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# P LUNAWAT & ASSOCIATES

## CHARTERED ACCOUNTANTS

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### INDEPENDENT AUDITOR'S REPORT

**To the Members of Robust Hotels Private Limited**

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

#### **Opinion**

We have audited the accompanying Financial Statements of ROBUST HOTELS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "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 principle generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020, its loss (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Financial Statements 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the "ICAI" 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 invite attention to Note No. 39 of the financial statements which describes the impact of COVID-19- a global pandemic on the operations and financial matters of the Company.

Our opinion is not modified in respect of this matter.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's 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 or 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.



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If we conclude, based on the work we have performed, on the other information obtained prior to the date of this Auditor's report, 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 Charge 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 of these Financial Statements that give a true and fair view of the financial position, financial performance including total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) Specified under Section 133 of the Act and the other accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.



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- Obtain an understanding of internal controls 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

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 A", 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;



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**CHARTERED ACCOUNTANTS**

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- c) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- 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 B"; and
- g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, The Company has complied with the provisions of Section 197 read with Schedule V to the Act, relating to managerial remuneration.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 31 (v) to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts due which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For P LUNAWAT & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.: 328946E**



*P LUNAWAT*

Place: Kolkata

Date: 24<sup>th</sup> July, 2020

**(Pankaj Lunawat)**  
**Proprietor**

Membership No.: 067104

# P LUNAWAT & ASSOCIATES

## CHARTERED ACCOUNTANTS

### Annexure - A to the Independent Auditor's Report

Referred to in paragraph-1 on other Legal and Regulatory Requirements of our Report of even date to the members of Robust Hotels Private Limited on the financial statements for the year ended 31<sup>st</sup> March, 2020:

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
  - b) As explained to us, Fixed Assets have been physically verified by the management at regular intervals and as informed to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Title Deeds of immovable properties are held in the name of the Company.
- ii. The inventories have been physically verified during the year at reasonable intervals by the management. The discrepancies noticed on verification between the physical inventories and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3(iii) (a), (b) and (c) of the Order are not applicable.
- iv. 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 loans given, guarantees provided and investments made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act read with the companies (Acceptance of Deposit) rule 2014, as amended and other relevant provision of the Act.
- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Act, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Custom Duty, Value Added Tax, Goods and Services Tax, Cess and any other statutory dues to the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrears as on 31<sup>st</sup> March, 2020 for a period of more than six months from the date the same became payable.
  - b) According to the information and explanations given to us, there are no dues outstanding on account of any disputes.



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**CHARTERED ACCOUNTANTS**

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- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
- ix. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, Clause 3 (ix) of the Order is not applicable.
- 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 nor we have been informed of any such cases by the management.
- xi. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us all transactions during the year with the related parties were approved by Audit Committee and 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 Indian Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the books and records, the Company has issued 7,00,10,000 Equity Shares of Rs. 20 each (Face value Rs.10 each) during the year on conversion of Preference share and debentures, pursuant to the NCLT order for the sanction of the scheme of arrangement.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions specified under section 192 of the Act with directors or persons connected with them during the year. Accordingly, Clause 3(xv) of the Order is not applicable.
- xvi. According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For P LUNAWAT & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.: 328946E**



*P LUNAWAT*

**(Pankaj Lunawat)**  
**Proprietor**  
Membership No. 067104

Place: Kolkata

Date: 24 July, 2020

# **P LUNAWAT & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

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### **Annexure - B to the Independent Auditor's Report**

(Referred to in paragraph-2(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Robust Hotels Private Limited on the Financial Statements for the year ended 31<sup>st</sup> March, 2020)

### **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 with reference to financial statements of Robust Hotels Private Limited ("the Company") as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls with reference to financial statements 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.





# **P LUNAWAT & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

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

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 with reference to financial statements.

### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statement 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 the generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, including the Ind AS and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to Financial Statements**

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



# P LUNAWAT & ASSOCIATES

## CHARTERED ACCOUNTANTS

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### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **P LUNAWAT & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.:** 328946E



*P Lunawat*

**(Pankaj Lunawat)**  
**Proprietor**

Membership No. 067104

Place: Kolkata

Date: *24<sup>th</sup> July 2020*

**ROBUST HOTELS PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2020**

(Amount in Rs.)

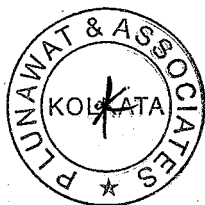
Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
<b>ASSETS</b>			
<b>Non - current Assets</b>			
(a) Property, Plant and Equipment	3	5,170,694,293	5,392,096,305
(b) Other Intangible Assets	4	5,621,944	5,527,837
<b>(c) Financial Assets</b>			
(i) Investments	5	41,871,637	35,522,200
(ii) Other Financial Assets	6	25,407,060	28,410,770
(d) Other Non Current Assets	7	151,200,000	151,530,424
<b>Total Non-Current Assets</b>		<b>5,394,794,934</b>	<b>5,613,087,536</b>
<b>Current Assets</b>			
(a) Inventories	8	12,375,089	8,340,117
<b>(b) Financial Assets</b>			
(i) Trade Receivables	9	84,456,634	113,617,115
(ii) Cash and Cash Equivalents	10	4,676,392	5,389,670
(iv) Loans	11	-	49,400
(v) Other Financial Assets	12	964,475	948,356
(c) Current Tax Assets	13	70,460,519	59,813,728
(d) Other Current Assets	14	28,161,693	36,147,174
<b>Total Current Assets</b>		<b>201,094,802</b>	<b>224,305,560</b>
<b>Total Assets</b>		<b>5,595,889,736</b>	<b>5,837,393,096</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	2,241,838,290	1,541,738,290
(b) Other Equity	16	1,487,550,885	1,174,768,931
<b>Total Equity</b>		<b>3,729,389,175</b>	<b>2,716,507,221</b>
<b>Liabilities</b>			
<b>Non - current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
Borrowings	17	968,100,000	2,333,150,918
(b) Provisions	18	9,905,752	8,117,062
<b>Total Non-current Liabilities</b>		<b>978,005,752</b>	<b>2,341,267,980</b>
<b>Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	19	373,052,966	375,374,616
(ii) Trade Payables	20		
Total outstanding dues of micro enterprises & small enterprises		22,693,508	14,809,359
Total outstanding dues of creditors other than micro enterprises & small enterprises		79,302,556	58,905,491
(iii) Other Financial Liabilities	21	380,792,175	286,300,890
(b) Other Current Liabilities	22	32,593,644	44,169,431
(c) Provisions	23	59,960	58,108
<b>Total Current Liabilities</b>		<b>888,494,809</b>	<b>779,617,894</b>
<b>Total Equity and Liabilities</b>		<b>5,595,889,736</b>	<b>5,837,393,096</b>

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached  
For **P LUNAWAT & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 328946E

*P. Lunawat*

(Pankaj Lunawat)  
Proprietor  
Membership No.: 067104  
Place: Kolkata  
Date: 24.07.2020



FOR AND ON BEHALF OF THE BOARD

*[Signature]*  
Director

*[Signature]*  
Director

*[Signature]*  
Company Secretary

*[Signature]*  
Vice President &  
Chief Financial Officer

**ROBUST HOTELS PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

*Amount in Rs.*

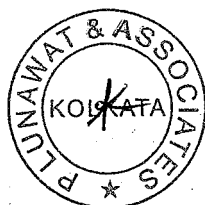
Particulars	Note No.	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>Income</b>			
(a) Revenue from Operations	24	927,698,815	989,614,832
(b) Other Income	25	35,141,712	17,049,433
<b>Total</b>		<b>962,840,527</b>	<b>1,006,664,264</b>
<b>Expenditure</b>			
(a) Consumption of Provisions, Beverages, Smokes & Others	26	114,680,292	108,785,289
(b) Employee Benefits Expense	27	178,746,798	173,257,309
(c) Finance Costs	28	157,454,609	243,417,529
(d) Depreciation and Amortization Expense		230,183,675	230,266,246
(e) Other Expenses	29	494,541,645	476,977,209
<b>Total</b>		<b>1,175,607,019</b>	<b>1,232,703,582</b>
<b>Profit/(Loss) Before Exceptional Items and Tax</b>		<b>(212,766,492)</b>	<b>(226,039,318)</b>
Exceptional Items		(4,650,000)	-
<b>Profit/(Loss) Before Tax</b>		<b>(208,116,492)</b>	<b>(226,039,318)</b>
<b>Tax Expense</b>			
Current Tax		-	-
<b>Profit/(Loss) for the year</b>		<b>(208,116,492)</b>	<b>(226,039,318)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability		(652,472)	90,680
<b>Total Comprehensive Income for the year</b>		<b>(208,768,964)</b>	<b>(225,948,638)</b>
<b>Earnings per Equity Share (Nominal value per Equity Share Rs. 10/-)</b> (Refer Note No. 47)			
(a) Basic		(0.93)	(1.01)
(b) Diluted		(0.93)	(1.01)

