

INDEPENDENT AUDITOR'S REPORT

To the Members of GJS Hotels Limited

Report on the Audit of Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **GJS Hotels Limited** ("**the Company**"), which comprises the Balance Sheet as at March 31, 2021, 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, and the notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements")

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 Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and the loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 Ind AS financial statements under the provisions of the Act, and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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 *Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information*, 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 Ind AS Financial Statements

The Company's Management and Board of Directors are 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, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India, prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of Ind AS Financial Statement

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.



A further description of the auditor's responsibilities for the audit of the Ind AS 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, 2016 ("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. 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 (including other comprehensive Income), Statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian 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, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 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 Control over financial reporting 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.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position;



ii) The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses as at March, 31, 2021.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For G. SANYAL & CO.
Chartered Accountants
FRN. 301143E

C. Sanyal

(C. Sanyal)
Partner
M. No.054022
UDIN: 21054022AAAABO5167

Place: Kolkata

Dated: 24.05.2021



Annexure A

Responsibilities for Audit of Ind AS Financial Statement

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Financial Statements 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 the 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

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

For **G. SANYAL & CO.**
Chartered Accountants
FRN. 301143E

C. Sanyal

(C. Sanyal)
Partner
M. No.054022
UDIN: 21054022AAAABO5167

Place: Kolkata

Dated: 24.05.2021



Annexure B to the Auditors' Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our Report to the members of the GJS Hotels Limited on the Ind AS financial statements for the year ended 31 March 2021, we report that:

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The company has verified its tangible fixed assets during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations give to us the title deeds of immovable properties are held in the name of the Company.
- ii. The Company is a service company and it does not hold any physical inventories. Thus, paragraph 3(ii) of the order is not applicable to the company.
- iii. According to information and explanation given to us the Company has not granted any secured/unsecured loans to companies, firms, LLP's or other parties covered in the register maintained under Section 189 of the Act, during the financial year. Thus, paragraph 3(iii) of the order is not applicable to the company.
- iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the investments made.
- v. The Company has not accepted any deposits from the public. Thus, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
- vii. a) According to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Income Tax, Goods & Service Tax and any other statutory dues as applicable with the appropriate authorities. There are no undisputed amount outstanding in respect of the above mentioned statutory dues as at 31st March 2021, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax etc. which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institutions, bank or government nor has it issued any debentures. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.



- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year. Hence the provisions of Section 197 of the Act are not applicable to the Company and the related reporting requirement of the Order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act; details of such transaction have been disclosed in the Ind AS financial statements as required by the applicable Indian accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **G. SANYAL & CO.**
Chartered Accountants
FRN. 301143E

C. Sanyal

(C. Sanyal)
Partner

M. No.054022
UDIN: 21054022AAAABO5167

Place: Kolkata

Dated: 24.05.2021



Annexure C to the Auditors' Report

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 of **GJS Hotels Limited** ('the Company') as of 31 March 2021 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 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 ('the Guidance Note') 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 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 2021, 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 **G. SANYAL & CO.**
Chartered Accountants
FRN. 301143E

C. Sanyal

(C. Sanyal)

Partner

M. No.054022

UDIN: 21054022AAAABO5167



Place: Kolkata

Dated: 24.05.2021

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608
BALANCE SHEET AT MARCH 31, 2021

	Note	As at 31.03.2021	As at 31.03.2020
<i>Amount in Rs</i>			
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	2	52,043,556	52,832,096
(b) Capital work in progress	3	20,876,889	19,472,955
(c) Financial assets			
Other financial assets	4	32,692	32,692
(d) Deferred tax assets			
Total Non Current Assets		72,953,137	72,337,743
(2) Current assets			
Financial assets			
Cash and cash equivalents	5	122,228	292,209
Total Current Assets		122,228	292,209
Total assets		73,075,365	72,629,952
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	6	2,300,220	2,300,220
(b) Other equity	7	28,327,076	29,355,699
		30,627,296	31,655,919
LIABILITIES			
(1) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	8	42,388,080	40,710,830
(ii) Other financial liabilities	9	57,969	212,100
(b) Other current liabilities	10	2,020	51,103
Total Current Liabilities		42,448,069	40,974,033
Total Equity & Liabilities		73,075,365	72,629,952
Significant Accounting Policies	1		

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

As per our report of even date attached

For **G. Sanyal & Co.**
Chartered Accountants
Firm Registration. No. 301143E

C. Sanyal

C.Sanyal
Partner
Membership No. : 054022
UDIN

Place: Kolkata
Date: 24th May, 2021



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 Jhunjunwala
Bimal K Jhunjunwala
Chief Financial Officer

