ANNUAL REPORTS

2021-2022

MUMTAZ HOTELS LIMITED

MASHOBRA RESORT LIMITED

OBEROI KERALA HOTELS AND RESORTS LIMITED

EIH FLIGHT SERVICES LTD

EIH INTERNATIONAL LTD

EIH HOLDINGS LTD

PT WIDJA PUTRA KARYA

PT WAKA OBEROI INDONESIA

PT ASTINA GRAHA UBUD

MUMTAZ HOTELS LIMITED

BOARD OF DIRECTORS

Mr. Prithviraj Singh Oberoi, Chairperson
Mr. Shivy Bhasin, Vice Chairman
Mr. T. K. Sibal
Mr. Manish Goyal, Managing Director
Mr. Vikramjit Singh Oberoi
Mr. Arjun Singh Oberoi
Mr. Manav Goyal
Mr. Raj Kumar Kataria
Mr. Sandeep Kumar Barasia
Dr. Chhavi Rajawat

CHIEF FINANCIAL OFFICER

Mr. Kallol Kundu

AUDITORS

Deloitte Haskins & Sells LLP,
Chartered Accountants
7th Floor, Building 10, Tower B
DLF Cyber City Complex
DLF City Phase – II
Gurugram – 122002
Haryana

REGISTERED OFFICE

4, Mangoe Lane
Kolkata 700 001

CORPORATE OFFICE

7, Sham Nath Marg
Delhi 110 054

Directors' Report

The Members
Mumtaz Hotels Limited

The Board presents its Thirty Second Annual Report together with the Audited Financial Statement and the Auditor's Report in respect of the Financial Year ended on 31st March 2022.

Financial Highlights

The Financial Highlights of the year under review as compared to the previous year are given below:

Rs. in Million

Particulars	2021-22	2020-21
Total Revenue	471.55	188.46
Earnings before Interest, Depreciation and Amortization, Taxes and Exceptional Items (EBIDTA)	95.34	(64.92)
Finance Costs	0.03	0.06
Depreciation	38.13	34.32
Profit before Tax	57.18	(99.30)
Current Tax	0.61	14.00
Deferred Tax	15.40	(22.84)
Profit/ (loss) after Tax	41.17	(90.46)
Other Comprehensive Income/(Loss), net of tax	0.98	0.22
Total Comprehensive Income	42.15	(90.24)
Profit/ (Loss) Brought forward from earlier years	821.14	911.38
Profit/ Loss Carried Over	863.29	821.14

Performance

The performance of the Company was affected due to the outbreak second and third waves of the Covid-19 pandemic during the Financial Year. The lockdown imposed by the Central and State Governments as well other countries globally and consequent travel restrictions to avoid spread of the Covid-19 pandemic had an impact on almost all business from corporate, leisure, MICE and direct business, all of which were severely impacted. The hospitality industry, in general has been severely impacted in terms of occupancy, ARR, RevPAR, turnover and profitability, resulting from the Covid-19 Pandemic. Due to travel bans by several countries foreign travellers coming to India has become almost negligible. This has severely impacted the hotel industry in general in the Financial Year 2021-22 and especially the Company, as major revenue source of the Company is from Foreign Travellers visiting Agra. The total revenue earned for the year was mainly due to occupancy by the domestic travellers. However, with India's very successful vaccination drive that resulted in Covid-19 infection declining, the domestic travel and marketing and sales initiative taken by the Hotels to boost occupancies resulted in strong performance by the Company for the Financial Year.

A note on the impact of Covid-19 on the Company's operations is given in Note No.47 of the Notes to the Accounts.

The Company and the Hotel have taken various initiatives to protect the health and safety of guests and employees. All precautions as per the World Health Organization guidelines and directions of the Central and State Governments have been implemented and are being strictly adhered to including to the following steps:

- All public areas such as restaurants, SPA, Gym, swimming pool etc. made non-operational on state directives;
- Temperature measuring devices provided at the hotel for continuous monitoring of guests and employees;
- General Manager of the hotel is in continuous touch with local health officials for implementation of necessary guidelines.
- All the staff are fully vaccinated.

Renovation of the Hotel

53 guest rooms were refurbished between 11th April 2019 to 01st October, 2019 along with the all-day dining restaurant Bellevue and main kitchen. The restaurant became operational from 10th December, 2019.

The renovation work that was planned for the summer of 2020 commenced in the month of July, post the lifting of the first lockdown. The Hotel remained closed for this work and reopened on 11th October 2020 after the work in the guest areas was completed. The renovation of lockers, cafeteria, linen room and back of the house corridors was also completed.

Gas Generators have been installed and commissioned in November 2021.

The renovation of the balance 49 rooms started in April 2021 and was completed on 10th November 2021. During this phase the chillers were also replaced and commissioned.

The restoration of the stone by the poolside is being carried out currently.

Work planned for the summer of 2022 –

- Main LT Panel replacement
- Main HT Panel replacement
- Chilled & Condenser water system (Including pumps, Pot strainer, etc) and Header lines.
- Upgradation of Sewage Treatment Plant (STP)
- Heat pumps for Space heating and Hot water
- 5th Floor Suite Room And Corridor
- Stone Rectification Work - Guest Room Corridor
- Renovation of Team accomodation

Directors' Report (Contd.)

The above works are expected to be completed by the 31st December 2022.

Tirupati Project

The State Investment Promotional Committee and the Tourism and Culture Department, Government of Andhra Pradesh had approved the Company's proposal for constructing and operating a five-star hotel/resort in Tirupati on 20 acres of leasehold land on the foot hill of the temple. The lease of land will be for 94 years including the period of construction of 4 years for the hotel. The Company will build and operate a 100 room hotel in the first phase by 2026 and 25 room in the second phase in 2030 under the brand "Trident". Total investment by the Company in the project would be Rs.150 crore. The project cost will be funded through mix of debt and available free reserves of the Company.