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached  
For **P LUNAWAT & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 328946E

*P Lunawat*

(Pankaj Lunawat)  
Proprietor  
Membership No.: 067104  
Place: Kolkata  
Date: 24.07.2020



FOR AND ON BEHALF OF THE BOARD

*[Signature]*  
Director

*[Signature]*  
Director

*[Signature]*  
Company Secretary

*[Signature]*  
Vice President &  
Chief Financial Officer

**ROBUST HOTELS PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020**

	Amount in Rs.
<b>A. EQUITY SHARE CAPITAL</b>	
Particulars	Equity Share Capital
Balance as at 1st April, 2018	1,541,738,290
Changes in equity share capital during the year	-
Balance as at 1st April, 2019	1,541,738,290
Shares issued pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited	700,100,000
Balance as at 31st March, 2020	2,241,838,290

Particulars	Other Equity				Total
	Capital Reserve	Share Premium	Retained Earnings	Other Comprehensive Income	
	Amount in Rs.				
Balance as at 1st April, 2018	-	2,623,596,281	(1,219,160,727)	(3,717,985)	1,400,717,569
Remeasurement of the net defined benefit liability/ assets Profit/ (Loss) for the year	-	-	(226,039,318)	90,680	90,680
Balance as at 1st April, 2019	-	2,623,596,281	(1,445,200,045)	(3,627,305)	(226,039,318)
Remeasurement of the net defined benefit liability/ assets Impact pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited	579,800,000	700,100,000	(758,349,082)	-	1,174,768,931
Profit/ (Loss) for the period	-	-	(208,116,492)	(652,472)	(652,472)
Balance as at 31st March, 2020	579,800,000	3,323,696,281	(2,411,665,619)	(4,279,777)	1,487,550,885

**A. OTHER EQUITY**

**Nature and Purpose of Reserves**

**1. Securities Premium:**  
This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013

**2. Capital Reserve:**  
This Reserve represents the difference between value of the net assets transferred to the Company in the course of Scheme of arrangement and the consideration paid for such arrangement.

**3. Retained Earnings:**  
This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached  
For **P LUNAWAT & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 328946E

  
(Pankaj Lunawat)  
Proprietor  
Membership No.: 067104  
Place: Kolkata  
Date: 24.07.2020



  
Director

  
Director

  
Vice President &  
Chief Financial Officer

  
Company Secretary

**ROBUST HOTELS PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020**

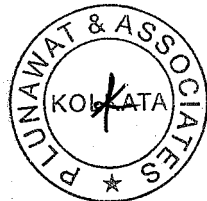
Particulars	(Amount in Rs.)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	(208,116,492)	(226,039,318)
Adjustment for :		
Depreciation/amortization	230,183,675	230,266,246
Loss/(profit) on sale of fixed assets	46,970,492	21,339,043
Interest Expense on Borrowings	138,595,308	143,151,998
Provision for Gratuity	2,676,998	1,891,390
Provision for Leave Encashment	1,645,892	1,926,497
Interest income	(1,316,100)	(1,397,465)
Interest on Debentures	(4,650,000)	1,550,000
Sundry balances written back (net)	-	(689,133)
Fair value (Gain)/Loss on Investment	(4,630,437)	(3,829,320)
Interest on Debentures and Preference Shares	-	83,435,813
<b>Operating profit before working capital changes</b>	<b>201,359,335</b>	<b>251,605,750</b>
Movements in working capital :		
Increase/(decrease) in trade payables in Financial Liabilities	28,281,213	(778,829)
Increase/(decrease) in other current liabilities	(11,575,787)	(19,332,667)
Increase/(decrease) in other current financial liabilities	38,241,285	(42,679,707)
Increase/(decrease) in non current provisions	(3,186,672)	(3,589,313)
Increase/(decrease) in current provisions	1,852	(373,297)
Decrease/(increase) in trade receivables in Financial Assets	29,160,481	(26,450,361)
Decrease/(increase) in inventories in Current Assets	(4,034,972)	10,904,307
Decrease / (increase) in other Financial Assets	3,003,710	(3,047,707)
Decrease / (increase) in other Financial Assets under current asset	(16,119)	(239,497)
Decrease / (increase) in loans in Financial Assets	49,400	9,000
Decrease / (increase) in other Current Assets	7,985,481	(3,730,151)
Decrease / (increase) in other Non current asset	330,424	371,390
<b>Cash generated from/(used in) operations</b>	<b>289,599,631</b>	<b>162,668,919</b>
Less: Direct taxes paid (net of refunds)	10,646,791	13,326,503
<b>Net cash flow from/ (used in) Operating Activities (A)</b>	<b>278,952,840</b>	<b>149,342,416</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(58,402,761)	(24,040,665)
Proceeds from sale of fixed assets	2,556,500	5,501,000
Purchase of current investments	(1,724,000)	(3,575,000)
Sale of current Investments	-	2,660,000
Purchase of National Saving Certificates	(5,000)	-
Sale of National Saving Certificates	10,000	-
Interest received	1,316,100	1,397,465
<b>Net cash flow from/(used in) Investing Activities (B)</b>	<b>(56,249,161)</b>	<b>(18,057,200)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings	(87,150,000)	(95,550,000)
Proceeds from Short Term Borrowings - CC	(11,321,650)	(33,003,090)
Proceeds from Short Term Borrowings - Unsecured Loan	9,000,000	140,000,000
Interest paid on borrowings	(138,595,308)	(143,151,998)
Interest paid on Debentures	4,650,000	(1,550,000)
<b>Net cash flow from/(used in) in Financing Activities (C)</b>	<b>(223,416,958)</b>	<b>(133,255,088)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>(713,279)</b>	<b>(1,969,872)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>5,389,670</b>	<b>7,359,542</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>4,676,392</b>	<b>5,389,670</b>

**Note:**

- (1) The above Cash Flow Statement should be read in conjunction with the accompanying notes.
- (2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS- 7 on Statement of Cash Flows.
- (3) Figures for the previous year have been regrouped/rearranged wherever necessary.

As per our report of even date attached  
For P LUNAWAT & ASSOCIATES  
Chartered Accountants  
Firm Registration No.: 328946E

*P. Lunawat*  
(Pankaj Lunawat)  
Proprietor  
Membership No.: 067104  
Place: Kolkata  
Date: 24.07.2020



FOR AND ON BEHALF OF THE BOARD

*R. Ghosh*  
Director  
*M. Chatterjee*  
Company Secretary  
*T. Chatterjee*  
Vice President &  
Chief Financial Officer

## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies

#### 1. Company Overview and Significant Accounting Policies

##### 1.1 Company Overview

The Company was incorporated in the year 2007 as a Private Limited Company under the provisions of the Companies Act, 1956 applicable in India and subsequently became a subsidiary of GJS Hotels Limited in the year 2012. GJS Hotels Limited is a wholly owned subsidiary of Asian Hotels (East) Limited, shares of which are listed in BSE Ltd., and National Stock Exchange Ltd. Asian Hotels (East) Limited holds directly 19% shares and GJS Hotels Limited holds 81% shares prior to the scheme of arrangement. Consequent to the demerger of the Demerged Undertaking of GJS with AHEL under the Scheme, all the preference shares and debentures of the company stands converted in to equity shares and all shares held by GJS in RHPL stands transferred to AHEL. Hence, RHPL has become a wholly owned subsidiary of AHEL.

The Company is primarily engaged in the Hotel business and operating Hotel "Hyatt Regency Chennai" a five star deluxe premium hotel situated in the city of Chennai. The registered office of the Company is located at 365, Anna Salai, Teynampet, Chennai -600 018, India.

##### 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 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules there under, as amended from time to time.

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.

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



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

#### 1.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the 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 year.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. 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.

#### 1.4. Fair Value measurement

The Company measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest





## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

#### 1.5. Property, Plant & Equipment

Property, Plant & Equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the Property, Plant & Equipment are ready for use as intended by management. The Company depreciates Property, Plant & Equipment over their estimated useful lives using the straight-line method.

The estimated useful lives of the assets are as follow:

▶ Building	-	60 years
▶ Plant and Equipment	-	15 years
▶ Intangibles	-	6 years
▶ IT Hardwares	-	3 years
▶ Office Equipment	-	5 years
▶ Furniture & Fixtures	-	8 years
▶ Motor Cars	-	8 years

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed periodically, including at each financial year end.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each Balance Sheet date is classified as capital advances and other non-current assets and the cost of assets not put to use before such date are disclosed under "Capital work-in-progress". Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and Maintenance costs are recognized in net profit / loss in the Statement of Profit and Loss when incurred. The cost and related



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of carrying value or the fair value less cost to sell.

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

#### **1.6. Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

### 1.7. Financial Instruments

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

#### Financial Assets

##### Initial recognition and measurement

All financial assets are 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. Transaction cost that are directly attributable to the acquisition of financial asset measured at fair value through Profit or loss are recognized immediately in Statement of Profit or Loss.

