



**INDEPENDENT AUDITOR'S REPORT**

To the Members of GJS HOTELS LIMITED

**Report on the Audit of Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **GJS Hotels Limited** ("**the Company**") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its Loss and other comprehensive income, changes in equity and its Cash Flows for the year ended on that date.

**Basis for Opinion**

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

**Emphasis of Matter**

**We draw attention to the following matter in Note 24 to the financial statements read with Clause (vii)(b) of Annexure B of our Audit Report:**

The Company has converted loan amount of Rs 4,68,80,940/- due to its holding company, i.e., Asian Hotels (East) Limited into equity shares and issued 46,88,094 equity shares of Rs 10/- each to its said holding company on 28th March, 2023. Approval of conversion before raising of Loan, as mentioned in Proviso to Sec 62(3) of the Companies Act, 2013, not obtained by the subsidiary company. However, the management of Holding Company approved the conversion in its Board Meeting held on 14.02.2023.

Our opinion is not modified in respect of the matter.



# GOYAL VIKASH & ASSOCIATES

*Chartered Accountants*

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report Management Discussion and Analysis, Corporate Governance and Shareholder's Information and Business Responsibility Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and those charged with governance for the financial statements**

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

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.



**Auditor's Responsibilities for the Audit of the Financial Statement**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

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

A further description of the auditor's responsibilities for the audit of the financial statements is included in 'Annexure A'. This description forms part of our auditor's report.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2.(A) 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 purpose 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 (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement and notes to the financial statements dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.



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f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure C'.

g) In our opinion and to the best of our information and according to the explanations given to us, the company did not pay any remuneration to its Directors during the year, therefore statement of auditor on it, as required under Section 197(16) of the Act does not require.

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

a) The Company does not have any pending litigations which would impact its financial position.

b) The Company did not have any long-term contracts including derivative contracts, as such the question of commenting on any material foreseeable losses thereon does not arise.

c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

d) i) The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise that the Company shall:

- Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries: and



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iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d) (ii) contain any material mis-statement.

e) The Company did not declare or paid any dividend during the financial year.

**For Goyal Vikash & Associates**

*Chartered Accountants*

FRN: 328370E

*Vikash Goyal.*

**(Vikash Goyal)**

*Partner*

Membership No. 067191

UDIN: 23067191BGSCNE8674



Place: Howrah

Dated: 10.05.2023

# GOYAL VIKASH & ASSOCIATES

*Chartered Accountants*

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## Annexure A

### Responsibilities for Audit of Financial Statement

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

1. 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.
5. 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.

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.



# GOYAL VIKASH & ASSOCIATES

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

For Goyal Vikash & Associates

Chartered Accountants

FRN: 328370E

*Vikash Goyal*  
**(Vikash Goyal)**

Partner

Membership No. 067191

UDIN: 23067191BGSCNE8674



Place: Howrah

Dated: 10.05.2023

# GOYAL VIKASH & ASSOCIATES

Chartered Accountants

## Annexure – B to Independent Auditors' Report

Referred to in paragraph 1 under 'Report-on other legal and Regulatory Requirements' section of our report of even date:

- (i) Having regard to the nature of the Company's business/activities etc. clause (ii) regarding inventory (iv) regarding loans, investments, guarantees and security to which section 185 and 186 of Companies Act, 2013 applies, (v) regarding acceptance of deposits from public, (vi) regarding maintenance of cost records, (xii) regarding provision as to Nidhi Company, (xv) regarding non cash transactions with director in accordance with Section 192 of Companies Act, 2013 (xvi) regarding requirement of registration under Section 45IA of the Reserve Bank of India Act, 1934 (xx) regarding transfer of unspent amount to a fund as per section 135 are not applicable.
- (ii) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
  
(b) As explained to us Property, Plant and Equipment have been physically verified by the management in accordance with a regular programme of verification which, in our opinion provides for physical verification of all the Property, Plant and Equipment at reasonable intervals. Accordingly, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.  
  
(c) According to the information and explanations given to us the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.  
  
(d) The Company has not revalued its Property, Plant and Equipment during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.  
  
(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the prohibition of Benami Property Transaction Act, 1988 (as amended in 2016)(formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statement does not arise.
- (iii) Based upon the audit procedures performed and the information and explanations given by the Management during the year, the Company has not made any investments or provided any guarantee or security or granted any secured or unsecured loans or advance to companies, firms, limited liability partnerships or any other parties.
- (iv) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company have been generally regular in depositing undisputed statutory dues including GST, Income Tax and Other Statutory dues with the appropriate authorities.





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According to the information and explanations given to us no undisputed amounts payable in respect of income tax and other material statutory dues were in arrears as at 31<sup>st</sup> March 2023 for a period of more than six months from the date on when they became payable.

(b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no statutory dues outstanding on account of any dispute.

(v) According to the explanation given to us all transaction recorded during the year have been disclosed as income during the year as per tax assessments under the Income Tax Act, 1961 (43 of 1961).