Saumen Chatterjee
Saumen Chatterjee
Company Secretary

Place: Kolkata
Date: 24th May, 2021

GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

		Amount in Rs	
	Note	Year ended 31.03.2021	Year ended 31.03.2020
Revenue			
I	Revenue from operations	-	-
II	Other Income	-	-
	Total income (A)	-	-
Expenses			
III	Employee benefits expenses	926,494	908,935
IV	Other expenses	102,129	112,611
	Total Expenses (B)	1,028,623	1,021,546
V	(Loss)/Profit before exceptional items and tax (A-B)	(1,028,623)	(1,021,546)
VI	Exceptional items	-	-
	(Loss)/Profit before tax	(1,028,623)	(1,021,546)
VII	Tax Expense :		
	(1) Current tax	-	-
	(2) Deferred tax	-	-
VIII	(Loss)/Profit for the year	(1,028,623)	(1,021,546)
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	Total comprehensive income for the Year	(1,028,623)	(1,021,546)
XI	Earnings per equity share (Face Value of Rs 10/-each)		
	(1) Basic	(4.47)	(4.44)
	(2) Diluted	(4.47)	(4.44)
	Significant Accounting Policies	1	

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

As per our report of even date

For G. Sanyal & Co.

Chartered Accountants

Firm Registration. No. 301143E

C. Sanyal

C.Sanyal

Partner

Membership No. : 054022

UDIN

Place: Kolkata

Date: 24th May, 2021



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: 24th May, 2021

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Equity Share Capital	Other Equity			Other Comprehensive Income	Total equity attributable to equity holders of the Company
		Reserves and Surplus		Securities premium		
		Retained earnings				
As at 01.4.2019	109,610,000	(739,861,949)	2,236,755,000	-	1,606,503,051	
Change in equity for the year ended March 31, 2020						
Effects of Scheme of Arrangement	(107,309,780)	733,334,684	(2,199,850,490)	-	(1,573,825,586)	
Profit for the year	-	(1,021,546)	-	-	-1,021,546	
As at 31.3.2020	2,300,220	(7,548,811)	36,904,510	-	31,655,919	
Change in equity for the year ended March 31, 2021						
Effects of Scheme of Arrangement	-	-	-	-	-	
Profit for the year	-	(1,028,623)	-	-	(1,028,623)	
As at 31.3.2021	2,300,220	(8,577,434)	36,904,510	-	30,627,296	

Significant Accounting Policies

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

As per our report of even date attached

For G. Sanyal & Co.
Chartered Accountants
Firm Registration. No. 301143E

C. Sanyal

C.Sanyal
Partner
Membership No. : 054022

Place: Kolkata
Date: 24th May, 2021



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

Umesh Saraf
Director
DIN No. - 00017985

Bimal K. Jhunjhunwala
Chief Financial Officer

Padam Khaitan
Director
DIN No. - 00019700

Saumen Chatterjee
Company Secretary

GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Amount in Rs	
	Year ended 31.03.2021	Year ended 31.03.2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(1,028,623)	(1,021,546)
Adjustments to reconcile profit before tax to net cash flows		
Interest income	-	-
Operating (loss) before working capital changes	(1,028,623)	(1,021,546)
Increase/(Decrease) in Other financial liabilities	(154,131)	159,710
Increase/(Decrease) Other current liabilities	(49,083)	51,103
Cash used in operations	(1,231,837)	(810,733)
Income Taxes paid	-	-
Net Cash used in Operating Activities	(1,231,837)	(810,733)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditure- Land Development Fees (including Capital Advance)	(615,394)	(1,327,499)
Net Cash flow from Investing Activities	(615,394)	(1,327,499)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	1,677,250	2,430,441
Net cash flow from/(used in) Financing Activities	1,677,250	2,430,441
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(169,981)	292,209
Cash and cash equivalents at the beginning of the year	292,209	163,440
Less: Transfer Out in the Scheme of Arrangement	-	-163,440
Cash and cash equivalents at the end of the year	122,228	292,209

Significant Accounting Policies

Note:

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

-Cash on Hand	18,817	7,334
-Balances with Scheduled Banks in Current A/c	103,411	284,875
Total	122,228	292,209

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 **G. Sanyal & Co.**
Chartered Accountants
Firm Registration. No. 301143E

C. Sanyal

C.Sanyal
Partner
Membership No. : 054022

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

Umesh Saraf

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Director
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Padam Khaitan

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Bimal K Jhunjhunwala
Chief Financial Officer

Saumen Chatterjee

Saumen Chatterjee
Company Secretary

Place: Kolkata

Date: 24th May, 2021

Place: Kolkata

Date: 24th May, 2021

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 possess 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) 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').