Dividend

The Board of Directors have not recommend any dividend to the shareholders for the Financial Year 2021-22.

Directors' Responsibility Statement

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013 ("the Act"), and based on representations from the Management, the Board states that:

a) in preparing of the annual accounts, applicable Accounting Standards have been followed and there are no material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at the end of the Financial Year and of the profit of the Company for that period;

c) the directors, to the best of their knowledge and ability, have taken proper and sufficient care in maintaining adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the directors have prepared the Annual Accounts of the Company on a "going concern" basis; and

e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors

Mr. Prithvi Raj Singh Oberoi (DIN:00051894), Mr. Manish Goyal (DIN: 00059182) and Mr. Arjun Singh Oberoi (DIN: 00052106) were due for retirement by rotation at the ensuing Annual General Meeting. Mr. Prithvi Raj Singh Oberoi has shown his unwillingness to be reappointed as Director, according, Mr. Tej Kumar Sibal (DIN: 00038992) will retire by rotation. Mr. Manish Goyal (DIN: 00059182), Mr. Arjun Singh Oberoi (DIN: 00052106) and Mr. T.K. Sibal (DIN: 00038992), being eligible, offer themselves for re-appointment. The Directors recommend re-appointment of Mr. Manish Goyal, Mr. Arjun Singh Oberoi and Mr. Tej Kumar Sibal, as Directors on the Board, liable to retire by rotation.

The Board placed on record its deep appreciation and gratitude to the contribution made and guidance provided by Mr. Prithviraj Singh Oberoi during his tenure as a Chairperson of the Board of Directors.

Key Managerial Personnel

Mr. Lalit Kumar Sharma was appointed as the Company Secretary of the Company, in place of Mr. S.N. Sridhar at the Board Meeting held on 21st October 2021. Mr. S.N. Sridhar relinquished the office of the Company Secretary of the Company with effect from 1st September 2021.

Board Meeting

During the year, the Company held four Board Meetings on 23rd April 2021, 22nd July 2021, 21st October 2021 and 20th January 2022. All the Board meetings were held through video conferencing as per the circulars issued by the Government of India, Ministry of Corporate Affairs due to Covid-19 pandemic outbreak in the entire Financial Year 2021-22.

The attendance of the Directors in the Board meetings are as under:

Name of the Director	No. of Meetings attended
Mr. Prithvi Raj Singh Oberoi	1
Mr. Shivy Bhasin	4
Mr. Tej Kumar Sibal	4
Mr. Manish Goyal	4
Mr. Vikramjit Singh Oberoi	4
Mr. Arjun Singh Oberoi	3
Mr. Rajkumar Kataria	4
Mr. Sandeep Kumar Barasia	3
Mr. Manav Goyal	3
Dr. Chhavi Rajawat	4

Audit Committee/Nomination and Remuneration Committee

The Company is a Joint Venture between EIH Ltd and GB Group. Therefore, during the year under review, the Company is not required to comply with the provisions relating to Audit Committee (Section 177) and Nomination and Remuneration Committee (Section 178) pursuant to Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended by Companies (Appointment and Qualification of Directors) Amendment Rules, 2017.

Independent Directors and their Meeting

The Company is a Joint Venture between EIH Ltd and GB Group. Therefore, in accordance with Section 149(4) of the Act read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended by Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, the Company is not required to appoint Independent Directors. Therefore, the requirement of holding at least one meeting of the Independent Directors in a year pursuant to Schedule V of the Act is also not applicable.

Corporate Social Responsibility

In accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Policy formulated by the Company in the Financial Year 2014-15 can be accessed on the holding Company's website, www.eihltd.com.

The Annual Report on Corporate Social Responsibility activities for the Financial Year 2021-22 is attached as Annexure and forms part of this report.

Company's Policy on Directors' Appointment and Remuneration

The Company is not covered under sub-section (1) of Section 178 of the Act, being a Joint Venture Company. Therefore, the requirement of clause (e) of sub-section 3 of Section 134 does not apply to the Company.

Risk Management

The Company is a subsidiary of EIH Limited. EIH Ltd has in place a comprehensive Risk Management policy, procedure and Risk Committee which is being followed by the Company's hotel, The Oberoi Amarvilas and the Company. The risk, if any, on the Company and the Company's hotel is monitored periodically and reported to the Board.

Energy Conservation Measures

The Company has continued focussed energy conservation efforts during the year. Major actions taken during the year include installation of energy efficient chillers, installation of energy efficient pumps, replacement of insulation on hot & chilled water pipes, replacement of guest room window with double glazed window, replacement of fluorescent lamps with LED lamps and replacement of TFA with heat recovery.

Furthermore, conservation measures in form of tight operational control of Kitchen and Laundry equipment were also taken. Major plant and machinery like elevators, chillers, boilers, ventilation equipment, etc. were operated with adaptive control in relation to occupancy and ambient weather conditions.

Some of the action planned for coming year are installation of additional heat recovery units, heat pumps for domestic water heating, installation of demand control system for ventilation units and installation of solar power plant.

With various energy conservation measures taken in FY 2021-22, your Company was able to reduce its overall absolute energy consumption by about 28% in comparison to FY 2019-20. These energy savings have resulted in reduction of carbon dioxide emissions by about 803 metric tonnes in comparison to FY 2019-20.

Foreign Exchange Earnings and outgo

Foreign Exchange earnings during the year amounted to Rs. 50.85 million as compared to Rs. 10.38 million in the previous year. The outflow of foreign exchange during the year was Rs. 11.20 million as compared to Rs. 3.69 million in the previous year.