(vi) a) According to the records of the Company examined by us and the information and explanations given to us, the Company has taken, interest free, loan from its holding company during the financial year. The loan is repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Further, outstanding loan, amounting to Rs.4,68,80,940 as on 28.03.2023, have been converted into Fully Paid-up Equity Shares of the Company and issued to its Holding Company Asian Hotels (East) Limited. Hence, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not taken any loan from bank or financial institution or government or any government authority or other lender and therefore question of declaration of Wilful Defaulter does not arise.

c) In our opinion, and according to the information and explanations given to us, the Company has not taken any term loans from banks or financial institutions.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has not raised any funds on short-term basis and therefore the question of its application for long term basis does not arise.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any loans to meet obligations of its subsidiaries, associates or joint ventures.

f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised any loans on pledge of securities held in subsidiaries, associates or joint ventures.

(vii) a) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of initial public offer/further public offer during the financial year.



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b) In our opinion and according to the information and explanations given to us, the company has raised money through private placement of Equity Shares during the year. Requirements of Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised, except as follows:

Nature of securities	Type of Issue	Amount Involved	Nature of Non-compliance
Equity Shares	Private Placement	Rs.4,68,80,940	Approval of Conversion before Raising of Loan under Proviso to Sec 62(3)

- (viii) a) According to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- b) In our opinion no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As per explanation given to us by the Management, the auditor has not received any whistle blower complaints during the year by the Company.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (x) According to section 138(1) of the Companies Act, 2013 Company does not fall under the category for appointment of an internal auditor.
- (xi) The Company has incurred cash losses of Rs. 666.56 Thousand in the financial year and Rs. 723.45 Thousand in the immediately preceding financial year.
- (xii) According to our information, there has been resignation of the statutory auditors during the year and there is no issues, objections or concerns raised by the outgoing auditors.
- (xiii) According to the information and explanations given to us, and on the basis of the financial ratios (also refer Note 19 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, auditor's knowledge of the Board of Directors and management plans, we conclude that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



# GOYAL VIKASH & ASSOCIATES

*Chartered Accountants*

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- (xiv) The reporting under clause (xxi) is not applicable in respect of audit of these financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Goyal Vikash & Associates**

*Chartered Accountants*

FRN : 328370E

*Vikash Goyal*

**(Vikash Goyal)**

*Partner*

M. No. 067191

UDIN: 23067191BGSCNE8674



Place : Kolkata

Dated : 10.05.2023

# GOYAL VIKASH & ASSOCIATES

Chartered Accountants

## Annexure C to the Auditors' Report

### Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **GJS Hotels Limited** ('the Company') as of 31 March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are



# GOYAL VIKASH & ASSOCIATES

*Chartered Accountants*

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being made only in accordance with authorizations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Goyal Vikash & Associates**

*Chartered Accountants*

FRN. 328370E

*Vikash Goyal*  
**(Vikash Goyal)**

*Partner*

M. No.067191

UDIN: 23067191BGSCNE8674



Place: Kolkata

Dated: 10.05.2023

**GJS HOTELS LIMITED**  
**CIN: U55101WB2002PLC160608**  
**BALANCE SHEET AS AT MARCH 31, 2023**

	Note	As at 31.03.2023	Rs in '000 As at 31.03.2022
<b>ASSETS</b>			
<b>(1) Non - current assets</b>			
(a) Property, plant and equipment	2	50,466.48	51,255.02
(b) Capital work in progress	3	25,627.90	22,235.38
(c) Financial assets			
Other financial assets	4	32.69	32.69
<b>Total Non Current Assets</b>		<b>76,127.07</b>	<b>73,523.09</b>
<b>(2) Current assets</b>			
(a) Financial assets			
Cash and cash equivalents	5	162.15	39.48
<b>Total Current Assets</b>		<b>162.15</b>	<b>39.48</b>
<b>Total assets</b>		<b>76,289.22</b>	<b>73,562.57</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	6	49,181.16	2,300.22
(b) Other equity	7	26,937.07	27,603.63
		<b>76,118.23</b>	<b>29,903.85</b>
<b>LIABILITIES</b>			
<b>(1) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	8	-	43,580.94
(ii) Other financial liabilities	9	38.29	75.65
(b) Other current liabilities	10	132.70	2.13
<b>Total Current Liabilities</b>		<b>170.99</b>	<b>43,658.72</b>
<b>Total Equity &amp; Liabilities</b>		<b>76,289.22</b>	<b>73,562.57</b>
<b>Significant Accounting Policies</b>	1		

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

As per our report of even date attached

For Goyal Vikash & Associates  
Chartered Accountants  
Firm Registration No. 328370E

