benefit plan operated by the government of India. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the firm with respect to the retirement benefit plan is to make the specified contributions.

During the year, the company has recognized the following amounts in statement of profit and loss under defined contribution plan whereby the firm is required to contribute a specified percentage of the payroll costs to fund the benefits:

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Employers' Contribution to Provident Fund	91,313.37	64,880.92
Management contribution to ESIC	12,405.47	14,403.85
	1,04,718.84	79,314.77

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 basis salary per month. The company defined benefit plan is unfunded.

Risk exposure

The defined benefit plan typically expose the firm 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

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.

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.



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Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
a. Components of defined benefit cost		
Current Service cost	25,101.35	23,385.16
Past service cost or curtailment	-	-
Interest expenses / (income) net	3,646.77	2,136.11
Acquisition / disposal cost (credit)	-	-
Components of defined benefit cost recognised in statement of profit and loss	28,748.12	25,521.27
Remeasurement on the net defined benefit liability:		
Actuarial (Gain) / loss for changes in demographic assumptions	34.69	
Actuarial (Gain) / loss for changes in financial assumptions	5,970.22	(3,982.94)
Actuarial (Gain) / loss due to experience adjustments	(8,048.49)	185.14
Remeasurement Of Asset Ceiling		
Components of defined benefit cost recognised in other comprehensive income	(2,043.58)	(3,797.80)
Total components of defined benefit cost for the year	26,704.54	21,723.47

The current service cost and the net interest expense for the year are included in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

b. Movements in the present value of the defined benefit obligation are as follows.

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Opening defined benefit obligation	32,342.40	10,618.93
Current service cost	25,101.35	23,385.16
Past service cost or curtailment	-	-
Interest cost	3,646.77	2,136.11
Remeasurement (gains)/ losses:		
Actuarial (Gain) / loss for changes in demographic assumptions	34.69	
Actuarial (Gain) / loss for changes in financial assumptions	5,970.22	(3,982.94)
Actuarial (Gain) / loss due to experience adjustments	(8,048.49)	185.14
Benefits paid	-	-
Closing defined benefit obligation	59,046.94	32,342.40

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
c. Net asset/(liability) recognised in balance sheet		
Fair value of plan assets	-	-
Present Value of Defined Benefit Obligation	(59,046.94)	(32,342.40)
Net asset/(liability) recognised in balance sheet - current portion	(88.28)	(66.10)
Net asset/(liability) recognised in balance sheet - Non current portion	(58,958.66)	(32,276.30)



NOTES FORMING PART OF FINANCIAL STATEMENTS

d. Actuarial Assumptions

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Discount Rate	6.70%	6.60%
Expected Return on plan assets	N/A	N/A
Rate of increase in compensation	10.00%	10.00%
Attrition rate	10.00%	10.00%
Retirement age	60 years	60 years

Attrition rate

Age	Year ended 31 March 2020	Year ended 31 March 2019
Upto 30	10%	10%
31-40	5%	5%
41-50	3%	3%
Above 50	2%	2%

e. 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		Year ended 31 March 2020	Year ended 31 March 2019
Impact on defined benefit obligation:			
Discount rate	Increase by 100 basis points	(6,160.00)	(3,310.00)
	Decrease by 100 basis points	7,320.00	3,900.00
Salary escalation rate	Increase by 100 basis points	6,600.00	3,480.00
	Decrease by 100 basis points	5,700.00	(3,020.00)
Employee attrition rate	Increase by 100 basis points	(2,550.00)	(1,370.00)
	Decrease by 100 basis points	2,810.00	1,470.00

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 Rs.(40,96,470) (31 March, 2019: Rs. 68,50,795)

Leave encashment benefit outstanding is Rs. 27,54,325 (31 March 2019 : Rs. 68,50,795)



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- 32** In the opinion of the Management all the current assets have on value of realization in the ordinary course of business which is at least equal to the amount at which they are stated in the balance sheet.

33 Contingent liabilities and capital commitments

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Contingent liabilities		
Claims against the Company not acknowledged as debts	-	-
Corporate guarantee given on behalf of companies under the same management	3,50,00,000.00	3,50,00,000.00
Capital commitment		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-

34 Fair values

None of financial assets are measured at fair values.

The fair value of the financial assets and liabilities will approximate to its carrying amounts.

- 35** The foreign currency exposures as at 31 March 2020 that have not been hedged by a derivative instruments or otherwise.