##### Subsequent measurement

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

- (i) Financial Assets at Amortized Cost
- (ii) Financial Assets at Fair Value through OCI
- (iii) Financial Assets at Fair value through P&L



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

#### **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 and Loss.

#### **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').

#### **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.



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investments in equity instruments.

#### **De-recognition 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 116.
- 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 115 (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



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

#### **Simplified Approach**

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

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

#### **General Approach**

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months 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-months 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**

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial liabilities measured at fair value through profit or loss, transaction cost directly attributable to the acquisition of financial liabilities are recognised immediately in the statement of profit or loss.

The Company's Financial Liabilities include trade and other payables, loans and borrowings.



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

#### **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 recognised in the profit or loss.

#### **Financial Liabilities at Amortized Cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

#### **Financial Guarantee**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative income recognized in accordance with principles of Ind AS 115.

#### **Derecognition**

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



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### **1.8 Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to a provision is presented in the Statement of Profit and Loss.

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.

The Company does not recognise a contingent liability but discloses its existence in the financial statements. The Contingent Assets are neither recognised nor disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

#### **1.9 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- I. Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the Customers.
- II. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

However, Value Added Tax (VAT)/ Goods and Services Tax (GST) are not received by the Company on its own account. Rather, it is tax collected on behalf of the





**ROBUST HOTELS PRIVATE LIMITED**  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

**Note 1: Significant Accounting Policies (Contd.)**

government on value added to the commodity by the seller. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

**a) Revenue from sale of goods and services**

Revenue including service charge, if any, from sale of goods and services is recognized when the significant risks and rewards of ownership have passed to the buyer, usually on delivery of the goods and services. Revenue from the sale of goods and services is measured at the fair value of the consideration received or receivable, net of returns, allowances and trade discounts.

**b) Interest Income**

For all Financial Assets 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 assets 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 instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the Statement of Profit and Loss.

**c) Dividend**

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

**1.10 Income Tax**

**A. Current Income Tax**

Income Tax expense is recognized in net Profit/(Loss) 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.



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

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 substantively enacted, at the Balance Sheet date.

#### **B. Deferred Tax**

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 substantively enacted, at 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 effective 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. Deferred Income Tax Asset is recognized to the extent that future probable profits 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 applicable for the full financial year. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to share premium.

#### **1.11 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 capitalised 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.



**ROBUST HOTELS PRIVATE LIMITED**  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

**Note 1: Significant Accounting Policies (Contd.)**

**1.12 Employee Benefits**

Provident Fund: The contribution to provident fund is in the nature of defined contribution plan. The Company makes contribution to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The contribution paid or payable is recognized as an expense in the period in which services are rendered.

Gratuity (Unfunded): Gratuity is in the nature of defined benefit plan. The cost is determined using the projected unit credit method with actuarial valuation being carried at each Balance Sheet date by an independent actuary. The retirement benefits obligation recognized in the Balance Sheet represent the present value of defined benefit obligation as adjusted for recognized past service cost

Actuarial gains and losses are recognized in full in the other comprehensive income for the period in which they occur

All employee benefits payable wholly within twelve months are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

**1.13 Inventories**

Inventories are valued at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**1.14. Cash and Cash Equivalentents**

Cash and Cash Equivalentents in the Balance Sheet comprise cash at banks and on hand and long-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.



**ROBUST HOTELS PRIVATE LIMITED**  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

**Note 1: Significant Accounting Policies (Contd.)**

**1.15. Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of Equity Shares considered for deriving basic earnings per equity share and also the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares. Dilutive potential Equity Shares are deemed converted as of the beginning of the period unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**1.16 . Foreign Currency Transaction**

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or loss resulting from such transactions are included in the net Profit/ (Loss) in the Statement of Profit and Loss. Non-monetary assets and monetary liabilities denominated in a foreign currency are measured at fair value or translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

**1.17 Hedging**

The Company has certain liabilities in Foreign Currencies. These are not hedged as the same is naturally hedged against foreign inward remittance from foreign guests. But, the Gain / Loss on such liabilities has been provided for in the books of accounts at the end of the financial year and the same has been credited / debited to the Statement of Profit and Loss of the Company.



**ROBUST HOTELS PRIVATE LIMITED**  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

**Note 1: Significant Accounting Policies (Contd.)**

**1.18 Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Leases as lessee (Assets taken on lease)**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Leases as lessor (assets given on lease)**

When the company acts as lessor, it determines at the lease commencement whether lease is finance lease or operating lease.

Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts are adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue to allocate the consideration in the contract.

**1.19 New Standard/amendments and other changes effective 1st April, 2019**

**(a) Ind AS 116 , Leases**

The Company has adopted this Ind AS w.e.f, 1st April, 2019. However the company has not entered into any lease arrangements. Thus there is no impact of the amendment.



## ROBUST HOTELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### Note 1: Significant Accounting Policies (Contd.)

#### **(b) Amendment to Ind AS 12 – Income Taxes Appendix C – Uncertainty over Income Tax Treatment**

The Company has adopted the amendments w.e.f 1st April, 2019. The impact of this amendment is not material.

#### **(c) Amendment to Ind AS 19 – Employee Benefits relating to Plan amendment, curtailment or settlement**

The Company has adopted the amendments w.e.f 1st April, 2019. As there is no change in employee benefit plans, there is no effect of this amendment.

#### **(d) Amendment to Ind AS 23, Borrowing Costs**

The Company has adopted the amendments w.e.f 1st April, 2019. The Company has not incurred any borrowing costs during the year. Thus there is no effect of this amendment.

### **2. Standards issued but not yet effective**

Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. During the year, no new standards or modifications in existing standards has been notified which will be applicable from 1st April, 2020 or thereafter.



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

3 Property, Plant and Equipments

(Amount in Rs.)

	Freehold Land	Building	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Total
<b>Carrying Amount:</b>							
As at 1st April, 2018	1,540,585,512	3,124,262,171	1,667,691,853	587,617,641	18,688,979	3,664,688	6,942,510,844
Additions	-	-	21,053,479	1,104,873	17,312	-	22,175,665
Deletions/ Adjustments	-	-	43,301,358	-	-	-	43,301,358
As at 1st April, 2019	1,540,585,512	3,124,262,171	1,645,443,974	588,722,514	18,706,291	3,664,688	6,921,385,151
Additions	-	5,887,389	42,801,552	6,216,308	2,619,512	-	57,524,761
Deletions/ Adjustments	-	-	91,064,370	-	-	-	91,064,370
As at 31st March, 2020	1,540,585,512	3,130,149,560	1,597,181,157	594,938,822	21,325,803	3,664,688	6,887,845,541
<b>Accumulated Depreciation and Impairment</b>							
As at 1st April, 2018	-	288,629,387	608,562,165	400,649,752	16,378,571	2,203,904	1,316,423,779
For the year	-	49,506,279	104,342,310	74,719,690	599,789	158,313	229,326,381
Impairment	-	-	-	-	-	-	-
Deletions/ Adjustments	-	-	16,461,314	-	-	-	16,461,314
As at 1st April, 2019	-	338,135,666	696,443,161	475,369,442	16,978,360	2,362,217	1,529,288,846
For the year	-	49,535,651	103,929,522	75,102,431	673,865	158,313	229,399,782
Impairment	-	-	-	-	-	-	-
Deletions/ Adjustments	-	-	41,537,380	-	-	-	41,537,380
As at 31st March, 2020	-	387,671,316	758,835,303	550,471,873	17,652,226	2,520,530	1,717,151,248
<b>Net Carrying Amount</b>							
As at 31st March, 2020	1,540,585,512	2,742,478,243	838,345,854	44,466,950	3,673,577	1,144,158	5,170,694,293
As at 31st March 2019	1,540,585,512	2,786,126,505	949,000,814	113,353,072	1,727,931	1,302,471	5,392,096,305

4 Intangible Assets

	Softwares
<b>Carrying Amount</b>	
As at 1st April 2018	40,078,334
Additions	1,865,000
Deletions/ Adjustments	-
As at 1st April, 2019	41,943,334
Additions	878,000
Deletions/ Adjustments	-
As at 31st March, 2020	42,821,334
<b>Accumulated Depreciation and Impairment</b>	
As at 1st April 2018	35,475,632
For the year	939,865
Impairment	-
Deletions/ Adjustments	-
As at 1st April, 2019	36,415,497
For the year	783,893
Impairment	-
Deletions/ Adjustments	-
As at 31st March, 2020	37,199,390
<b>Net Carrying Amount</b>	
As at 31st March, 2020	5,621,944
As at 31st March 2019	5,527,837