Vikash Goyal  
Partner  
Membership No. : 067191  
UDIN 23067191BQSCNE8674

Place: Kolkata

Date: 10<sup>th</sup> May, 2023



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

*Umesh Saraf*  
Umesh Saraf  
Director  
DIN No. - 00017985

*Padam Khaitan*  
Padam Khaitan  
Director  
DIN No. - 00019700

*Bimal K Jhunjhunwala*  
Bimal K Jhunjhunwala  
Chief Financial Officer

*Saumen Chatterjee*  
Saumen Chatterjee  
Company Secretary

Place: Kolkata

Date: 10<sup>th</sup> May, 2023

**GJS HOTELS LIMITED**

CIN: U55101WB2002PLC160608

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

	Note	Year ended 31.03.2023	Year ended 31.03.2022 Rs in '000
<b>Revenue</b>			
I Revenue from operations		-	-
II Other Income		-	-
<b>Total income (A)</b>		-	-
<b>Expenses</b>			
III Employee benefits expenses	11	611.60	671.08
IV Other expenses	12	54.96	52.37
<b>Total Expenses (B)</b>		<b>666.56</b>	<b>723.45</b>
V (Loss)/Profit before exceptional items and tax (A-B)		(666.56)	(723.45)
VI Exceptional items		-	-
<b>( Loss)/Profit before tax</b>		<b>(666.56)</b>	<b>(723.45)</b>
VII Tax Expense :			
(1) Current tax		-	-
(2) Deferred tax		-	-
VIII <b>(Loss)/Profit for the year</b>		<b>(666.56)</b>	<b>(723.45)</b>
IX Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
X <b>Total comprehensive income for the Year</b>		<b>(666.56)</b>	<b>(723.45)</b>
XI <b>Earnings per equity share ( Face Value of Rs 10/-each )</b>			
(1) Basic	13	(2.37)	(3.15)
(2) Diluted	13	(2.37)	(3.15)
<b>Significant Accounting Policies</b>	1		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For **Goyal Vikash & Associates**  
Chartered Accountants  
Firm Registration No. 328370E

*Vikash Goyal*

**Vikash Goyal**  
Partner

Membership No. : 067191  
UDIN 23067191B9SCNE8674



Place: Kolkata

Date: 10<sup>th</sup> May, 2023.

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

*Umesh Saraf*

**Umesh Saraf**  
Director  
DIN No. - 00017985

*Padam Khaitan*

**Padam Khaitan**  
Director  
DIN No. - 00019700

*Bimal K Jhunjhunwala*

**Bimal K Jhunjhunwala**  
Chief Financial Officer

*Saumen Chatterjee*

**Saumen Chatterjee**  
Company Secretary

Place: Kolkata

Date: 10<sup>th</sup> May, 2023

GJS HOTELS LIMITED  
CIN: U55101WB2002PLC160608

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Equity Share Capital	Other Equity			Total equity attributable to equity holders of the Company
		Reserves and Surplus		Other Comprehensive Income	
		Retained earnings	Securities premium		
<b>As at 01.4.2021</b>	2,300.22	(8,577.43)	36,904.51		30,627.30
Change in equity share capital due to prior-period errors	-	-	-	-	-
Change in equity for the year ended March 31, 2022	-	-	-	-	-
Effects of Scheme of Arrangement	-	-	-	-	-
Profit/(Loss) for the year	-	(723.45)	-	-	(723.45)
<b>As at 31.3.2022</b>	2,300.22	(9,300.88)	36,904.51		29,903.85
Change in equity share capital during the year	46,880.94	-	-	-	46,880.94
Change in equity for the period ended March 31, 2023	-	-	-	-	-
Effects of Scheme of Arrangement	-	-	-	-	-
Profit/(Loss) for the year	-	(666.56)	-	-	(666.56)
<b>As at 31.03.2023</b>	49,181.16	(9,967.44)	36,904.51		76,118.23

Significant Accounting Policies

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For Goyal Vikash & Associates  
Chartered Accountants  
Firm Registration No. 32837E