Secretarial Standards

During the year, the Company has complied with the applicable Secretarial Standards.

Auditors

At the 27th Annual General Meeting of the Company held in year 2017, the Members had approved the appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants (FRN 117366W/W-100018) as the Statutory Auditors of the Company to hold office for 5 (five) consecutive years from the conclusion of the 27th Annual General Meeting till the conclusion of the 32nd Annual General Meeting.

The Board at its meeting held on 25th April 2022, have unanimously recommended to the Shareholders appointment of M/s. Deloitte, Haskins & Sells LLP, Chartered Accountants, (FRN 117366 W/W 100018) ("Deloitte") as the Statutory Auditors of the Company to hold office for another term of 5 (five) consecutive years from the conclusion of the 32nd Annual General Meeting scheduled to be held in the year 2022 till the conclusion of the 37th Annual General Meeting to be held in the year 2027.

Deloitte have given a written consent to the Company for re-appointment as Auditors. They have also given a certificate that they satisfy the criteria prescribed in Section 141 of the Act and the appointment, if made, shall be in accordance with the conditions laid down under the Act and Rules.

Auditor's Report

The Auditor's Report does not contain any observation, qualification, or adverse remark for the Board to comment.

Cost Records

Company is not required to maintain cost records in accordance with Section 148 of the Act read with Rule 3 of the Companies (Cost Record and Audit) Rules, 2014 as the services of the Company are not covered under the said rules.

Significant and Material orders, if any

During the year, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operation in future.

Prevention of Sexual Harassment at Work Place

During the year, there was no complaint of sexual harassment at work place. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and filed necessary returns under the Act.

Directors' Report (Contd.)

Related Party Transactions

The contracts, arrangements or transactions with related parties are in the ordinary course of business and are at arm's length. There are no material contracts, arrangements or transactions entered into by the Company with its Related Parties, required to be reported in the prescribed form in terms of Section 188 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014. The Related Party Transactions entered during the year are given in Note no. 37(b) of the financial statement.

Internal Financial Controls

The Company has put in place adequate Internal Financial Control systems commensurate with the size and operations of the business.

Annual Return

In accordance with Section 92(3) of the Companies Act, 2013 read with rules made thereunder, the Annual Return of the Company in Form MGT-7 has been placed on the website of the holding company, www.eihltd.com.

Loans, Guarantees or investments

During the year, the Company has not given any loan or guarantee and have not made any investments.

Deposits

During the year, the Company has not accepted any deposits.

Secretarial Audit

The Secretarial Audit of the records of the Company was conducted by a Practicing Company Secretary. The Report submitted by the Practicing Company Secretary does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report is annexed and forms part of this Report.

Internal Audit and Vigil Mechanism

The requirement for appointment of an Internal Auditor is not applicable to the Company under the Act. The requirement for establishment of a Vigil Mechanism as required under Section 177 of the Act read with Rule 7 (1) of the Companies (Meetings of the Board) Rules, 2014 is also not applicable to the Company.

Subsidiaries, Associates and Joint Ventures

The Company does not have any Subsidiary, Associate or Joint Venture Company.

Director/KMP Remuneration

Directors of the Company are not paid any remuneration except sitting fee for each meeting of the Board or Committee thereof. The Managing Director, Chief Financial Officer and Company Secretary do not draw any remuneration from the Company. Sitting fee of Rs. 40,000 per meeting of the Board or Committee thereof is paid to all Directors. Total sitting fee paid during the Financial Year 2021-22 was Rs.1.68 Million.

Top Ten Employees Remuneration

In accordance with Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a list of Top Ten employees' remuneration details is Annexed and forms part of this report.

Particulars of Employees

There is no employee in the Company drawing remuneration more than the limit prescribed under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Acknowledgement

The Board expresses its gratitude to the Government of India, Department of Tourism and all other Central and State Government Departments, Banks and other stakeholders for their continued co-operation and support.

The Board also takes the opportunity to thank all employees for their commitment and dedication.

For and on behalf of the Board

Place: New Delhi	**Vikramjit Singh Oberoi**	**Manish Goyal**
Date: 25th April 2022	**Director**	**Managing Director**

(ANNEXURE –I)

1. Brief outline on CSR Policy of the Company

The CSR Policy focus on addressing the critical social, economic and educational needs of the marginalized under-privileged children of the society and primary health care services for India's elderly population (60+ years) who are poor and needy. Directing its energies to orphan and homeless children and care for their educational, nutritional, health and psychological development needs and primary health care for the elderly population and Disaster management, including relief, rehabilitation and reconstruction activities. The policy also focusses on sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation, contribution to Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga and also for contribution to the Prime Minister's National Relief Fund.

The Board of Directors at the Board meeting held on 23rd April 2021, on the recommendation of the CSR Committee, approved a CSR spend of Rs. 52,17,952 for the Financial Year 2021-22, being 2% of average net profit of the Company in the last three Financial Years. The amount was spent on the following activities:

a) Primary healthcare services for India's elderly population (60+ years) who are poor and needy through Help Age India;

b) Promoting education for the underprivileged children by developing schools in and around Agra through Save the Children Foundation;

The CSR Policy and the activities of the Company are available on the holding Company, EIH Limited website www.eihltd.com.

2. Composition of the CSR Committee

S.No.	Name of Director	Designation /nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Arjun Singh Oberoi	Director	2	2
2.	Mr. Vikramjit Singh Oberoi	Director	2	2
3.	Mr. Manish Goyal	Managing Director	2	2
4.	Mr. Raj Kumar Kataria	Director	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company::**

The Composition of the CSR Committee of the Company and the CSR projects approved by the Board are available on the holding Company EIH Limited website, www.eihltd.com.