**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

	(Amount in Rs.)	
	As at 31st March, 2020	As at 31st March, 2019
<b>5 Investments</b>		
<b>Unquoted Equity Shares</b>		
<b>Investments carried at fair value through Profit and Loss - fully paid</b>		
6,54,000 (Previous Year: 6,54,000) Class-A Equity Shares of Maple Renewable Power Private Limited of Rs. 10/- each	29,873,442	29,835,480
3,35,900 (Previous Year: 1,63,500) Class-A Equity Shares of Iris Ecopower Venture Private Limited of Rs. 10/- each	11,993,195	5,676,720
<b>In Government Securities</b>		
<b>Investments carried at cost</b>		
National Savings Certificate	5,000	10,000
	<u>41,871,637</u>	<u>35,522,200</u>
<b>6 Other Financial Assets</b>		
(Unsecured, considered good by the management)		
Security Deposits with		
- Government Department	17,617,420	17,064,880
- Others	3,792,000	3,302,000
Fixed Deposit with Bank*	3,997,640	8,043,890
	<u>25,407,060</u>	<u>28,410,770</u>
*Includes Margin Money deposit - NIL (Previous Year: Rs. 80,43,890)		
<b>7 Other Non-Current Assets</b>		
Deposits with High Court	151,200,000	151,200,000
Balances with Statutory Authorities	-	330,424
	<u>151,200,000</u>	<u>151,530,424</u>
<b>8 Inventories</b>		
(As taken valued and certified by the management)		
(Valued at cost or Net Realisable Value, whichever is lower)		
Food, Beverages & Tobacco	11,721,879	6,980,363
General Stores, Spares & Other supplies	653,210	1,359,754
	<u>12,375,089</u>	<u>8,340,117</u>
<b>9 Trade Receivables</b>		
(Unsecured, considered good by the management)	84,456,634	113,617,115
(includes Rs.11,56,386/- (Previous Year Rs. 39,96,408) from Related Parties Refer Note 37)		
	<u>84,456,634</u>	<u>113,617,115</u>

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Refer Note 37 for Trade or Other Receivables due from Subsidiaries or from firms or private companies respectively in which any director is a partner, a director or a member.





**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

	(Amount in Rs.)	
	As at 31st March, 2020	As at 31st March, 2019
<b>10 Cash and Cash Equivalents</b>		
<b>Balance with Banks</b>		
- In Current Accounts	4,034,165	4,999,710
- Cheques on hand	142,376	-
Cash on hand (as certified by the management)	499,851	389,960
	<b>4,676,392</b>	<b>5,389,670</b>
<b>11 Loans</b>		
(Unsecured, considered good by the management)		
Advance to employees	-	49,400
	-	<b>49,400</b>
<b>12 Other Financial Assets</b>		
Interest accrued on Term deposits	25,104	30,009
Interest accrued on EB deposits	939,338	912,897
Interest accrued on NSC	33	5,450
	<b>964,475</b>	<b>948,356</b>
<b>13 Current Tax Assets</b>		
Income Tax Refundable	59,814,519	48,865,207
Tax Deducted at Source and Tax Collected at Source	10,646,000	10,948,521
	<b>70,460,519</b>	<b>59,813,728</b>
<b>14 Other Current Assets</b>		
Balances with Statutory Authorities	6,967,525	2,834,514
Prepaid Expenses	10,861,461	14,874,425
Advance to Suppliers	10,016,210	18,438,234
Other Receivables	316,497	-
	<b>28,161,693</b>	<b>36,147,174</b>



**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

(Amount in Rs.)

	As at 31st March, 2020	As at 31st March, 2019
<b>15 Share Capital</b>		
<b>a) Authorised (Refer Note 46)</b>		
22,50,00,000 (Previous year: 15,50,00,000) Equity Shares of Rs. 10 each	2,250,000,000	1,550,000,000
NIL (Previous year: 43,00,000) Preference Shares of Rs. 100 each	-	430,000,000
NIL (Previous year: 1,40,00,000) Preference Shares of Rs. 10 each	-	140,000,000
	<b>2,250,000,000</b>	<b>2,120,000,000</b>
<b>Issued, Subscribed &amp; Paid Up</b>		
22,41,83,829 (Previous year: 15,41,73,829) Equity Shares of Rs. 10 each fully paid up	2,241,838,290	1,541,738,290
NIL (Previous year: 43,00,000) 12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up	-	430,000,000
	<b>2,241,838,290</b>	<b>1,971,738,290</b>
<b>Paid up Equity Share Capital</b>		
22,41,83,829 (Previous year: 15,41,73,829) Equity Shares of Rs.10/- each fully paid up in cash	2,241,838,290	1,541,738,290
	<b>2,241,838,290</b>	<b>1,541,738,290</b>

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

**Equity Shares**

At the beginning of the year	154,173,829	154,173,829
Shares issued pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited (Refer Note 46)	70,010,000	-
At the end of the year	<b>224,183,829</b>	<b>154,173,829</b>

**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 are as below:

**GJS Hotels Limited**

NIL (Previous Year: 12,41,63,829) shares of Rs.10/- each fully paid align="right">-

**Asian Hotels (East) Limited**

22,41,83,823 (Previous Year: 3,00,10,000) shares of Rs.10/- each fully paid align="right">2,241,838,230

c) The Company has only one class of Equity Shares having a par value of Rs. 10/- each. Each shareholder is entitled to one vote per share.

d) The shareholders have the right to declare and approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.

**e) The details of shareholders holding more than 5% shares**

Name of the shareholder	As at March, 2020		As at March, 2019	
	No. of Shares	% held	No. of Shares	% held
<b>Equity Shares</b>				
GJS Hotels Limited	-	-	124,163,829	81
Asian Hotels (East) Limited	224,183,823	100	30,010,000	19

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

f) There are 6 more nominee shareholders holding 1 share each, as nominated by Asian Hotels (East) Private Limited



**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

	As at 31st March, 2020	(Amount in Rs.) As at 31st March, 2019
<b>16 Other Equity</b>		
<b>A. Reserves &amp; Surplus</b>		
<b>Capital Reserve</b>		
Shares issued pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited (Refer Note 46)	579,800,000	-
<b>Securities Premium</b>		
Opening Balance	2,623,596,281	2,623,596,281
Shares issued pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited (Refer Note 46)	700,100,000	-
Closing Balance	<u>3,323,696,281</u>	<u>2,623,596,281</u>
<b>Retained Earnings</b>		
Opening Balance	(1,445,200,045)	(1,219,160,727)
Shares issued pursuant to the scheme of Arrangement between Asian Hotel (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited (Refer Note 46)	(758,349,082)	-
Profit/ (Loss) for the year	<u>(208,116,492)</u>	<u>(226,039,318)</u>
Closing Balance	<u>(2,411,665,619)</u>	<u>(1,445,200,045)</u>
<b>Total Reserves and Surplus</b>	<u>1,491,830,662</u>	<u>1,178,396,236</u>
<b>B. Other Comprehensive Income</b>		
Opening Balance	(3,627,305)	(3,717,985)
Remeasurement of Defined Benefit Liability	(652,472)	90,680
Closing Balance	<u>(4,279,777)</u>	<u>(3,627,305)</u>
	<u>1,487,550,885</u>	<u>1,174,768,931</u>
<b>17 Non-current Liabilities</b>		
<b>Borrowings (Refer Note 46)</b>		
NIL (Previous year: 43,00,000) 12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up	-	430,000,000
<b>Term Loan (Secured) (Refer Note 'a' below &amp; Note 48)</b>		
From HDFC Limited	1,142,400,000	1,229,550,000
Less: Repayable within one year	<u>174,300,000</u>	<u>118,050,000</u>
	<u>968,100,000</u>	<u>1,111,500,000</u>
<b>Unsecured - Debentures (Refer Note 46)</b>		
NIL (Previous year: 1,55,00,000) 0.1% Unsecured Non-Convertible Debentures of Rs. 100/- each	-	791,650,918
	<u>968,100,000</u>	<u>2,333,150,918</u>

**a) Security Clause**

The above term loan is secured by pari passu first charge by way of hypothecation of entire movable properties both present and future and equitable mortgage by way of deposit of title deeds of immovable properties together with buildings & structures, plant & equipment, furniture & fittings installed/ to be installed thereon situated at 365 Anna Salai, Teynampet, Chennai in the state of Tamilnadu with IDBI Bank Ltd. Above securities are ranking paripassu for the Bank Guarantee facility availed by the Company and further, secured by way of second charge on all book debts, operating cash flows, revenues, commission and receivables both present and future, having first charge of IDBI Bank Ltd for Cash Credit facility granted to the Company. The Cash credit facility from IDBI Bank Ltd, BG facility from IDBI Bank Ltd and Term Loan from HDFC Ltd are further secured by corporate guarantee of Asian Hotels (East) Limited, Kolkata.