Vikash Goyal  
Partner

Membership No. : 067191

UPIN: 23067191B9SCNE8674

Place: Kolkata

Date: 10<sup>th</sup> May, 2023

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

Umesh Saraf  
Director  
DIN No. - 00017985

Padam Khaitan  
Director  
DIN No. - 00019700

Padam Khaitan  
Director  
DIN No. - 00019700

Bimal K Jhunjhunwala  
Chief Financial Officer

Saumen Chatterjee  
Company Secretary

Place: Kolkata

Date: 10<sup>th</sup> May, 2023



**GJS HOTELS LIMITED**

CIN: U55101WB2002PLC160608

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

Particulars	Rs in '000	
	Year ended 31.03.2023	Year ended 31.03.2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	(666.56)	(723.45)
Adjustments to reconcile profit before tax to net cash flows		
Interest income		
<b>Operating (loss) before working capital changes</b>	<b>(666.56)</b>	<b>(723.45)</b>
Increase/(Decrease) in Other financial liabilities	(37.36)	17.68
Increase/(Decrease) Other current liabilities	130.57	0.11
Decrease/(increase) in other assets		
<b>Cash used in operations</b>	<b>(573.35)</b>	<b>(705.66)</b>
Income Taxes paid		
<b>Net Cash used in Operating Activities</b>	<b>(573.35)</b>	<b>(705.66)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital Expenditure- Land Development Fees (including Capital Advance)	(2,603.98)	(569.95)
<b>Net Cash flow from Investing Activities</b>	<b>(2,603.98)</b>	<b>(569.95)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of new Equity shares	46,880.94	
Proceeds from short-term borrowings	(43,580.94)	1,192.86
<b>Net cash flow from/(used in) Financing Activities</b>	<b>3,300.00</b>	<b>1,192.86</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>122.67</b>	<b>(82.75)</b>
Cash and cash equivalents at the beginning of the year	39.48	122.23
Less: Transfer Out in the Scheme of Arrangement		
Cash and cash equivalents at the end of the year	162.15	39.48

**Significant Accounting Policies****Note:**

1. Cash and cash equivalents included in the Cash Flow Statement comprise of the following:-

-Cash on Hand	19.48	4.35
-Balances with Scheduled Banks in Current A/c	142.67	35.13
<b>Total</b>	<b>162.15</b>	<b>39.48</b>

2. Figures in bracket indicate cash outflow.

3. The above cash flow statement has been prepared under the indirect method set out in Ind AS 7 specified under section 133 of the Companies Act 2013.

4. Previous period figures have been regrouped and recasted wherever necessary to conform to the current year's classification.

*The accompanying notes form an integral part of the financial statements.**As per our report of even date attached.*

For Goyal Vikash &amp; Associates

Chartered Accountants

Firm Registration No. 328370E

Vikash Goyal

Partner

Membership No. : 067191

UDIN: 23067191BQSCNE8674

Place: Kolkata

Date: 10<sup>th</sup> May, 2023

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

Umesh Saraf

Director

DIN No. - 00017985

Padam Khaitan

Director

DIN No. - 00019700

Bimal K Jhunjhunwala

Chief Financial Officer

Saumen Chatterjee

Company Secretary

Place: Kolkata

Date: 10<sup>th</sup> May, 2023

GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 1. Company Overview and Significant Accounting Policies

### 1.1 Company overview

The Company is a wholly Owned subsidiary of Asian Hotels (East) Limited which is listed in Bombay Stock Exchange and National Stock Exchange. The Company possesses leasehold land in Bhubaneswar (Odisha) for setting up a hotel.

### 1.2. Basis of preparation of financial statement

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amended thereof.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 1.3 Functional & Presentation Currency

These financial statements are presented in Indian Rupees (INR in thousands) which is also the company's functional currency.

### 1.4 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 1.5 Significant accounting estimates

#### Property Plant & Equipment:

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

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.

#### Financial Instruments

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

#### Financials Asset

##### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

##### Subsequent measurement

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

- (i) Financial Asset at amortized cost
- (ii) Financial Asset At Fair Value through OCI (FVTOCI)
- (iii) Financial Asset at Fair value through P&L (FVTPL)

##### Financial Asset at amortized cost

A 'Financial Asset' is measured at the amortized cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss.

##### Financial Asset at Fair value through OCI

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI. Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

##### Financial Asset at fair value through profit or loss

FVTPL is a residual category for Financial Assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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



**GJS HOTELS LIMITED**

**CIN: U55101WB2002PLC160608**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**Equity Instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable if the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

The Company's investment in the equity shares of its subsidiaries is recognised at cost. The Company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries, associates and joint ventures as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries, associates and joint ventures are recognized at fair value.

**Derecognition of Financial asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

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

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

**Impairment of financial assets**

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance,
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17,
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables')
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

**Financial Liabilities**

**Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. For financial liabilities maturing within one year from the balance sheet date, the carrying amount approximate fair value due to the short maturity of these instruments.

**Subsequent Measurement**

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the profit or loss.

**Financial Liabilities at amortized cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**Cash and Cash Equivalents**

Cash and Cash Equivalent in 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.

**Provisions, Contingent liabilities**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is disclosed in case of;

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

**Revenue recognition**

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



**GJS HOTELS LIMITED**

CIN: U55101WB2002PLC160608

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**Interest Income**

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

**Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**Income Tax**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

**Earnings per share**

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of equity shares to the extent that they are entitled to participate in dividends relative to a fully paid equity shares during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

**Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing cost. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Since the Land at Bhubaneswar, Odisha was acquired by Company on lease for a period of 99 Years, We have applied IND AS 116 & amortized the cost of Land over the period of lease term. The Amortisation expenses have been included as part of Capital Work in progress as the land is still under development & business operations of the Company has not yet commenced

**Fair Value Measurement**

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



**GJS HOTELS LIMITED**  
**CIN: U55101WB2002PLC160608**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**2. PROPERTY, PLANT & EQUIPMENT**