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2. PROPERTY, PLANT & EQUIPMENT				Amount in Rs
Particulars	Leasehold Land	Property & Plant	Others	
Gross Block (at cost)				
As at 01.04.2019	68,539,349	-	-	
Additions	-	-	-	
Disposals	-	-	-	
As at 31.03.2020	68,539,349	-	-	
Additions	-	-	-	
Disposals	-	-	-	
As at 31.03.2021	68,539,349	-	-	
Amortisation/Depreciation				
As at 01.04.2019	14,918,713	-	-	
Charge for the year	788,540	-	-	
As at 31.03.2020	15,707,253	-	-	
Charge for the year	788,540	-	-	
As at 31.03.2021	16,495,793	-	-	
Net Block				
As at 31.03.2020	52,832,096	-	-	
As at 31.03.2021	52,043,556	-	-	

3. CAPITAL WORK IN PROGRESS				Amount in Rs
Particulars	As at Mar 31, 2021	Additions	As at March 31, 2020	
Pre-operative expenses				
Rates & taxes	735,132	72,539	662,593	
Travelling expense	470,937	133,859	337,078	
Legal & professional charges	1,881,731	-	1,881,731	
Electricity Expenses	75,280	-	75,280	
Watch & Ward Expenses	977,206	402,996	574,210	
Miscellaneous expenses	240,810	6,000	234,810	
Amortisation of Land	16,495,793	788,540	15,707,253	
	20,876,889	1,403,934	19,472,955	

4. OTHER FINANCIAL ASSETS			
Particulars	As at 31.03.2021	As at 31.03.2020	
Non-current			
Unsecured, Considered Good			
Security deposits	32,692	32,692	
	32,692	32,692	

5. CASH & CASH EQUIVALENTS			
Particulars	As at 31.03.2021	As at 31.03.2020	
Current			
Balances with banks in current account	103,411	284,875	
Cash on hand	18,817	7,334	
	122,228	292,209	

6. SHARE CAPITAL			
Particulars	As at 31.03.2021	As at 31.03.2020	
Authorised Shares			
14,000,000 (Previous Year 14,000,000) Equity Shares of R10/- each	140,000,000	140,000,000	
Issued, subscribed & paid up			
2,30,022 (Previous Year 2,30,022) Equity Shares of R10/- each	2,300,220	2,300,220	
Total	2,300,220	2,300,220	

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year			
Equity Shares	As at 31.03.2021	As at 31.03.2020	
At the beginning of the year	230,022	230,022	
Changes during the Year	-	-	
At the end of the year	230,022	230,022	

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



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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 31.03.2021		As at 31.03.2020	
	No. of shares	Amount	No. of shares	Amount
Asian Hotels (East) Limited, the Holding Company and its Nominees				
2,30,022 (Previous Year 2,30,022) Equity Shares of R10/- each	230,022	2,300,220	230,022	2,300,220

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

	% of Holding	As at 31.03.2021	As at 31.03.2020
		No. of Shares	No. of Shares
Asian Hotels (East) Limited and its Nominees	100%	230,022	230,022

7. OTHER EQUITY

Particulars	As at 31.03.2021	As at 31.03.2020
Securities premium	36,904,510	36,904,510
Retained earnings	(8,577,434)	(7,548,811)
	28,327,076	29,355,699

8. BORROWINGS

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Unsecured, repayable on demand		
Loan from related party (holding company, interest free)	42,388,080	40,710,830
	42,388,080	40,710,830

9. OTHER FINANCIAL LIABILITIES

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Expenses payable	57,969	212,100
	57,969	212,100

10. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Statutory Dues	2,020	51,103
	2,020	51,103

11. EMPLOYEE BENEFIT EXPENSES

Particulars	Amount in Rs	
	Year Ended 31st March 2021	Year Ended 31st March 2020
Salaries and wages	926,494	901,166
Staff welfare expenses	-	7,769
	926,494	908,935