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not applicable as CSR spent is less than Rs. 10 crores.

5. **Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

S.No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
		Not applicable	

6. Average Net Profit of the company as per Section 135(5): Rs. **26,08,97,608**

7. a) Two percent of average net profit of the company as per Section 135(5): Rs. **52,17,952**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(c) Amount required to be set off for the financial year, if any: **Nil**

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. **52,17,952**

CSR Activities (Contd.)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
52,17,952	NIL	NA	NA	NIL	NA

8. (b) Details of CSR amount spent against ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
				NOT APPLICABLE								

8. (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Promoting education for the underprivileged children	(i) eradicating hunger, poverty and malnutrition (i) eradicating hunger, poverty and malnutrition	Yes	Uttar Pradesh	Agra	30,00,000	No	HelpAge India	CSR00000901
2	Promoting education for the underprivileged children	(i) eradicating hunger, poverty and malnutrition	Yes	Uttar Pradesh Rajasthan	Varanasi Jaipur	22,17,952	No	SOS Children's Village of India	CSR00000692
						52,17,952			

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **Not applicable.**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 52,17,952**

(g) Excess amount for set-off, if any: **Nil**

Sl. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii) - (i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
			NIL				
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed / Ongoing
				NIL				
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:
(Asset-wise details)

(a) Date of creation or acquisition of the capital asset(s): **N.A.**

(b) Amount of CSR spent for creation or acquisition of capital asset: **N.A.**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **N.A.**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **N.A.**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5):

The Company has fully spent the two percent of the average net profit as per Section 135(5) in the Financial Year 2021-22.

For and on behalf of the Board

Place: New Delhi
Dated: 25th April 2022

Manish Goyal
Managing Director

Vikramjit Singh Oberoi
Director

Secretarial Audit Report

For the Financial Year ended 31st March, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
EIH Limited, and
Mumtaz Hotels Limited
4, Mangoe Lane,
Kolkata-700001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "**Mumtaz Hotels Limited**" ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022 ("the financial year"), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022, according to the provisions of:

I. The Companies Act, 2013 ("the Act") and the rules made thereunder, read with notifications, exemptions and clarifications thereto;

II. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder, to the extent applicable in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

III. Secretarial Standards issued by the Institute of Company Secretaries of India.

IV. Other significant laws specifically applicable to the Company, including:

   a) Tourism Policy of Government of India and Classification of Hotels.

   b) Food Safety and Standards Act, 2006 and Rules made thereunder.

   c) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder.

   d) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder.

   e) Phonographic and Performance License.

   f) Indian Explosives Act, 1884 and Rules made thereunder.

   g) The Apprentices Act, 1961 and Rules made thereunder.

   h) India Boiler Act, 1923

During the financial year, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned herein above.

We further report that:

1. The Board of Directors of the Company is duly constituted in accordance with the provisions of Companies Act, 2013. The changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. During the financial year, adequate notice along with agenda and detailed notes on agenda was given to all directors for the meetings of the Board and its Committee(s) and in case of shorter notice, due compliance of relevant provisions of the Act and Secretarial Standards in this regard was made. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. All the decisions were carried unanimously. None of the members of the Board expressed dissenting views on any of the agenda items during the financial year.

4. The Company has obtained requisite approval of its Directors under the provisions of Section 175 read with Rule 5 Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013 for passing circular resolutions which were duly noted by the Board in its next meeting held after passing of circular resolutions.

5. The Board in its meeting held on October 21, 2021 took note of the resignation of Mr. S. N. Sridhar as Company Secretary effective September 1, 2021. In the same meeting, the Board appointed Mr. Lalit Kumar Sharma as Company Secretary effective October 21, 2021.

6. In accordance with the guidelines prescribed by the Ministry of Corporate Affairs (the "MCA") for holding general meeting/ conducting postal ballot through

e-voting vide General Circular Nos. 14/2020 dated April 08, 2020; 17 /2020 dated April 13, 2020; 20/2020 dated May 05, 2020; 22/2020 dated June 15, 2020; 33/2020 dated September 28, 2020; 39/2020 dated December 31, 2020; 02/2021 dated January 13, 2021 (the "Relevant Circulars") the Company conducted its Annual General Meeting ("AGM") on June 4, 2021 through video conferencing.

7. The Shareholders of the Company in its AGM held on June 04, 2021 regularised the appointment of Mr. Sandeep Kumar Barasia who was appointed as an Additional Director by the Board effective April 12, 2021. Earlier he had resigned as an Independent Director effective April 10, 2021 in view of the requirement of Independent Director having been dispensed with in case of a joint venture company and his five year term coming to an end which was noted by the Board.

We further report that during the financial year there were no specific events/ actions having major bearing on the Company's affairs affecting its going concern or alter the charter or capital structure or management or business operation or control etc., in pursuance of the above referred laws, regulations, guidelines, standards etc. referred to above.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For the purpose of examining adequacy of compliances with other applicable laws including industry/sector specific, under both Central and State legislations, reliance has been placed on the quarterly compliance certificate and reporting by Mumtaz Hotels Limited to the Company Secretary of the Company and the Compliance Certificate duly signed by the Company Secretary, as placed before the meeting of the Board of Directors of the Company as well as of EIHL, the holding company, for each quarter. Also, the team of Chief Internal Auditor of EIHL conducts audit, of all hotels run by EIHL, along with unlisted material subsidiaries and joint venture companies of EIHL, which also covers compliances under applicable laws. Based on the aforesaid internal compliance management and certification mechanism, we are of the opinion that the Company has generally complied with the following:

i) Deposit of Provident Fund, Employee State Insurance, Employee Deposit Linked Insurance and other employee related statutory dues;