Particulars	Rs in '000		
	Leasehold Land	Property & Plant	Others
<b>Gross Block (at cost)</b>			
As at 01.04.2021	68,539.35	-	-
Additions	-	-	-
Disposals	-	-	-
As at 31.03.2022	68,539.35	-	-
Additions	-	-	-
Disposals	-	-	-
As at 31.03.2023	<b>68,539.35</b>	-	-
<b>Amortisation/Depreciation</b>			
As at 01.04.2021	16,495.79	-	-
Charge for the year	788.54	-	-
As at 31.03.2022	17,284.33	-	-
Charge for the year	788.54	-	-
As at 31.03.2023	<b>18,072.87</b>	-	-
<b>Net Block</b>			
As at 31.03.2022	51,255.02	-	-
As at 31.03.2023	<b>50,466.48</b>	-	-

**NOTE:** All the title deeds of the immovable properties are held in the name of the Company.

**3. CAPITAL WORK IN PROGRESS**

Particulars	Rs in '000		
	As at March 31, 2023	Additions	As at March 31, 2022
<b>Pre-operative expenses</b>			
Rates & taxes	1,202.10	387.83	814.27
Travelling expense	583.64	61.52	522.12
Legal & professional charges	3,596.73	1,715.00	1,881.73
Electricity Expenses	75.28	-	75.28
Watch & Ward Expenses	1,856.47	439.63	1,416.84
Miscellaneous expenses	240.81	-	240.81
Amortisation of Land	18,072.87	788.54	17,284.33
	<b>25,627.90</b>	<b>3,392.52</b>	<b>22,235.38</b>

**Additional disclosures as per Schedule - III requirement:**

Amount lying in Capital Works-in-Progress for a period of	As at March 31, 2023		As at March 31, 2022	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 Year	3,392.52	-	1,358.49	-
1-2 Years	1,358.49	-	1,403.93	-
2-3 Years	1,403.93	-	2,116.04	-
More than 3 Years	19,472.96	-	17,356.92	-
<b>Total</b>	<b>25,627.90</b>	<b>-</b>	<b>22,235.38</b>	<b>-</b>

**NOTE:** There are no projects as on each reporting period where activity had been suspended. Also there are no projects as on the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

**4. OTHER FINANCIAL ASSETS**

Particulars	Rs in '000	
	As at 31.03.2023	As at 31.03.2022
<b>Non-current</b>		
Unsecured, Considered Good		
Security deposits	32.69	32.69
	<b>32.69</b>	<b>32.69</b>

**5. CASH & CASH EQUIVALENTS**

Particulars	Rs in '000	
	As at 31.03.2023	As at 31.03.2022
<b>Current</b>		
Balances with banks in current account	142.67	35.13
Cash on hand	19.48	4.35
	<b>162.15</b>	<b>39.48</b>

**6. SHARE CAPITAL**

Particulars	Rs in '000	
	As at 31.03.2023	As at 31.03.2022
<b>Authorised Shares</b>		
1,40,00,000 ( Previous Year 1,40,00,000 ) Equity Shares of Rs 10/- each	1,40,000.00	1,40,000.00
<b>Issued, subscribed &amp; paid up</b>		
49,18,116 ( Previous Year 2,30,022 ) Equity Shares of Rs 10/- each (Refer Note no. 24)	49,181.16	2,300.22
<b>Total</b>	<b>49,181.16</b>	<b>2,300.22</b>

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

Equity Shares	Rs in '000	
	As at 31.03.2023	As at 31.03.2022
At the beginning of the year	2,30,022	2,30,022
Changes during the Year (by way of conversion of Loan into Equity)	46,88,094	-
At the end of the year	<b>49,18,116</b>	<b>2,30,022</b>



**GJS HOTELS LIMITED**  
**CIN: U55101WB2002PLC160608**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**Terms/rights attached to Equity Shares**

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

There are Six ( 6 ) nominees Shareholders holding 10 shares each, as nominated by Asian Hotels ( East ) Ltd

**Shares held by Holding/ultimate Holding Company and/or their subsidiaries/associates**

Out of equity shares issued by the Company, shares held by its Holding Company is as below:

	As at 31.03.2023		As at 31.03.2022	
	No. of shares	Amount (Rs)	No. of shares	Amount (Rs)
Asian Hotels (East) Limited, the Holding Company and its Nominees				
49,18,116 ( Previous Year 2,30,022 ) Equity Shares of Rs 10/- each	49,18,116	49,181.15	2,30,022	2,300.22

**Details of Promoter's shareholding in the Company**

**Promoter's Name**

Promoter's Name	As at 31.03.2023		
	% of Holding	No. of Shares	% change during the year
Asian Hotels (East) Limited	100%	49,18,116	2038%

**Promoter's Name**

Promoter's Name	As at 31.03.2022		
	% of Holding	No. of Shares	% change during the year
Asian Hotels (East) Limited	100%	2,30,022	-

**Details of shareholders Holding more than 5% shares in the Company Equity shares**

Asian Hotels (East) Limited and its Nominees	% of Holding	As at 31.03.2023	As at 31.03.2022
		No. of Shares	No. of Shares
	100%	49,18,116	2,30,022