**Terms of Repayment**

The loan is repayable in 42 Quarterly Instalments being:

- 2 Quarterly instalments of Rs. 93,00,000 each commenced from 31st March, 2015 and ended on 30th June, 2015,
- 4 Quarterly instalments of Rs. 94,50,000 each commenced from 30th September, 2015 and ended on 30th June, 2016,
- 4 Quarterly instalments of Rs. 1,50,00,000 each commenced from 30th September, 2016 and ended on 30th June, 2017,
- 4 Quarterly instalments of Rs. 1,95,00,000 each commenced from 30th September, 2017 and ended on 30th June, 2018,
- 4 Quarterly instalments of Rs. 2,53,50,000 each commenced from 30th September, 2018 and ending on 30th June, 2019,
- 4 Quarterly instalments of Rs. 3,09,00,000 each commencing from 30th September, 2019 and ending on 30th June, 2020,
- 4 Quarterly instalments of Rs. 3,75,00,000 each commencing from 30th September, 2020 and ending on 30th June, 2021,
- 4 Quarterly instalments of Rs. 4,50,00,000 each commencing from 30th September, 2021 and ending on 30th June, 2022 and 12 Quarterly instalments of Rs. 6,25,50,000 each commencing from 30th September, 2022 and ending on 30th June, 2025 as per Repayments Schedule letter dated 16th August, 2012



**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

	As at 31st March, 2020	(Amount in Rs.) As at 31st March, 2019
<b>18 Non Current Provisions</b>		
For Gratuity	5,641,926	4,310,717
For Leave Travel Allowance	3,011,992	2,374,091
For Leave Benefits	1,251,834	1,432,254
	<b>9,905,752</b>	<b>8,117,062</b>
<b>19 Borrowings</b>		
<b>Secured</b>		
Cash Credit Account with IDBI Bank Limited (Refer Note 'a' below)	1,552,966	12,874,616
<b>Unsecured</b>		
Loan from Holding Company repayable on demand (Refer Note 37)	371,500,000	362,500,000
	<b>373,052,966</b>	<b>375,374,616</b>
a) The above facility is secured by first charge by way of hypothecation of entire stocks of raw materials, semi finished and finished goods, consumable stores and spare parts including book debts, bills whether documentary or clean, outstanding monies receivable, both present and future and second charge in favour of HDFC Limited for Term Loan granted to the Company. The above facility is further secured by a pari pasu second charge by way of hypothecation of entire movable properties including movable machineries, tools & accessories present and future and Equitable Mortgage on Immovable property situated at 365, Anna Salai, Chennai - 600018 with HDFC Ltd for the Term Loan facility and Corporate Guarantee of Asian Hotels (East) Limited.		
<b>20 Trade Payables</b>		
- Total outstanding dues of micro enterprises & small enterprises	22,693,508	14,809,359
- Total outstanding dues of creditors other than micro enterprises & small enterprises (Includes Related Parties Rs.16,66,461 ;Previous Year : Rs.26,39,329 -Refer Note 37)	79,302,556	58,905,491
	<b>101,996,064</b>	<b>73,714,850</b>
<b>21 Other Current Financial Liabilities</b>		
Current Maturities of Long Term Debt (Refer Note 48)	174,300,000	118,050,000
Interest Accrued and due on Loan and Cash Credit (Refer Note No. 37)	19,363,125	7,414,911
Salary Payable	10,344,523	13,307,606
Contract Payroll Payable	1,731,539	1,966,788
Electricity Expenses Payable	3,209,278	6,754,448
Other Payables	171,843,710	138,807,137
	<b>380,792,175</b>	<b>286,300,890</b>
<b>22 Other Current Liabilities</b>		
Advance from Customers	11,531,103	19,966,118
Other Current Liabilities (Includes Related Parties Rs. 1,59,784 ; Previous Year Rs. 1,59,784- Refer Note 37)	3,724,499	4,406,695
Statutory Dues	17,338,042	19,796,618
	<b>32,593,644</b>	<b>44,169,431</b>
<b>23 Provisions</b>		
<b>For Employee Benefits</b>		
For Gratuity	48,752	42,825
For Leave Benefits	11,208	15,283
	<b>59,960</b>	<b>58,108</b>



**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

	Year ended 31st March, 2020	(Amount in Rs.) Year ended 31st March, 2019
<b>24 Revenue from Operations</b>		
<b>Sale of Products</b>		
Soft Beverages, Wines and Liquor	59,665,675	55,629,171
Food and Smokes	332,322,702	331,801,379
	<b>391,988,377</b>	<b>387,430,550</b>
<b>Sale of Services</b>		
Rooms Revenue	437,928,936	484,060,546
Banquet Income	45,469,926	58,242,014
Health & Spa Revenue	6,575,475	8,930,810
Laundry Revenue	4,923,826	5,431,400
Auto Rental Revenue	8,072,758	9,496,589
Communications	398,189	404,030
Equipment Revenue	1,175,981	3,706,637
Service Charge Revenue	10,043,554	10,509,478
Other Operating Revenue	21,121,793	21,402,779
	<b>535,710,438</b>	<b>602,184,282</b>
	<b>927,698,815</b>	<b>989,614,832</b>
<b>25 Other Income</b>		
Interest Income (Gross)		
(Tax deducted at source Rs. 10,099 (Previous Year Rs. 14,237))		
From Term Deposits	399,430	538,876
From Others	916,670	858,589
Miscellaneous Income	3,300,234	8,802,155
(Tax deducted at source Rs. 2,10,383 (Previous Year Rs. 3,02,896))		
Insurance claim received	25,894,941	
Fair value gain on Investment	4,630,437	6,160,680
Sundry Balances written Back (Net)	-	689,133
<b>Total</b>	<b>35,141,712</b>	<b>17,049,433</b>
<b>26 Consumption of Provisions, Beverages, Smokes &amp; Others</b>		
Opening Stock	6,980,363	11,237,572
Add : Purchases	119,421,808	104,528,081
	<b>126,402,171</b>	<b>115,765,652</b>
Less : Closing Stock	11,721,879	6,980,363
<b>Total Cost of Consumption</b>	<b>114,680,292</b>	<b>108,785,289</b>
<b>27 Employee Benefits Expense</b>		
Salaries, Wages & Bonus etc	146,129,791	142,658,141
Contribution to Provident & Other Funds	9,542,052	9,593,987
Staff Welfare Expenses *	20,337,139	18,733,188
Recruitment & Training	2,737,816	2,271,993
	<b>178,746,798</b>	<b>173,257,309</b>

\*Includes cost of provisions consumed in staff cafeteria



**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

	(Amount in Rs.)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>28 Finance Costs</b>		
Interest		
- On Term Loan	136,283,111	141,110,693
- On Cash Credit	2,312,197	2,041,305
- On Unsecured Debentures	-	84,985,813
- On Unsecured Loan	18,243,033	13,814,041
- On Others	-	69,899
Other Borrowing Cost	616,268	1,395,778
	<b>157,454,609</b>	<b>243,417,529</b>
<b>29 Other Expenses</b>		
Contract Labour and Service	60,102,568	66,683,780
Linen, Room, Catering, other supplies	40,125,727	41,170,522
Operating Equipments Consumption	24,592,133	16,264,271
Fuel, Power & Light	85,620,682	98,655,020
Repairs & Maintenance		
- To Building	8,909,769	7,166,986
- To Plant & Equipment	33,495,575	34,236,464
- To Others	2,074,174	3,917,252
Equipment Hiring Charges	4,930,274	3,968,330
Rates & Taxes	33,865,467	20,288,512
Advertisement & Publicity	43,071,074	34,675,093
Insurance	2,949,615	5,030,261
Net Loss on Foreign Currency Transaction and Translation	4,809,264	8,853,342
Printing & Stationery	2,775,248	3,178,884
Directors' Sitting Fees	61,325	24,000
Travelling & Conveyance	11,666,046	11,941,912
Professional and Consultancy Fees	5,399,714	6,350,180
Filing Fees*	1,035,585	22,800
Communication Expenses		
Cost of Calls	1,958,676	3,360,884
Telephone Charges	41,183	39,523
Lease Line Rentals	107,153	800,866
Technical Services	28,359,020	32,730,030
Brokerage & Commission	41,842,448	48,794,655
Payment to Auditors		
- As Auditor	490,000	350,000
- For Tax Audit	100,000	100,000
- For Other Services	5,000	-
Loss on sale of Fixed Assets (net)	46,970,492	21,339,043
Loss on sale of Investments	-	2,331,360
Miscellaneous Expenses	9,183,433	4,703,239
	<b>494,541,645</b>	<b>476,977,209</b>

\* Filing fee includes Rs.10,14,000 paid towards increasing authorised share capital of the company



## ROBUST HOTELS PRIVATE LIMITED

**Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020**

### Other Notes

#### 30. Contingent Liabilities and Commitments not provided for

	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
	Rs.	Rs.
i) Bank Guarantees	-	34,67,373
ii) Commitments Estimated amount of Capital Contracts pending to be executed	1,04,69,898	1,81,47,271
iii) Claims against the Company not acknowledged as debt	34,680	82,180
iv) Disputed Excise Duty and Penalty from April 2012 to October 2015	-	49,30,507
v) Pending claims from IOC Limited for non-submission of 'C' forms for purchase of diesel	4,00,000	4,00,000

31. As 43,00,000 Preference shares of Rs,100/- each are covered into Equity shares under the scheme of arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and the company, the dividend on these preference shares is no more payable by the company. Hence the Company is not required to disclose Contingent liability as done till last year.