12. OTHER EXPENSES

Particulars	Amount in Rs	
	Year Ended 31st March 2021	Year Ended 31st March 2020
Payment to auditor		
Audit Fees	10,000	10,000
Taxes on Audit Fees	1,800	1,800
Certification fees	11,800	21,800
Conveyance	454	4,827
Rates and taxes	2,500	2,500
Legal & professional expenses	8,200	43,426
Lease rent	2,100	2,100
Filing fees	2,450	8,400
Annual Custody Fees	54,575	-
Postage & Telegram	83	-
Printing & stationery	-	4,460
Telephone expenses	6,597	9,879
Bank Charges	685	-
Miscellaneous expenses	885	3,419
	102,129	112,611

13. EARNINGS PER SHARE

Particulars	Amount in Rs	
	Year Ended 31st March 2021	Year Ended 31st March 2020
(i) (Loss) / Profit available for Equity Shareholders	(1,028,623)	(1,021,546)
(ii) Weighted average number of Equity Shares @ Rs 10 each	230,022	230,022
(iii) Basic Earnings per share (R)	(4.47)	(4.44)
(iv) Diluted Earnings per share (R)	(4.47)	(4.44)
(v) Face Value per share	10.00	10.00



14. 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: -

Related Party Disclosures

(i) List of Related Parties

- | | |
|--|--|
| <p>(a) Holding Company :</p> <p>Asian Hotels (East) Limited</p> | <p>(b) Fellow Subsidiary Company :</p> <p>Robust Hotels Private Limited
Regency Convention Centre and Hotels Limited</p> |
| <p>(c) Entities over which directors or their relatives can exercise significant influence/control :</p> | |
| <p>(i) Samra Importex Private Limited
(ii) Unison Hotels Private Limited
(iii) Vedic Hotels Limited
(iv) Unison Power Limited
(v) Unison Hotels South Private Limited
(vi) Juniper Hotels Private Limited
(vii) Juniper Investments Limited
(viii) Chartered Hotels Pvt. Ltd.
(ix) Blue Energy Private Limited
(x) Footsteps of Buddha Hotels Private Limited
(xi) Chartered Hampi Hotels Pvt. Ltd.
(xii) Sara Hospitality Limited, Hong Kong
(xiii) Sara International Limited, Hong Kong</p> | <p>(xiv) Triumph Realty Pvt. Ltd.
(xv) Nepal Travel Agency Pvt. Ltd., Nepal
(xvi) Yak & Yeti Hotels Limited, Nepal
(xvii) Taragaon Regency Hotels Limited, Nepal
(xix) Saraf Industries Limited, Mauritius
(xx) Saraf Hotels Limited, Mauritius
(xxi) Saraf Investments Limited, Mauritius</p> |

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

Transactions	31st March 2021	31st March 2020
<i>Amount in Rs</i>		
Investment made by Holding Company i.e Asian Hotels (East) Ltd in Share Capital & Securities Premium		
Opening balance	39,204,730	2,346,365,000
During the year	-	(2,307,160,270)
Closing balance	39,204,730	39,204,730

(As per Clause 11.3 of Scheme of Arrangement , 1,07,30,978 nos of Equity Shares held by Holding Company i.e Asian Hotels (East) Ltd of Rs 230,71,60,270 have been cancelled

Advances taken from Holding Company

Opening balance	40,710,830	3,230,344,250
Reversal (Due to Scheme of Arrangement)	-	-3,192,063,861
Taken/(repaid) during the year	1,677,250	2,430,441
Closing balance	42,388,080	40,710,830

(As per Clause 11.2 of Scheme of Arrangement , all the Asset & Liabilities of Investment undertaking of Company have been transferred to Asian Hotels (East) Ltd & opening balance of advances of Rs 3,19,20,63,861 pertaining to Investment division has been adjusted in Scheme of Arrangement.

15. The loans outstanding to Holding Company carries no interest and repayable on demand as at 31st March 2021 :

Holding Company	Maximum amount outstanding during the year	
	31st March 2021	31st March 2020
Asian Hotels (East) Limited	42,388,080	3,230,344,250
	Outstanding as on	
Holding Company	31st March 2021	31st March 2020
Asian Hotels (East) Limited	42,388,080	40,710,830



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16. FINANCIAL INSTRUMENTS

Financial instruments by category

The carrying value and fair value of financial instruments by categories as on March 31, 2021 are as follows:

Particulars	Amount in Rs				
	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
Assets:					
Cash & cash equivalents	122,228	-	-	122,228	122,228
Other financial assets	32,692	-	-	32,692	32,692
Total	154,920	-	-	154,920	154,920
Liabilities:					
Borrowings	42,388,080	-	-	42,388,080	42,388,080
Other financial liabilities	57,969	-	-	57,969	57,969
Total	42,446,049	-	-	42,446,049	42,446,049