**7. OTHER EQUITY**

Particulars	Rs in '000	
	As at 31.03.2023	As at 31.03.2022
Securities premium	36,904.51	36,904.51
Retained earnings	(9,667.41)	(9,300.88)
	<b>26,937.07</b>	<b>27,603.63</b>

**8. BORROWINGS**

Particulars	Rs in '000	
	As at 31.03.2023	As at 31.03.2022
Current		
Unsecured, repayable on demand		43,580.94
Loan from related party (holding company, interest free)		43,580.94

**9. OTHER FINANCIAL LIABILITIES**

Particulars	Rs in '000	
	As at 31.03.2023	As at 31.03.2022
Current		
Expenses payable	38.29	75.65
	<b>38.29</b>	<b>75.65</b>

**10. OTHER CURRENT LIABILITIES**

Particulars	Rs in '000	
	As at 31.03.2023	As at 31.03.2022
Current		
Statutory Dues	132.70	2.13
	<b>132.70</b>	<b>2.13</b>

**11. EMPLOYEE BENEFIT EXPENSES**

Particulars	Rs in '000	
	Year Ended 31st March 2023	Year Ended 31st March 2022
Salaries and wages	611.60	671.08
	<b>611.60</b>	<b>671.08</b>

**12. OTHER EXPENSES**

Particulars	Rs in '000	
	Year Ended 31st March 2023	Year Ended 31st March 2022
Payment to auditor		
Audit Fees	10.00	10.00
Taxes on Audit Fees	1.80	1.80
Certification fees	12.00	12.00
Conveyance	-	0.63
Rates and taxes	2.72	2.50
Legal & professional expenses	7.40	6.80
Lease rent	2.86	2.10
Filing fees	3.00	2.40
Annual Custody Fees	5.90	5.90
Postage & Telegram	0.30	0.17
Telephone expenses	6.68	7.14
Bank Charges	0.68	0.89
Interest on Late Payment of Professional Tax	-	0.01
Interest on TDS	0.13	0.04
Miscellaneous expenses	1.49	(0.01)
	<b>54.96</b>	<b>52.37</b>



13. EARNINGS PER SHARE

Particulars	Rs in '000	
	Year Ended 31st March 2023	Year Ended 31st March 2022
(i) (Loss) / Profit available for Equity Shareholders	(666.56)	(723.46)
(ii) Weighted average number of Equity Shares @ Rs 10 each	281.40	230.02
(iii) Basic Earnings per share (R)	(2.37)	(3.15)
(iv) Diluted Earnings per share (R)	(2.37)	(3.15)
(v) Face Value per share	10.00	10.00

14. Related Party Disclosures

In accordance with the Accounting Standard on "Related Party Disclosures" (Ind AS-24), the disclosures in respect of Related Parties and transactions with them, as identified and certified by the management, are as follows: -

(i) List of Related Parties

(a) Holding Company:  
Asian Hotels (East) Limited

(b) Entities over which directors or their relatives can exercise significant influence/control:

(i) Juniper Hotels Private Limited	(xiv) Sara International Limited, Hong Kong
(ii) Unison Hotels Private Limited	(xv) Nepal Travel Agency Pvt. Ltd., Nepal
(iii) Chartered Hotels Pvt. Ltd.	(xvi) Yak & Yeti Hotels Limited, Nepal
(iv) Footsteps of Buddha Hotels Private Limited	(xvii) Taragon Regency Hotels Limited, Nepal
(v) Chartered Hampi Hotels Pvt. Ltd.	(xviii) Saraf Industries Limited, Mauritius
(vi) Blue Energy Private Limited	(xix) Saraf Hotels Limited, Mauritius
(vii) Juniper Investments Limited	(xx) Saraf Investments Limited, Mauritius
(viii) Vedic Hotels Limited	
(ix) Ratnalaya Niwas Limited	
(x) Himalayan Pinnacle Private Limited	
(xi) Samra Importex Private Limited	
(xii) Triumph Realty Pvt. Ltd.	
(xiii) Sara Hospitality Limited, Hong Kong	

(ii) Details of transactions with related parties during the year:

Transactions	Rs in '000	
	31st March 2023	31st March 2022
Investment made by Holding Company i.e Asian Hotels ( East ) Ltd in Share Capital & Securities Premium		
Opening balance	39,204.73	39,204.73
During the year	46,880.94	-
Closing balance	86,085.67	39,204.73
Advances taken from Holding Company		
Opening balance	43,580.94	42,388.08
Taken/(repaid) during the year	3,306.00	1,192.86
Converted/Invested into Equity during the year	(46,880.94)	-
Closing balance	-	43,580.94

15. The loans outstanding to Holding Company carries no interest and repayable on demand as at 31st March 2023:

Holding Company	Maximum amount outstanding during the year	
	31st March 2023	31st March 2022
Asian Hotels (East) Limited	46,880.94	43,580.94
Outstanding as on		
Holding Company	31st March 2023	31st March 2022
Asian Hotels (East) Limited	-	43,580.94