ii) Applicable stipulations pertaining to the Payment of Wages Act, Minimum Wages Act, Contract Labour (Regulation and Abolition) Act and other related legislations;

iii) Deposit of taxes relating to Income Tax, Goods and Services Tax and other applicable taxes including Tax Deducted at Source. The estimated liability in respect of cases of disputed tax liabilities and other legal cases have been disclosed as contingent liability in the Notes to Accounts forming an integral part of the financial statement for the year under review, and brief of the same has also been disclosed in the Independent Auditors' Report;

iv) Applicable State and Central laws, including those related to the Environment, Food Safety & Standards and Standards of Weights & Measures, pertaining to the operations of the Company. However, notices from the statutory authorities, whenever received, are reported to the Management and appropriate action is taken from time to time.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS - 1551
Certificate of Practice Number: 21898
Firm Registration Number: S2010DE695800
Peer Review Certificate Number: 1325/2021

Date: 25 April, 2022
Place: New Delhi

UDIN: F001551D000199001

This report is to be read with our letter of even date which is annexed and forms an integral part of this report.

Annexure to Secretarial Audit Report of even date

To,
The Members of
EIH Limited, and
Mumtaz Hotels Limited
4, Mangoe Lane,
Kolkata-700001

Our Secretarial Audit Report of even date for the financial year ended March 31, 2022 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and occurrence of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the Management. Our responsibility is to express an opinion based on examination of systems and procedures being followed by the Company.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Jus & Associates
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS - 1551
Certificate of Practice Number: 21898
Firm Registration Number: S2010DE695800
Peer Review Certificate Number: 1325/2021

Date: 25 April, 2022
Place: New Delhi

Independent Auditor’s Report

To The Members of Mumtaz Hotels Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **MUMTAZ HOTELS LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity 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 specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Directors’ Report but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management’s Responsibility 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 other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibility 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.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

       In our opinion and to the best of our information and according to the information and explanations given to us, no remuneration has been paid by the

Company to any of its directors. Accordingly, the provisions of Section 197 of the Act relating to remuneration to directors are not applicable.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 38 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- Refer Note 33(B) to the financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company- Refer Note 45 to the financial statements.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the financial statements no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "ANNEXURE B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN: 22093474AHUDQV5203)

Place: Gurugram
Date: April 25, 2022

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **MUMTAZ HOTELS LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN: 22093474AHUDQV5203)

Place: Gurugram
Date: April 25, 2022

ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification at reasonable intervals and no material discrepancies were noticed on such verification.

(c) With respect to immovable properties disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deeds provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date except for the following, as mentioned below:

Description of property	As at the balance sheet date (Rs. Million)		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
	Gross carrying value in the financial statements	Carrying value in the financial statements				
Freehold land located at Khasra No.108, The Oberoi Amarvilas, Agra, admeasuring 7,840 sqm.	4.18	4.18	Goyal's International Hotels and Resorts Limited	No	From 14 August, 2000	The title deeds are in the name of Goyal's International Hotels and Resorts Limited, erstwhile name of the Company which was changed to MUMTAZ HOTELS LIMITED pursuant to the Certificate of incorporation issued by the Government of India - Ministry of Corporate Affairs dated 28 May, 2002.
Freehold land located at Khasra No.91, The Oberoi Amarvilas, Agra, admeasuring 1,003.35 sqm.	0.38	0.38	Goyal's International Hotels and Resorts Limited	No	From 5 April, 2000	
Freehold land located at Khasra No.117, The Oberoi Amarvilas, Agra, admeasuring 8,013.70 sqm.	1.03	1.03	Goyal's International Hotels and Resorts Limited	No	From 4 May, 1991	
Freehold land located at Khasra No.145, Orchid Apartments, Tora, Agra, admeasuring 5,560 sqm.	6.00	6.00	Goyal's International Hotels and Resorts Limited	No	From 17 March, 2001	

(d) The Company has not revalued any of its property, plant, and equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets.

In our opinion and according to the information and explanations given to us, the returns or statements submitted at the end of each quarter comprising stock statements, book debt statements, filed by the Company with one such bank till the date of this report are in agreement with the unaudited books of account of the Company of the respective quarters ended June 30, 2021, September 30, 2021 and December 31, 2021 and no material discrepancies have been observed. The Company is yet to submit the return/ statement to be submitted at the end of the quarter ended March 31, 2022 with the bank.

(iii) The Company has made investments in, and has not provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.

(b) In our opinion, the investments made during the year are prima facie not prejudicial to the Company's interest.

The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year and nothing was outstanding during the year, and hence reporting under clause (iii)(c),(d),(e) & (f) of the Order is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) (a) In respect of statutory dues:

Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of excise, Value added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of excise, Value added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of statute	**Nature of dues**	**Forum where dispute is pending**	**Period to which the amount relates(1)**	**Amount unpaid (₹ in million)**
Income Tax Act, 1961	Income-Tax	Assessing Officer	2007-2008 and 2009-2010	0.31
	Income-Tax	Commissioner of Income Tax (Appeals)	2013-2014, 2014-2015 and 2016-17	1.65 *
Sub Total of Income- Tax				**1.96 ***
Expenditure Tax Act, 1987	Expenditure Tax	Joint Commissioner of Expenditure Tax	2002-03	0.10
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	High Court	2007-08	-**
The Indian Stamp Act, 1899	Stamp Duty	High Court	2000-01	3.93
		Deputy Inspector General of Registration and Deputy Stamp Commissioner, Board of Revenue	2000-01	4.02
Sub-total of Stamp Duty				**7.95*** **

^ Period in respect of income tax and expenditure tax represents assessment year.

* Net of Rs. 1.43 million paid under protest.