The carrying value and fair value of financial instruments by categories as on March 31, 2020 are as follows:

Particulars	Amount in Rs				
	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
Assets:					
Cash & cash equivalents	292,209	-	-	292,209	292,209
Other financial assets	32,692	-	-	32,692	32,692
Total	324,901	-	-	324,901	324,901
Liabilities:					
Borrowings	40,710,830	-	-	40,710,830	40,710,830
Other financial liabilities	212,100	-	-	212,100	212,100
Total	40,922,930	-	-	40,922,930	40,922,930

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, 2021:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Cash & cash equivalents	122,228	-	-	122,228
Other financial assets	32,692	-	-	32,692
Total	154,920	-	-	154,920
Liabilities:				
Borrowings	42,388,080	-	-	42,388,080
Other financial liabilities	57,969	-	-	57,969
Total	42,446,049	-	-	42,446,049

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2020:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Cash & cash equivalents	292,209	-	-	292,209
Other financial assets	32,692	-	-	32,692
Total	324,901	-	-	324,901
Liabilities:				
Borrowings	40,710,830	-	-	40,710,830
Other financial liabilities	212,100	-	-	212,100
Total	40,922,930	-	-	40,922,930

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.

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.

The Company's investment in debentures of the subsidiaries have been valued at amortized cost using effective interest rate method.



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 call 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, 2021:

Particulars	Amount in Rs			
	Less than 6 months	6 months to 1 year	1 - 5 years	Total
Borrowings	-	-	42,388,080	42,388,080
Other financial liabilities	57,969	-	-	57,969

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2020:

Particulars	Amount in Rs			
	Less than 6 months	6 months to 1 year	1 - 5 years	Total
Borrowings	-	-	40,710,830	40,710,830
Other financial liabilities	212,100	-	-	212,100

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	Amount in Rs	
	31st March 2021	31st March 2020
Other financial assets	32,692	32,692
Cash & cash equivalents	122,228	292,209

18. CAPITAL MANAGEMENT

For the purpose of managing capital, Capital includes issued equity share capital and reserves 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	Amount in Rs	
	31st March 2021	31st March 2020
Net debt	42,388,080	40,710,830
Total net debt and equity	73,015,376	72,366,749
Gearing Ratio	58.05%	56.26%

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 2021 and 31 March 2020.

19. There is no Contingent liabilities as on 31st March 2021 (Previous Year - Nil).

20. The Estimated amount of Capital Contracts pending to be executed is Nil as on 31st March 2021 (Previous Year - Rs Nil).

Other commitments- Nil (Previous year - NIL)

21. 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.

22. The Company has filed drawings with Bhubaneswar Municipal Corporation (BMC) and has also been following up with the Archaeological and Fire Safety Department for issue of No Objection Certificate (NOC) and fire safety recommendation for its hotel project on the leasehold land at Bhubaneswar. The sanction of the drawing is awaited.

Of late, the Government of Odisha in one of the meetings with the Company has verbally proposed new terms relating to submission of a bank guarantee as performance guarantee for the hotel project and accordingly issued a letter in this connection. The Company has replied to the letter and has counter proposed a revised term in connection with the performance guarantee as desired by the government.

Further, the promoters of the Company have met the Government officials in the month of March, 2021 for the Bhubaneswar Hotel Project and have also made some new proposals before the Government for its consideration.

Therefore, the Government of Odisha vide its letter dated 23rd April, 2021 has directed the Company to submit bank guarantee as performance guarantee @ 40% of Industrial Policy Resolution rate i.e. Rs. 1.25 crore per acre for the lease land measuring 7.000 acre amounting to Rs. 3.50 within 30 days of the letter. Further it has directed to start the construction of the project within three months and complete the same within three years failing which actions will be taken as per law including determination of lease.

23. The Company is not liable for Provident Fund and/or any other retirement benefit for its employees under the relevant applicable Laws, Rules & Regulations.

24. 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.



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25. 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).

26. 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 **G. Sanyal & Co.**
Chartered Accountants
Firm Registration. No. 301143E



C.Sanyal
Partner
Membership No. : 054022
UDIN

Place: Kolkata
Date: 24th May, 2021

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



Umesh Saraf
Director
DIN No. - 00017985



Bimal K Jhunjhunwala
Chief Financial Officer



Padam Khaitan
Director
DIN No. - 00019700



Saumen Chatterjee
Company Secretary

Place: Kolkata
Date: 24th May, 2021