16. FINANCIAL INSTRUMENTS

Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on March 31, 2023 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Rs in '000	
				Total Carrying Value	Total Fair Value
<b>Assets:</b>					
Cash & cash equivalents	162.15	-	-	162.15	162.15
Other financial assets	32.69	-	-	32.69	32.69
<b>Total</b>	<b>194.84</b>	<b>-</b>	<b>-</b>	<b>194.84</b>	<b>194.84</b>
<b>Liabilities:</b>					
Borrowings	-	-	-	-	-
Other financial liabilities	38.29	-	-	38.29	38.29
<b>Total</b>	<b>38.29</b>	<b>-</b>	<b>-</b>	<b>38.29</b>	<b>38.29</b>

The carrying value and fair value of financial instruments by categories as on March 31, 2022 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Rs in '000	
				Total Carrying Value	Total Fair Value
<b>Assets:</b>					
Cash & cash equivalents	39.48	-	-	39.48	39.48
Other financial assets	32.69	-	-	32.69	32.69
<b>Total</b>	<b>72.17</b>	<b>-</b>	<b>-</b>	<b>72.17</b>	<b>72.17</b>
<b>Liabilities:</b>					
Borrowings	43,580.94	-	-	43,580.94	43,580.94
Other financial liabilities	75.66	-	-	75.66	75.66
<b>Total</b>	<b>43,656.59</b>	<b>-</b>	<b>-</b>	<b>43,656.59</b>	<b>43,656.59</b>



**GJS HOTELS LIMITED**  
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**Fair value hierarchy**

This section explains the estimates and judgements made in determining the fair values of financial instruments that are measured at fair value and amortised cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of the inputs used in determining the fair values, the company has classified its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table:

Level 1: Includes financial instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2: Includes financial instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

Level 3: Includes those instruments for which one or more significant input are not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2023:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Cash & cash equivalents				
Other financial assets	162.15	-	-	162.15
<b>Total</b>	<b>32.69</b>			<b>32.69</b>
<b>Liabilities:</b>				
Borrowings				
Other financial liabilities	38.29	-	-	38.29
<b>Total</b>	<b>38.29</b>			<b>38.29</b>

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2022:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Cash & cash equivalents				
Other financial assets	39.48	-	-	39.48
<b>Total</b>	<b>32.69</b>			<b>32.69</b>
<b>Liabilities:</b>				
Borrowings				
Other financial liabilities	43,580.94	-	-	43,580.94
<b>Total</b>	<b>75.65</b>			<b>75.65</b>
	<b>43,656.59</b>			<b>43,656.59</b>

The carrying amount of other financial assets, borrowings and expenses payable are considered to be the same as their fair value due to their short term nature and are close approximation of fair value.

**17. FINANCIAL RISK MANAGEMENT**

**Financial risk factors**

The Company's activities expose it to liquidity risk and credit risk.

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities.

The Company maintains sufficient cash and cash equivalent to manage its operating requirements. The Company has the financial support and coll for additional loan from Asian Hotels (East) Limited, the holding company, to settle to its financial liabilities when they fall due for repayment.

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2023:

Particulars	Rs in '000			
	Less than 6 months	6 months to 1 year	1 - 5 years	Total
<b>Borrowings</b>				
Other financial liabilities	38.29			38.29

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2022:

Particulars	Rs in '000			
	Less than 6 months	6 months to 1 year	1 - 5 years	Total
<b>Borrowings</b>				
Other financial liabilities	75.65		43,580.94	43,580.94
				75.65

**Credit Risk**

Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, cash and cash equivalents and other financial assets.

The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

The maximum exposure of financial asset to credit risk are as follows:

Particulars	Rs in '000	
	31st March 2023	31st March 2022
Other financial assets	32.69	32.69
Cash & cash equivalents	162.15	39.48

**18. CAPITAL MANAGEMENT**

For the purpose of managing capital, Capital includes issued equity share capital and reserve; attributable to the equity holders.

The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximise the wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans and borrowings, less cash and cash equivalents.

Gearing Ratio is as follows:

Particulars	Rs in '000	
	31st March 2023	31st March 2022
Net debt		43,580.94
Total net debt and equity	76,118.23	73,484.79
Gearing Ratio		59.31%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.