** Net of Rs. 0.19 million paid under protest.

*** Net of Rs. 2.28 million paid under protest.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group has more than one CIC as part of the group. There are three CICs forming part of the group.

(xvii) The Company has not incurred any cash losses in the financial year covered by our audit but had incurred cash losses amounting to Rs. 69.82 million in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN: 22093474AHUDQV5203)

Place: Gurugram
Date: 25 April, 2022

Balance sheet

as at 31st March, 2022

(₹ in Million)

	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,092.12	934.04
(b) Right-of-use assets	4	0.02	0.20
(c) Capital work-in-progress	5(i)	1.40	47.60
(d) Intangible assets	5(ii)	0.59	0.88
(e) Financial assets			
Other financial assets	6	10.44	10.44
(f) Tax assets (net)	7	27.53	24.77
(g) Other non-current assets	8	3.09	19.41
Total non-current assets		**1,135.19**	**1,037.34**
Current assets			
(a) Inventories	9	24.79	28.06
(b) Financial assets			
(i) Investments	10	456.09	472.86
(ii) Trade receivables	11	12.32	8.59
(iii) Cash and cash equivalents	12	19.69	19.53
(iv) Other bank balances	13	0.66	-
(v) Other financial assets	14	0.87	0.90
(c) Other current assets	15	39.56	31.57
Total current assets		**553.98**	**561.51**
Total assets		**1,689.17**	**1,598.85**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	206.50	206.50
(b) Other equity	17	1,242.29	1,200.14
Total Equity		**1,448.79**	**1,406.64**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		-	0.02
(ii) Other financial liabilities	18	0.17	0.16
(b) Provisions	19	4.71	5.07
(c) Deferred tax liabilities (net)	20	88.88	73.15
(d) Other non-current liabilities	21	0.03	0.04
Total non-current liabilities		**93.79**	**78.44**
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		0.02	0.25
(ii) Trade payables	35		
Total outstanding dues of micro enterprises and small enterprises	36	2.15	0.35
Total outstanding dues of creditors other than micro enterprises and small enterprises		65.54	65.32
(iii) Other financial liabilities	22	43.04	31.28
(b) Provisions	20	0.46	1.13
(c) Other current liabilities	23	35.38	15.44
Total current liabilities		**146.59**	**113.77**
Total equity and liabilities		**1,689.17**	**1,598.85**

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place: Gurugram
Date: 25th April 2022

For and on behalf of the Board of Directors

Vikramjit Singh Oberoi
Director
(DIN : 00052014)

Manish Goyal
Managing Director
(DIN: 00059182)

Kallol Kundu
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary

Place: Delhi
Date: 25th April 2022

Statement of Profit and Loss

for the year ended 31st March, 2022

(₹ in Million)

	Note	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	24	452.41	166.80
Other income	25	19.14	21.66
Total income		**471.55**	**188.46**
Expenses			
Consumption of provisions, wines & others	26	32.93	13.37
Employee benefits expense	27	87.79	80.90
Finance costs	28	0.03	0.06
Depreciation and amortisation expense	29	38.13	34.32
Other expenses	30	255.49	159.11
Total expenses		**414.37**	**287.76**
Profit / (Loss) before tax		**57.18**	**(99.30)**
Tax expense	31		
Income tax		0.61	14.00
Deferred tax		15.40	(22.84)
Profit / (Loss) for the year		**41.17**	**(90.46)**
Other Comprehensive Income/(Loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		1.31	0.29
Tax relating to this item		(0.33)	(0.07)
Total other comprehensive income/(loss) for the year, net of tax		**0.98**	**0.22**
Total comprehensive income/(loss) for the year		**42.15**	**(90.24)**
Earnings per equity share (in Rs.) Face Value Rs. 10	43		
(1) Basic		**1.99**	**(4.38)**
(2) Diluted		**1.99**	**(4.38)**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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(Firm's Registration No. 117366W/W-100018)

Alka Chadha
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(DIN: 00059182)

Kallol Kundu
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary

Place: Delhi
Date: 25th April 2022

Statement of Cash Flows

for the year ended 31st March, 2022

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Profit/(Loss) before tax	57.18	(99.30)
Adjustments for		
Depreciation and amortisation expense	38.13	34.32
Allowance for doubtful trade receivables	-	0.05
Loss on sale / discard of property, plant and equipment (Net)	16.00	9.24
Effect of exchange rate difference	0.01	-
Advances written off	0.19	-
SEIS benefit not recoverable	5.91	-
Dividend income from financial assets measured at fair value	(14.66)	(14.55)
Interest income on financial assets carried at amortised cost	(0.58)	(6.30)
Provisions and liabilities no longer required, written back	(0.47)	(0.14)
Finance costs	0.03	0.06
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	(3.68)	97.99
(Increase)/decrease in inventories	3.27	2.10
(Increase)/decrease in other financial assets	(6.02)	(0.01)
(Increase)/decrease in other non-current assets	13.56	0.20
(Increase)/decrease in other current assets	(7.99)	30.74
Increase/(decrease) in trade payables	2.42	(59.97)
Increase/(decrease) in provisions	0.28	0.77
Increase/(decrease) in other financial liabilities	0.01	0.18
Increase/(decrease) in other non-current liabilities	(0.01)	-
Increase/(decrease) in other current liabilities	19.94	(2.98)
Cash generated from / (used in) operations	**123.52**	**(7.60)**
Income taxes paid (net of refund)	(3.37)	10.69
Net cash from / (used in) from operating activities	**120.15**	**3.09**
Cash flows from investing activities		
Payments for property, plant and equipment	(155.67)	(121.50)
Proceeds from sale of property, plant and equipment	4.65	1.58
Dividends received	14.66	14.55
Purchase of mutual funds (gross)	(93.23)	(168.39)
Proceeds from sale of investment in mutual funds	110.00	80.00
Other bank balances - deposits matured/(placed)	(0.66)	154.15
Interest received	0.53	6.34
Net cash outflow from investing activities	**(119.72)**	**(33.27)**
Cash flows from financing activities		
Repayment of lease liabilities	(0.25)	(0.26)
Interest paid	(0.02)	(0.06)
Net cash outflow from financing activities	**(0.27)**	**(0.32)**
Net increase/(decrease) in cash and cash equivalents	0.16	(30.50)
Cash and cash equivalents at the beginning of the year	19.53	50.03
Cash and cash equivalents at the end of the year	**19.69**	**19.53**

Note :

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flow ".