Particulars	Currency	Rs in hundreds			
		Year ended 31 March 2020		Year ended 31 March 2019	
		Amount (Other than INR)	Amount (INR in Hundreds)	Amount (Other than INR)	Amount (INR in Hundreds)
Due to:					
Creditors	USD	13,06,337	9,43,927.39	7,22,603	5,18,609
Creditors	GBP	1,161	1,141.38	-	-
Creditors	RMB	-	-	12,177	1,297
Total Foreign Currency exposure		13,07,498	9,45,068.77	7,34,780.33	5,19,906.07

36 Foreign exchange transactions

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Earnings in foreign exchange	54,73,512.97	38,55,827.15
Expenditure in foreign exchange		
Advertisement	22,289.72	21,958.71
Commission	20,390.13	6,771.97
Management Fee	2,99,255.92	82,689.87
Marketing Fees	4,97,387.81	2,93,015.65
Membership & Subscription	10,549.17	8,873.73
Provision for PSF Fund	64,928.00	51,275.38
Renewal Fee	13,766.28	18,862.82
Purchase of goods	8,525.42	-
Travelling Expense	4,748.72	1,297.29
Others	3,073.85	35,160.64

37 Financial instruments

None of financial assets are measured at fair values.

The fair value of the financial assets and liabilities approximate to its carrying amounts.



NOTES FORMING PART OF FINANCIAL STATEMENTS

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 operations of the Company. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, advances and security deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's board of directors oversees the management of these risks. The Company's board of directors is supported by financial risk committee of Prestige Estates Projects Limited, that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's board of directors 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. 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/ real estate risk. Financial instruments affected by market risk include borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at 31 March 2020 and 31 March 2019. 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 and provisions.

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

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 2020 and 31 March 2019.

a. 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.

Interest rate sensitivity

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

Effect on profit before tax

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Decrease in interest rate by 50 basis points	15,723.19	15,806.59
Increase in interest rate by 50 basis points	(15,723.19)	(15,806.59)



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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 deposits, security deposits and other financial instruments.

Trade receivables

The Company is not substantially exposed to credit risk as Company collects security deposits from lessee.

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the policy/ guidelines laid down by Prestige Estates Projects Limited. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. 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 2020 and 2019 is the carrying amounts.

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:

	Rs in hundreds				
	On demand	< 1 years	1 to 5 years	> 5 years	Total
As at 31 March 2020					
Borrowings	7,765,456.54	721,250.00	21,215,625.00	10,230,757.26	39,933,088.80
Interest accrued but not due on borrowings	-	2,969,707.48	-	-	2,969,707.48
Other financial liabilities	-	4,995,545.50	-	-	4,995,545.50
Trade payables	-	740,291.05	-	-	740,291.05
	7,765,456.54	9,426,794.03	21,215,625.00	10,230,757.26	48,638,632.83
As at 31 March 2019					
Borrowings	6,656,379.24	227,916.67	15,453,125.00	16,160,051.90	38,497,472.81
Interest accrued but not due on borrowings	-	2,685,977.17	-	-	2,685,977.17
Other financial liabilities	-	6,330,356.48	-	-	6,330,356.48
Trade payables	-	561,088.84	-	-	561,088.84
	6,656,379.24	9,805,339.16	15,453,125.00	16,160,051.90	48,074,895.30

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. The borrowing of the company primary consist of lease rental discounting. The cash flow from the tenant as per the contract executed with them will be sufficient to meet the repayment obligations.

39A The company is actively monitoring the impact of the global health pandemic on its financial condition, liquidity, operations, suppliers, industry and workforce. The Company has used the principles of prudence in applying judgments, estimates and assumptions based on the current estimates. In assessing the recoverability of assets such as inventories, financial assets and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets. The extent of which COVID-19 impacts the operations will depend on future developments which remain uncertain.



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40 Related party disclosure

(i) List of related parties and relationships -

a) Controlling Enterprise

Prestige Estates Projects Limited
Prestige Hospitality Ventures Limited

b) Companies/ firms in which directors/ KMP are interested

K2K Infrastructure India Private Limited
Prestige Leisure Resorts Private Ltd
Prestige Golf Resorts Private Ltd
Prestige Shanthiniketan Leisures Private Ltd
Prestige Property Management Services
Falcon Property Management Services

c) Key Management Personnel

Mohammed Sadiq Zaid, Director
Faiz Rezwan, Director
Mr. Irfan Razack
Mr. Rezwan Razack
Mr. Noaman Razack

(ii) Transactions with related parties during the year-

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Inter Corporate Deposit Received		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	11,09,077.30	69,95,200.05
	11,09,077.30	69,95,200.05
Optional convertible debentures issued*		
<i>Companies/ firms in which directors/ KMP are interested</i>		
Prestige Estates Projects Limited	-	1,50,00,000.00
	-	1,50,00,000.00
Inter Corporate Deposit Repaid		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	-	1,50,00,000.00
	-	1,50,00,000.00
Interest on Inter Corporate Deposit		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	6,29,340.24	6,40,955.29
	6,29,340.24	6,40,955.29
Purchase of goods		
<i>Companies/ firms in which directors/ KMP are interested</i>		
K2K Infrastructure India Private Limited	-	23,447.48
	-	23,447.48
Receiving of services		
<i>Companies/ firms in which directors/ KMP are interested</i>		
Prestige Property Management Services	-	98,602.32
Prestige Shanthiniketan Leisures Private Ltd	14,548.39	343.06
Falcon Property Management Services	-	35,434.74
	14,548.39	1,34,380.12

* Inter corporate deposit of Rs. 1,50,00,00,000/- converted into 15,00,00,000 Optionally convertible debentures of face value of Rs. 10/- each, with Nil rate of interest.