### 19. Ratio Analysis and its elements

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.95	0.51	86.82%	Increase in Current assets by almost four times.
Debt-equity ratio	Total Debt	Shareholder's Equity	-	-	-	No Debt
Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	-	-	-	No Debt
Return on equity ratio	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	-1.257%	-4.839%	74.01%	Decrease in Net Loss in the current period, due to decreased expenses.
Inventory turnover ratio	N/A	N/A	-	-	-	-
Trade receivables turnover ratio	Net Credit Sales (Net credit sales consist of gross credit sales minus sales return)	Average Trade Receivables (Trade receivables includes sundry debtors and bill's receivables)	-	-	-	-
Trade payables turnover ratio	Net Credit Purchases (Net credit purchases consist of gross credit purchases minus purchase return)	Average Trade Payables	-	-	-	-
Net capital turnover ratio	Net Sales-Net sales shall be calculated as total sales minus sales returns.	Working Capital = Working capital shall be calculated as current assets minus current liabilities.	-	-	-	-
Net profit ratio	Net profit shall be after tax	Net Sales	-	-	-	-
Return on capital employed	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-0.88%	-2.42%	63.80%	EBIT and Capital employed increased in the current period.
Return on investment	Net Income on Investment	Cost of Investment	-	-	-	-

\* Average = (Opening + Closing balance) / 2

#### Notes:

- 1) The ratios have improved in the current year vis-à-vis last year mainly on account of relaxation in lockdown and lifting of restrictions by the Govt. of India for hospitality sector.
- 2) As the Company is engaged in hospitality sector (Service industry), Inventory turnover ratio and Return on Investment ratio are not applicable to the Company.

#### Definitions

**Current liabilities** - Current liabilities are a Company's short-term financial obligations that are due within one year or within a normal operating cycle.

**Current assets** - Current assets represent all the assets of a company that are expected to be conveniently sold, consumed, used, or exhausted through standard business operations with one year.

**Capital employed** - Capital employed, also known as funds employed, is the total amount of capital used for the acquisition of profits by the Company.

**Shareholder's equity** - Shareholder's equity, also referred to as stockholders' equity, is the shareholder's residual claim on assets after debts have been paid. Shareholder equity is equal to a Company's total assets minus its total liabilities.

**Total Debt** - Debt represents monies borrowed by the Group.

**EBIT** - EBIT stands for Earnings Before Interest and Taxes and is one of the last subtotals in the income statement before net income.

**Equity** - Equity, typically referred to as shareholders' equity (or owners' equity for privately held companies), represents the amount of money that would be returned to a company's shareholders if all of the assets were liquidated and all of the company's debt was paid off in the case of liquidation.

**COGS** - Cost of goods sold (COGS) refers to the direct costs of producing the goods sold by a company. COGS majorly includes the cost of the materials and labor directly used to create the good.



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20. There is no Contingent liabilities as on 31st March 2023 (Previous Year - Nil).
21. The Estimated amount of Capital Contracts pending to be executed is Nil as on 31st March 2023 (Previous Year - Rs Nil).  
Other commitments- Nil (Previous year - NIL)
22. No amount is due to Micro, Small and Medium enterprises (identified on the basis of information made available during the year by such enterprises to the Company). No interest in terms of Micro, Small and Medium Enterprises Development Act, 2006 has been either paid or accrued during the year.
23. Pursuant to the directions of the Government of Odisha, the company through its holding Company, Asian Hotels (East) Limited, Kolkata has submitted performance bank guarantee of Rs 3.50 Crores in compliance of its conditions for setting up of a Hotel in Bhubaneswar, Odisha.
24. The Company has converted loan amount of Rs 4,68,80,940/- due to its holding company, i.e. Asian Hotels (East) Limited into equity shares and issued 46,88,094 equity shares of Rs 10/- each to its said holding company on 28th March, 2023.
25. The Company is not liable for Provident Fund and/or any other retirement benefit for its employees under the relevant applicable Laws, Rules & Regulations.
26. **Details of Benami Property held**  
The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company during the period ending 31st March, 2023 and also for the period ending 31st March, 2022 for holding any Benami property.
27. **Relationship with Struck off Companies**  
The Company do not have any transactions with company's struck off during the year ended 31st March, 2023 and also for the year ended 31st March, 2022.
28. The Company does not have more than one reportable segment in accordance with the principle outlined in Ind AS 108, "Operating Segment", the disclosure requirements on Operating Segment is not applicable. The Company operates presently only in India. Thus there is no geographical segment apart from India.
29. Derivative instruments and foreign currency exposures.
- a) Foreign currency exposure outstanding as at the balance sheet date is Nil (previous year Nil)  
b) Particulars of un-hedged foreign currency exposures as at the balance sheet date is Nil (previous year Nil).
30. The previous year figures have been regrouped/reclassified, wherever considered necessary to confirm the current year classification.

As per our report of even date attached

For Goyal Vikash & Associates  
Chartered Accountants  
Firm Registration No. 32837CE

*Vikash Goyal*  
Vikash Goyal  
Partner  
Membership No. : 067191  
UDIN 23067191BGS2NE8674



Place: Kolkata  
Date: 10<sup>th</sup> May, 2023

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

*Umesh Saraf*  
Umesh Saraf  
Director  
DIN No. - 00017985

*Bimal K. Jhunjhunwala*  
Bimal K. Jhunjhunwala  
Chief Financial Officer

*Padam Khaitan*  
Padam Khaitan  
Director  
DIN No. - 00019700

*Saumen Chatterjee*  
Saumen Chatterjee  
Company Secretary

Place: Kolkata  
Date: 10<sup>th</sup> May, 2023