32. Rs.2,26,93,508 (Previous year- Rs.1,48,09,359) is due to Micro, Small and Medium enterprises (identified based on 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.

33. Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuation as on 31<sup>st</sup> March, 2020 and recognized in the financial statements in respect of Employee Benefit Scheme



## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

		Gratuity Unfunded		Leave Encashment Unfunded		
		Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019	
I	Components of Employer Expense	Rs.	Rs.	Rs.	Rs.	
	1	Current Service Cost	17,77,724	13,07,011	3,73,382	6,96,351
	2	Interest Cost	2,46,802	2,53,435	35,667	52,488
	3	Actuarial (Gains)/Losses	6,52,472	(90,680)	12,36,843	11,77,658
	4	Total expense recognised in the statement of Profit and Loss	20,24,526	19,82,070	16,45,892	19,26,497
II	Net Asset/(Liability) recognised in Balance Sheet as at 31st March					
	1	Present Value of Defined Benefit Obligation	56,90,678	43,53,542	12,63,042	14,47,537
	2	Status (Surplus/ Deficit)	(56,90,678)	(43,53,542)	(12,63,042)	(14,47,537)
	3	Net Asset/(Liability) recognised in Balance Sheet	(56,90,678)	(43,53,542)	(12,63,042)	(14,47,537)
III	Change in Defined Benefit Obligation (DBO) during the year					
	1	Present Value of DBO at the beginning of the year	43,53,542	41,03,510	14,47,537	18,38,761
	2	Current Service Cost	17,77,724	13,07,011	3,73,382	6,96,351
	3	Interest Cost	2,46,802	2,53,435	35,667	52,488
	4	Actuarial (Gains)/Losses	6,52,472	(90,680)	12,36,843	11,77,658
	5	Benefits Paid	13,39,862	16,41,358	18,30,387	23,17,721
	6	Present Value of DBO at the end of the year	56,90,678	43,53,542	12,63,042	14,47,537
IV	Actuarial Assumptions					
	1	Mortality Table	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate
	2	Discount Rate (per annum)	6.70%	7.72%	6.70%	7.72%
	3	Rate of escalation in Salary ( per annum)	6.00%	6.00%	6.00%	6.00%
V	Amount Recognized in Other Comprehensive Income (OCI):					
		Actuarial (Gain) /Loss recognized during the year	6,52,472	(90,680)	-	-





## ROBUST HOTELS PRIVATE LIMITED

### Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

Defined Benefit Plans / Long Term Compensated Absences – As per Actuarial Valuation as on 31<sup>st</sup> March, 2020 and recognized in the financial statements in respect of Employee Benefit Scheme (Contd...)

Experience adjustment on account of actuarial assumption of Gratuity:	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>
	Rs.	Rs.	Rs.
1. Defined Benefit Obligation as at 31st March	56,90,678	43,53,542	41,03,510
2. Plan Assets as at 31 <sup>st</sup> March			-
3. Surplus/(Deficit)	(6,52,472)	90,680	(8,62,800)
Experience adjustment of Obligation	(2,82,852)	(59,104)	10,05,479

Note:

1. The discount rate is based on the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimates term of obligations.
2. The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
3. The gratuity plan and earned leave is unfunded.
34. In the opinion of the Management, the value of realization of Current and Non Current Assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
35. The timing difference relating mainly to depreciation and unabsorbed losses result in net deferred tax asset as per IND AS 12 "Income Taxes". As a prudent measure, the net Deferred Tax Assets' relating to the above has not been recognized in the financial statements.
36. The Company does not have more than one reportable segment in accordance with the principle outlined in IND AS 108, the disclosure requirements on "Segment Reporting" is not applicable. The Company operates presently only in India.
37. Disclosure in respect of related parties as defined in Indian Accounting Standard 24 are given below:-

#### A. Key Managerial Personnel

- a. Mr. Arun Kumar Saraf, Director
- b. Mr. A. Srinivasan, Director
- c. Mr. Umesh Saraf, Director
- d. Mr. Varun Saraf, Director
- e. Mr. Pawan Kumar Kakarania , Independent Director (resigned w.e.f 09.11.2019 )
- f. Mr. Soumya Saha, Independent Director (resigned w.e.f 13.01.2020)



## ROBUST HOTELS PRIVATE LIMITED

### Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

- g. Mr. Rama Shankar Jhawar, Independent Director (appointed w.e.f 13.01.2020)
- h. Ms. Rita Bhimani, Independent Director (appointed w.e.f. 13.01.2020)
- i. Mr. T.N. Thanikachalam , Vice President & CFO
- j. Ms. N. Muthulakshmi (resigned w.e.f. 08.10.2018)
- k. Ms. T Ramyaa, Company Secretary (resigned w.e.f. 26.06.2019)
- l. Ms. Manisha Sharma, Company Secretary (appointed w.e.f. 29.06.2019)

37. Disclosure in respect of related parties as defined in Indian Accounting Standard 24 are given below:- (Contd...)

#### B. Holding Company:

- a. Asian Hotels (East ) Limited (AHEL)

#### C. Enterprises over which Key Managerial Personnel are able to exercise Significant Influence :

- a. Asian Hotels (East) Limited (AHEL)
- b. GJS Hotels Limited (GJS)
- c. Juniper Hotels Private Limited (JHPL)
- d. Juniper Investments Limited (JIL)
- e. Chartered Hotels Private Limited (CHPL)
- f. Chartered Hampi Hotels Private Limited (CHHPL)
- g. Unison Hotels Limited (UHL)
- h. Taragaon Regency Hotels Limited (TRHL)
- i. Samra Importex Private Limited
- j. Blue Energy Private Limited
- k. Polygon Management Advisory Private Limited
- l. Bodhgaya Guest House Pvt. Ltd.
- m. Salkia Estate Development Pvt. Ltd.
- n. Yak & Yeti Hotel Ltd
- o. Nepal Travel Agency (P) ltd

#### D. Disclosure of Transactions during the year

Name of Person	Nature of Transactions	Year Ended	Year Ended
		31st March, 2020	31st March, 2019
		Rs.	Rs.
AHEL	Reimbursement of Expenses(Net)	6,78,689	5,16,209
	Sales Promotion	-	15,116
	Sale of Services	1,69,584	36,88,243
	Interest on Unsecured Loan (TDS deducted Rs. 18,24,303/-)	1,82,43,033	1,38,14,041



## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

Name of Person	Nature of Transactions	Year Ended	Year Ended
		31st March, 2020	31st March, 2019
		Rs.	Rs.
	Receipt of service	22,30,774	-
	Loan taken	90,00,000	14,00,00,000
JHPL	Reimbursement of Expenses	7,19,972	98,264
	Sale of Services	68,982	5,29,047
	Sales Promotion	53,017	1,83,600
UHL	Reimbursement of Expenses	-	19,037
CHPL	Sale of Services	40,423	5,06,544
	Reimbursement of Expenses	42,280	17,702
TRHL	Reimbursement of Expenses	-	78,883
GJS	Interest on Debentures	-	15,50,000
	Debenture interest refunded as per scheme	46,50,000	-
Mr. A. Srinivasan	Legal Consultancy Fee	6,00,000	6,00,000
	Sitting Fee	1,000	4,000
Mr. Arun Kumar Saraf	Sitting Fee	5,000	5,000
Mr. Umesh Saraf	Sitting Fee	9,000	9,000
Mr. Soumya Saha	Sitting Fee	10,000	3,000
Mr. Pawan Kumar Kakarnia	Sitting Fee	5,000	1,000
Mr. Varun Saraf	Sitting Fee	1,000	2,000
Mr. Rama Shankar Jhawar	Sitting Fee	15,000	-
Ms. Rita Bhimani	Sitting Fee	15,000	-
Mr. T.N.Thanikachalam	Remuneration*	37,27,640	37,94,179
Ms. N. Muthulakshmi	Remuneration*	-	10,24,297
Ms. Ramyaa Thirumaran	Remuneration*	1,40,613	2,82,830
Ms. Manisha Sharma	Remuneration*	3,34,565	-

\* The post employment benefits of KMPs excludes gratuity which cannot be separately identified from the composite amount advised by the actuary.

### E. Balances as at year end

Name of Person	Nature of Balances	Year Ended	Year Ended
		31st March, 2020	31st March, 2019
		Rs.	Rs.
AHEL	Corporate Guarantee	1,60,95,00,000	1,60,95,00,000
	Unsecured Loan	37,15,00,000	36,25,00,000
	Trade Payables	2,37,018	19,66,957
	Trade Receivables	0	28,29,236



## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

	Interest accrued and due (net of TDS Rs. 8,22,260/-)	82,40,134	74,00,342
JHPL	Trade Payables	14,29,443	6,54,671
	Trade Receivables	6,05,038	5,72,188
UHL	Other Payables	1,59,784	1,59,784
	Trade Receivables	17,682	17,682
CHL	Trade Payables	-	17,702
	Trade Receivables	1,18,413	4,98,418
TRHL	Trade Receivables	78,883	78,883
GJS	0.1% Unsecured Cumulative Non- Convertible Debentures.	-	79,16,50,918

**38. Earnings in Foreign Currency (Net):-**

-On Receipt Basis*(Rs.)	24,08,90,789	29,30,92,674
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\*On the basis of Foreign Inward Remittance Certificates received.