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place: Gurugram
Date: 25th April 2022

For and on behalf of the Board of Directors

Vikramjit Singh Oberoi
Director
(DIN : 00052014)

Manish Goyal
Managing Director
(DIN: 00059182)

Kallol Kundu
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary

Place: Delhi
Date: 25th April 2022

Statement of Changes In Equity

for the year ended 31st March, 2022

A. Equity Share Capital

(₹ in Million)

Balance as at April 1, 2020	**206.50**
Add/(Less): Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2020	**206.50**
Change in equity share capital during the year	-
Balance as at March 31, 2021	**206.50**
Add/(Less): Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 1, 2021	**206.50**
Change in equity share capital during the year	-
Balance as at March 31, 2022	**206.50**

B. Other Equity

(₹ in Million)

	Reserves and surplus			Total
	Securities Premium	General Reserve	Retained Earnings - Surplus	
Balance as at April 1, 2020	**293.50**	**85.50**	**911.38**	**1,290.38**
Changes in accounting policy or prior period errors				
Restated balance as at April 1, 2020	293.50	**85.50**	911.38	1,290.38
Loss for the year	-	-	**(90.46)**	**(90.46)**
Other comprehensive income/(loss) for the year, net of tax	-	-	0.22	0.22
Total comprehensive income/(loss) for the year	-	-	**(90.24)**	**(90.24)**
Balance as at March 31, 2021	**293.50**	**85.50**	**821.14**	**1,200.14**
Balance as at April 1, 2021	**293.50**	**85.50**	**821.14**	**1,200.14**
Changes in accounting policy or prior period errors				
Restated balance as at April 1, 2021	**293.50**	**85.50**	**821.14**	**1,200.14**
Profit for the year	-	-	41.17	41.17
Other comprehensive income/(loss) for the year, net of tax	-	-	0.98	0.98
Total comprehensive income/(loss) for the year	-	-	**42.15**	**42.15**
Balance as at March 31, 2022	**293.50**	**85.50**	**863.29**	**1,242.29**

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place: Gurugram
Date: 25th April 2022

For and on behalf of the Board of Directors

Vikramjit Singh Oberoi
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(DIN : 00052014)

Manish Goyal
Managing Director
(DIN No: 00059182)

Kallol Kundu
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary

Place: Delhi
Date: 25th April 2022

Notes to the Financial Statements

General Information

MUMTAZ HOTELS LIMITED is a Company limited by shares, incorporated and domiciled in India **having its registered office at 4, Mangoe Lane, Kolkata - 700001**. The Company is a subsidiary of EIH Limited and owns 'The Oberoi Amarvilas', a leading premium luxury hotel having 102 rooms. The Oberoi Amarvilas is located about 600 meters from the Taj Mahal and all rooms, suites, lobby, bar and lounge offer a picturesque view of the monument.

The Company has a long term management agreement with EIH Limited, the holding company for running and managing the hotel.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements of Mumtaz Hotels Limited. These policies have been consistently applied to all the periods presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Indian Accounting Standard (Ind AS)

The financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended, and other accounting principles generally accepted in India, as a going concern on accrual basis.

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

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- defined benefit plans – plan assets measured at fair value
- customer loyalty programs

(iii) Use of estimates

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and the amount of revenue and expenses during the reported year. Actual results could differ from those estimates. Any revision of such estimates is recognised in the period the same is determined.

b) Revenue recognition

(i) Effective April 1, 2018, the Company had adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied on contracts that were not completed as of April 1, 2018. Accordingly, the comparative information in the Statement of Profit and Loss had not been restated. The impact of adoption of the standard on financial statements of the Company had been insignificant.

(ii) Performance obligation in contract with customers is met throughout the stay of guest in the hotel or on rendering of services and sale of goods.

(iii) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, goods and service taxes and amounts collected on behalf of third parties.

(iv) Revenue from interest is recognised on accrual basis and determined by contractual rate of interest.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Timing of revenue recognition from major business activities

- *Hospitality Services:* Revenue from hospitality services is recognised when the services are rendered and the same becomes chargeable or when collectability is certain.
- *Others:* Revenue from Shop License Fee included under "Other services" is recognised on accrual basis as per terms of the contract.
- Revenue in respect of customer loyalty is recognised when loyalty points are redeemed by the customers or on its expiry.

c) Foreign currency translation

(i) Presentation Currency

The Financial Statements are presented in INR which is the Functional Currency of the Company.

(ii) Transactions and balances

Effective April 1, 2018, the Company had adopted Appendix B to Ind AS 21, Foreign Currency

Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income when an entity had received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment had been insignificant.

Sales made in any currency other than the functional currency of the Company are converted at the prevailing applicable exchange rate. Gain/ Loss arising out of fluctuations in exchange rate is accounted for on realisation or translation at the year end.