SAI CHAKRA HOTELS PRIVATE LIMITED
Prestige Falcon Tower, No 19, Brunton Road, Bangalore-560025.
CIN: U55100KA2011PTC061656

NOTES FORMING PART OF FINANCIAL STATEMENTS

(iii) Balance Outstanding

Particulars	Rs in hundreds	
	As at 31 March 2020	As at 31 March 2019
Trade payable		
<i>Companies/ firms in which directors/ KMP are interested</i>		
K2K Infrastructure India Private Limited	-	14,491.76
Prestige Property Management Services	-	1,25,776.15
	-	1,40,267.91
Retention Creditors		
<i>Companies/ firms in which directors/ KMP are interested</i>		
K2K Infrastructure India Private Limited	83,287.06	81,397.35
Falcon Property Management Services	706.93	706.93
	83,287.06	81,397.35
Inter Corporate Deposit Received		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	77,65,456.54	66,56,379.24
	77,65,456.54	66,56,379.24
Optional convertible debentures		
<i>Companies/ firms in which directors/ KMP are interested</i>		
Prestige Estates Projects Limited	1,50,00,000.00	1,50,00,000.00
	1,50,00,000.00	1,50,00,000.00
Interest Payable on Inter Corporate Deposit		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	29,46,066.15	23,55,469.57
	29,46,066.15	23,55,469.57
Other Liabilities		
<i>Companies/ firms in which directors/ KMP are interested</i>		
Prestige Shanthiniketan Leisures Private Ltd	3,996.06	5,283.68
Prestige Golf Resorts Private Ltd	16,172.21	30,222.59
Prestige Estates Projects Limited	38,97,379.61	38,87,633.47
	20,168.27	35,506.27
Corporate guarantee received		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	3,48,63,373.48	3,23,70,175.88
	3,48,63,373.48	3,23,70,175.88

a) Related party relationships are as identified by the company on the basis of information available with them and accepted by the auditors.

b) No amount is / has been written back during the year in respect of debts due from or to related party.

c) Reimbursement of actual expenses is not disclosed in transactions with related parties during the year.



NOTES FORMING PART OF FINANCIAL STATEMENTS

41 Auditors' Remuneration

Particulars	Rs in hundreds	
	Year ended 31 March 2020	Year ended 31 March 2019
Payment to Auditors (including applicable taxes)		
Statutory audit fee	1,180.00	472.00
Limited review fee	531.00	212.40
Tax audit fee	472.00	-
	2,183.00	684.40

42 Earnings per share

Particulars	Figures in rupees except number of shares	
	Year ended 31 March 2020	Year ended 31 March 2019
a) Net profit/ (loss) for the year available to equity shareholders	(45,75,154.50)	(26,89,344.94)
b) Weighted average number of equity shares - Basic(Number)	2,00,000	2,00,000
c) Weighted average number of equity shares outstanding on conversion of	15,00,000	15,00,000
d) Weighted Average number of Equity shares-Diluted(Number)	17,00,000	17,00,000
e) Nominal Value of shares	10	10
f) Basic Earnings per Share(in Rs.)	(2,287.58)	(1,344.67)
g) Diluted Earnings per Share(in Rs.)*	(2,287.58)	(1,344.67)

* Inter corporate deposit of Rs. 1,50,00,00,000/- converted into 15,00,00,000 Optionally convertible debentures of face value of Rs. 10/- each, with Nil rate of interest. These OCD are anti-dilutive since it reduces the loss per share from continuing operations and accordingly not considered for calculation of dilutive earning per share.

43 Segment Reporting

The operations of the company include real estate development constituting a single segment and has restricted to one geographical area. Hence the disclosure of segment information as per Ind AS 108 is not applicable.

44 There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding at the Balance Sheet date, computed on unit wise basis, determined to the extent such parties identified on the basis of information available with the company. This has been relied upon by the auditors.

45 Previous Years figures have been regrouped/ re-classified wherever necessary to facilitate comparison with those for the current years disclosure/ presentation

As per our report attached

for MSSV & Co.

Chartered Accountants
Firm Registration No.0019875

Shiv Shankar T.R.

Partner

Membership No.220517

For and on behalf of the Board

Mohmed Zaid Sadiq

Director

DIN: 01217079

Faiz Rezwan

Director

DIN: 01217423

Place: Bengaluru
Date: 08 June,2020

Place: Bengaluru
Date: 08 June,2020

Place: Bengaluru
Date: 08 June,2020