39. The outbreak of Corona virus (COVID-19) globally and in India has impacted business and economic activities in general. The spread of COVID-19, along with nationwide lockdown starting from 25th March, 2020, has caused serious threat to human lives and resulted in reduction in global demand and disruption in supply chain, which has forced the business to restrict the operations in short term. The Company is engaged in Hotel business. The Hotel business is impacted due to COVID-19 since end of February 2020. Though this has impacted only the performance of 4<sup>th</sup> quarter in FY 2019-20, the performance for 2020-21 will be severely impacted due to COVID-19. The company has already initiated action plans including control of fixed overheads to reduce the impact on the profitability.



**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

**40 FINANCIAL INSTRUMENTS**

**Financial Instruments by category**

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

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	(Amount in Rs.)	
				Total Carrying Value	Total Fair Value
<b>ASSETS</b>					
<b>Non - current Assets</b>					
i) Investments	5,000	41,866,637	-	41,871,637	41,871,637
ii) Other Financial Assets	25,407,060	-	-	25,407,060	25,407,060
	<b>25,412,060</b>	<b>41,866,637</b>	<b>-</b>	<b>67,278,697</b>	<b>67,278,697</b>
<b>Current Assets</b>					
i) Trade Receivables	84,456,634	-	-	84,456,634	84,456,634
ii) Cash and Cash Equivalents	4,676,392	-	-	4,676,392	4,676,392
iii) Other Financial Assets	964,475	-	-	964,475	964,475
	<b>90,097,501</b>	<b>-</b>	<b>-</b>	<b>90,097,501</b>	<b>90,097,501</b>
<b>Total</b>	<b>115,509,561</b>	<b>41,866,637</b>	<b>-</b>	<b>157,376,198</b>	<b>157,376,198</b>
<b>LIABILITIES</b>					
<b>Non - current Liabilities</b>					
(i) Borrowings	968,100,000	-	-	968,100,000	968,100,000
	<b>968,100,000</b>	<b>-</b>	<b>-</b>	<b>968,100,000</b>	<b>968,100,000</b>
<b>Current Liabilities</b>					
(i) Borrowings	373,052,966	-	-	373,052,966	373,052,966
(ii) Trade Payables	101,996,063	-	-	101,996,063	101,996,063
(iii) Other Financial Liabilities	380,792,175	-	-	380,792,175	380,792,175
	<b>855,841,205</b>	<b>-</b>	<b>-</b>	<b>855,841,205</b>	<b>855,841,205</b>
	<b>1,823,941,205</b>	<b>-</b>	<b>-</b>	<b>1,823,941,205</b>	<b>1,823,941,205</b>



**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

**40 FINANCIAL INSTRUMENTS (Contd...)**

**Financial Instruments by category**

The carrying value and fair value of financial instruments by categories as on 31st March, 2019 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	(Amount in Rs.) Total Fair Value
<b>ASSETS</b>					
<b>Non - current Assets</b>					
i) Investments	10,000	35,512,200	-	35,522,200	35,522,200
ii) Other Financial Assets	28,410,770	-	-	28,410,770	28,410,770
	<u>28,420,770</u>	<u>35,512,200</u>	-	<u>63,932,970</u>	<u>63,932,970</u>
<b>Current Assets</b>					
i) Trade Receivables	113,617,115	-	-	113,617,115	113,617,115
ii) Cash and Cash Equivalents	5,389,670	-	-	5,389,670	5,389,670
iii) Loans	49,400	-	-	49,400	49,400
iv) Other Financial Assets	948,356	-	-	948,356	948,356
	<u>120,004,541</u>	-	-	<u>120,004,541</u>	<u>120,004,541</u>
<b>Total Assets</b>	<u>148,425,311</u>	<u>35,512,200</u>	-	<u>183,937,511</u>	<u>183,937,511</u>
<b>LIABILITIES</b>					
<b>Non - current Liabilities</b>					
i) Borrowings	1,111,500,000	-	-	1,111,500,000	1,111,500,000
ii) 12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	430,000,000	-	-	430,000,000	430,000,000
iii) Unsecured Debentures	-	791,650,918	-	791,650,918	791,650,918
	<u>1,541,500,000</u>	<u>791,650,918</u>	-	<u>2,333,150,918</u>	<u>2,333,150,918</u>
<b>Current Liabilities</b>					
(i) Borrowings	375,374,616	-	-	375,374,616	375,374,616
(ii) Trade Payables	73,714,850	-	-	73,714,850	73,714,850
(iii) Other Financial Liabilities	286,300,890	-	-	286,300,890	286,300,890
	<u>735,390,356</u>	-	-	<u>735,390,356</u>	<u>735,390,356</u>
<b>Total</b>	<u>2,276,890,356</u>	<u>791,650,918</u>	-	<u>3,068,541,274</u>	<u>3,068,541,274</u>



**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

**41 Fair value hierarchy**

This 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 the 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 Instruments 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 instruments 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 31st March, 2020:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>ASSETS</b>				
<b>Non - current Assets</b>				
i) Investments	41,871,637	-	41,866,637	5,000
ii) Other Financial Assets	25,407,060	-	-	25,407,060
	<b>67,278,697</b>	<b>-</b>	<b>41,866,637</b>	<b>25,412,060</b>
<b>Current Assets</b>				
i) Trade Receivables	84,456,634	-	-	84,456,634
ii) Cash and Cash Equivalents	4,676,392	-	-	4,676,392
iii) Other Financial Assets	964,475	-	-	964,475
	<b>90,097,501</b>	<b>-</b>	<b>-</b>	<b>90,097,501</b>
<b>Total</b>	<b>157,376,198</b>	<b>-</b>	<b>41,866,637</b>	<b>115,509,561</b>
<b>LIABILITIES</b>				
<b>Non - current Liabilities</b>				
i) Term Loan	968,100,000	-	-	968,100,000
	<b>968,100,000</b>	<b>-</b>	<b>-</b>	<b>968,100,000</b>
<b>Current Liabilities</b>				
(i) Term Loan	373,052,966	-	-	373,052,966
(ii) Trade Payables	101,996,063	-	-	101,996,063
(iii) Other Financial Liabilities	380,792,175	-	-	380,792,175
	<b>855,841,205</b>	<b>-</b>	<b>-</b>	<b>855,841,205</b>
<b>Total</b>	<b>1,823,941,205</b>	<b>-</b>	<b>-</b>	<b>1,823,941,205</b>



**ROBUST HOTELS PRIVATE LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2020

**41 Fair value hierarchy (Contd...)**

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of 31st of March 2019

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
(Amount in Rs.)				
<b>ASSETS</b>				
<b>Non - current Assets</b>				
i) Investments	35,522,200	-	35,512,200	10,000
ii) Other Financial Assets	28,410,770	-	-	28,410,770
	<u>63,932,970</u>	<u>-</u>	<u>35,512,200</u>	<u>28,420,770</u>
<b>Current Assets</b>				
i) Trade Receivables	113,617,115	-	-	113,617,115
ii) Cash and Cash Equivalents	5,389,670	-	-	5,389,670
iii) Loans	49,400	-	-	49,400
iv) Other Financial Assets	948,356	-	-	948,356
	<u>120,004,541</u>	<u>-</u>	<u>-</u>	<u>120,004,541</u>
<b>Total</b>	<u>183,937,511</u>	<u>-</u>	<u>35,512,200</u>	<u>148,425,311</u>
<b>LIABILITIES</b>				
<b>Non - current Liabilities</b>				
i) Term Loan	1,111,500,000	-	-	1,111,500,000
ii) 12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	430,000,000	-	-	430,000,000
iii) Unsecured Debentures	791,650,918	-	791,650,918	-
	<u>2,333,150,918</u>	<u>-</u>	<u>791,650,918</u>	<u>1,541,500,000</u>
<b>Current Liabilities</b>				
(i) Term Loan	375,374,616	-	-	375,374,616
(ii) Trade Payables	73,714,850	-	-	73,714,850
(iii) Other Financial Liabilities	286,300,890	-	-	286,300,890
	<u>735,390,356</u>	<u>-</u>	<u>-</u>	<u>735,390,356</u>
<b>Total</b>	<u>3,068,541,274</u>	<u>-</u>	<u>791,650,918</u>	<u>2,276,890,356</u>

The carrying amount of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair value due to their short term nature and are in close approximation of fair value.

**42 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 equivalents to manage day to day operation. The Company has financial support from Asian Hotels (East) Limited, the holding company, to meet its financial liabilities for repayment.





**ROBUST HOTELS PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended 31st March, 2020

**42 FINANCIAL RISK MANAGEMENT (Contd...)**

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

Particulars					Amount in Rs.
	less than 3 months	3 months to 1 year	1 - 5 years	5 to 20 years	Total
Term Loan	-	37,30,52,966	90,55,50,000	6,25,50,000	1,34,11,52,966
Trade payables	-	-	-	-	-
Other Financial Liabilities	-	38,07,92,175	-	-	38,07,92,175

The table below provides details regarding the contractual maturities of financial liabilities as of 31st March, 2019:

Particulars					Amount in Rs.
	less than 3 months	3 months to 1 year	1 - 5 years	5 to 20 years	Total
Term Loan	-	37,53,74,616	79,87,50,000	31,27,50,000	1,48,68,74,616
12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	-	-	-	43,00,00,000	43,00,00,000
Unsecured Debentures	-	-	-	79,16,50,918	79,16,50,918
Trade payables	-	-	-	-	-
Other Financial Liabilities	-	28,63,00,890	-	-	28,63,00,890

**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, trade receivables, cash and cash equivalents loans 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 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 2020	31st March 2019
Investments	4,18,71,637	3,55,22,200
Trade Receivables	8,44,56,634	11,36,17,115
Cash & cash equivalents	46,76,392	53,89,670
Loans	-	49,400
Other Financial Assets	2,63,71,535	2,93,59,126

**43 CAPITAL MANANGEMENT**

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.
- Maximisation of 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 .

Gearing Ratio is as follows :

Particulars	Amount in Rs.	
	31st March 2020	31st March 2019
Net debt	96,81,00,000	2,33,31,50,918
Total net debt and equity	4,69,74,89,175	5,04,96,58,139
Gearing Ratio	20.61%	46.20%

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.



## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

#### 44. C. I. F. Value of Capital Goods imported

Particulars	Year Ended 31 <sup>st</sup> March,2020	Year Ended 31 <sup>st</sup> March,2019
	Rs.	Rs.
C.I.F. Value of Capital Goods Imported	9,24,455	-

#### 45. Expenditure in Foreign Currency:-

Expenditure	Year Ended 31 <sup>st</sup> March,2020	Year Ended 31 <sup>st</sup> March,2019
	Rs.	Rs.
Fees for Technical Services	1,54,22,625	91,15,096
Travelling Expenses	-	2,38,555
Commission	2,47,61,425	2,69,21,806
Management Fee	2,33,93,469	32,730,031
Business Promotion & Advertisement	46,42,720	-
Professional & Consultancy	4,90,985	-
Others	4,59,453	250,075

46. Pursuant to Sections 230 and 232 of the Companies Act, 2013 the Board of Directors of the Company (RHPL) have approved a Scheme of Arrangement on 10th February, 2017 for (1) demerger of the investment division (Demerged Undertaking) of its holding company GJS Hotels Limited (GJS) for merger with Asian Hotels (East) Limited AHEL (the holding company of GJS) and (2) to reorganise the Share Capital and Debentures of RHPL with effect from the Appointed Date, being close of business hours on 31st March, 2016. The said scheme was approved by the Hon'ble National Company Law Tribunal (NCLT) Kolkata & Chennai Bench vide orders dated 6<sup>th</sup> February 2019 and 24<sup>th</sup> June 2019 respectively.

As per the sanction order of the scheme, all the preference shares and debentures of the company has been converted into equity shares. Also, consequent to the demerger of the Demerged Undertaking of GJS with AHEL under the Scheme, all shares held by GJS in RHPL stand transferred to AHEL and RHPL has become a wholly owned subsidiary of AHEL.



## ROBUST HOTELS PRIVATE LIMITED

### Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

The accounting of this arrangement was done as per the Scheme and the same has been given effect to in the financial statements as under:

- a) Consequent to demerger of demerged undertaking of GJSHL to AHEL in terms of the Scheme, AHEL become the holder of all Preference Shares and Debentures of the Company.
- b) All shares held by GJSHL in the Company stand transferred to AHEL.
- c) Authorised Share Capital of the Company reorganized and increased to Rs. 2,25,00,00,000/- divided into 22,50,00,000 Equity Shares of Rs. 10/- each and Clause V (Capital Clause) of the Memorandum of Association altered accordingly.
- d) 43,00,000 12% Cumulative Redeemable Preference Shares of Rs. 100/- each (Specified Preference Shares) converted into 3,20,35,000 Equity Shares of Rs. 20/- each (Face value of Rs.10/- each & premium of Rs. 10/- each).
- e) 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs. 100/- each (Specified Debentures) converted into 3,79,75,000 Equity Shares of Rs. 20/- each (Face value of Rs.10/- each & premium of Rs. 10/- each).
- f) The above equity shares have been allotted to AHEL in full and final satisfaction of all claims in respect of Specified Preference Shares and Specified Debentures including in lieu of the amount paid up thereon and all arrears of dividends and interest thereon.
- g) Consequent to conversion of Specified Preference Shares and Specified Debentures balance sum of Rs. 57,98,00,000 had been credited to Business Reconstruction Reserve Account. Which is adjusted against Capital Reserve of the Company as per the Scheme.

#### 47. Earnings Per Share

<u>Numerator</u>		
Profit/(Loss) for the year (Rs.)	(20,81,16,492)	(22,60,39,318)
<u>Denominator</u>		
Weighted average number of Equity Shares	22,41,83,829	22,41,83,829
Face Value per Share (Rs.)	10	10
Earnings Per Share (Rs.)		
-Basic	(0.93)	(1.01)
-Diluted	(0.93)	(1.01)

EPS of the previous period re-instated accordance with the approved scheme.



## ROBUST HOTELS PRIVATE LIMITED

### Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

48. The company in pursuance of RBI circular DOR.No.BP.BC.47/ 21.04.048/2019-20 dated March 27, 2020 & Circular DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020 giving relief to the Term Loan borrower across the nation on account of COVID-19 has opted for moratorium of interest and principal payments on the term loan taken from HDFC Limited which become due during March 2020 to August 2020.
49. The Board of Directors approved a Scheme of Arrangement, Demerger and Reduction of Capital between the Company and its holding Company, Asian Hotels (East) Limited (AHEL) and their respective shareholders and creditors under sections 230-232 and 66 of the Companies Act, 2013 (the Scheme) for inter alia:
- (i) demerger and transfer of the undertaking, business, activities and operations of AHEL pertaining to 'Securities Trading Unit' comprising of treasury/liquid investments from AHEL into the Company, as a going concern in compliance with Section 2(19AA) of Income Tax Act, 1961;
  - (ii) capitalization of reserves of the AHEL and issuance and allotment of fully paid-up bonus equity shares having face value of Rs. 10 (Indian rupees ten) by AHEL to its equity shareholders (as of the Record Date), in the ratio 2:1 that is, 1 (one) new bonus fully paid-up equity share having face value of Rs. 10/- (Ten) each for every 2 (two) Equity Shares of the AHEL having face value of Rs. 10 /- (Ten) each held by a shareholder of AHEL as of the Record Date;
  - (iii) reorganization and reduction of shares of the Company held by AHEL (without any consideration) with 'Appointed Date' being the same as the Effective date or such other date as may be modified/fixed by the Tribunals; and
  - (iv) upon effectiveness of the Scheme the Company shall issue & allot 1(one) fully paid-up equity share of the Company having a face value of Rs. 10/- each for every 1 (one) fully paid-up equity share of the AHEL having a face value of Rs. 10/- held by a shareholder of AHEL as on the Record Date (as determined in terms of the Scheme and the 2013 Act) and the shares of the Company shall be listed and admitted for trading on all the stock exchanges where the equity shares of AHEL are listed.

AHEL has received Observation Letters from National stock Exchange of India Ltd (NSE) and BSE Limited (BSE) vide their letters dated 21.05.2020 so as to file the Scheme with the Hon'ble National Company Law Tribunal Benches, Kolkata & Chennai.



## ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2020

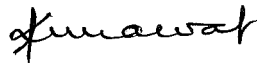
50. Derivative instruments and foreign currency exposures

- a. Foreign currency exposure outstanding as at the Balance Sheet date is Rs. 8,05,20,455/- (previous year Rs. 5,81,07,813)
- b. Particulars of un-hedged foreign currency exposures as at the Balance Sheet date is NIL (previous year NIL)

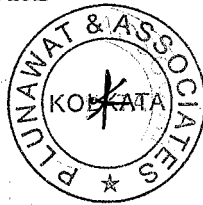
51. Previous year figures have been regrouped / rearranged wherever necessary.

Signature to Notes 1 to 51

As per our Report annexed  
For P.Lunawat & Associates  
Chartered Accountants  
Firm Registration No.:328946E



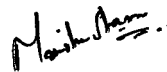
(Pankaj Lunawat )  
Proprietor  
Membership No.: 067104  
Place: Kolkata  
Date: 24.07.2020



FOR AND ON BEHALF OF THE BOARD



Director



Company Secretary



Director



Vice President &  
Chief Financial Officer