Payments made in foreign currency are converted at the applicable rate prevailing on the date of remittance. Liability on account of foreign currency is converted at the exchange rate prevailing at the end of the year. Monetary items denominated in foreign currency are converted at the exchange rate prevailing at the end of the year.

d) Income tax

Current income tax is recognised based on the amount expected to be paid to the tax authorities, using tax rates and tax laws that have been enacted or substantially enacted on the date of balance sheet.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Effective April 1, 2019, the Company had adopted Appendix C to Ind AS 12 – Income taxes, which clarifies how to apply the recognition and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments.

e) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

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

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

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

Minimum Alternate Tax (MAT) is accounted for in accordance with tax laws which give rise to future economic benefits in the form of tax credit against which future income tax liability is adjusted and is recognised as deferred tax asset in the Balance Sheet.

f) Leases

Effective April 1, 2019, the Company had adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Accordingly, comparative information as at and for the year ended March 31, 2019 had not been restated. The impact of adoption of the standard on financial statements of the Company has been disclosed in the notes to accounts.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of Ind AS 116 are only applied after that date.

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for vehicle leases. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and estimated restoration costs of the underlying asset where applicable. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

These lease payments would comprise:

- Fixed payments (including in substance fixed payments) less any lease incentive receivable
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option and
- Payment of penalties for terminating the lease when the Company is reasonably certain to exercise the exit option at the lease commencement date.

The Company applies the practical expedient by the standard allowing not to separate the lease component from other service components included in its lease agreements. Accordingly, all fixed payments provided for in the lease agreement, whatever their nature, are included in the lease liability.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

g) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

h) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash in hand, cash at bank and other deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

i) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

j) Inventories

Inventories are valued at cost which is based on Cumulative Weighted Average method or net realisable value, whichever is lower. Unserviceable/damaged/ discarded stocks and shortages are charged to the Statement of Profit or Loss.

k) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit or Loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Statement of profit and loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income: Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

l) Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

m) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use on the reporting date and materials at site.

Transition to Ind AS

Effective 1 April, 2016, the Company had adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with 1 April, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment other than land, the hotel buildings, and leased vehicles and equipment is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013. Leased vehicles are depreciated over the lives of the respective asset or over the remaining lease period of the respective asset whichever is shorter.

The hotel buildings are depreciated equally over the balance useful life ascertained by independent technical expert, which is 54 years with effect from 31 March 2021 and is higher than those specified by Schedule II to the Companies Act, 2013. The management believes that the balance useful lives so assessed best represent the periods over which the hotel buildings are expected to be in use. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

n) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

Transition to Ind AS

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its Intangible assets recognised as at 1 April, 2015 measured as per the previous GAAP and used that carrying value as the deemed cost of the Intangible assets.

o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

p) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

q) Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognised only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognised but disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

r) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

Gratuity obligations –

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the balance sheet.

Leave encashment on termination of service –

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

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

Provident Fund –

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

s) Dividends

Liability is created for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity.

t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit for the year attributable to equity shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year,

Notes to the Financial Statements

(ii) **Diluted earnings per share**

Diluted earnings per share adjusts the number of equity shares used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

u) Government grants / Incentives

Government grants / incentives that the Company is entitled to on fulfillment of certain conditions, but are available to the Company only on completion of some other conditions, are recognised as income at fair value on completion of such other conditions.

Grants / incentives that the Company is entitled to unconditionally on fulfillment of certain conditions, such grants are recognised at fair value as income when there is reasonable assurance that the grant will be received.

v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million with two decimals as per the requirement of Schedule III, unless otherwise stated.

2 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020 notifies new standard or amendments to the standards. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. This amendment comes into effect from April 1, 2022.

The Company does not expect the amendment to have any significant impact in its recognition of its property, plant and equipment in its financial statetements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). This amendment comes into effect from April 1, 2022.

The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Financial Instruments

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). This amendment comes into effect from April 1, 2022.

The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

3 Significant estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides information about the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Useful life of the Hotel Building

The Company has adopted useful life of property, plant and equipment as stipulated by Schedule II to the Companies Act, 2013 except for the hotel building for computing depreciation. In the case of the hotel building of the Company, due to superior structural condition, management decided to assess the balance useful life by independent technical expert. As per the certificate of the technical expert as on 31.03.2022, the balance useful life of the hotel building of the Company was 53 years. The carrying amount of the hotel building is being depreciated over its residual life. Based on management evaluation performed at each reporting period, there has been no change in the earlier assessed useful life.

4(i) Property, plant and equipment

(₹ in Million)

	Gross carrying amount				Accumulated Depreciation				
	Balance as at April 1, 2021	Additions during the year	Sales/ adjustment during the year	Balance as at March 31, 2022	Balance as at April 1, 2021	For the year	Less: Sales/ Adjustments	Balance as at March 31, 2022	Carrying value as at March 31, 2022
Freehold land	57.05	-	-	57.05	-	-	-	-	57.05
Buildings	696.49	91.20	18.18	769.51	52.87	11.87	1.10	63.64	705.87
Plant and equipment	273.80	120.22	8.27	385.75	61.00	22.74	4.84	78.90	306.85
Furniture and fittings	23.84	4.97	0.40	28.41	5.45	2.87	0.33	7.99	20.42
Vehicles	23.21		0.48	22.73	21.26	0.11	0.44	20.93	1.80
Office equipment	0.36	-	0.03	0.33	0.13	0.07	-	0.20	0.13
Total	**1,074.75**	**216.39**	**27.36**	**1,263.78**	**140.71**	**37.66**	**6.71**	**171.66**	**1,092.12**

Right-of-use asset

(₹ in Million)

	Gross carrying amount				Accumulated amortisation				
	Balance as at April 1, 2021	Additions during the year	Sales/ adjustment during the year	Balance as at March 31, 2022	Balance as at April 1, 2021	For the year	Less: Sales/ Adjustments	As at March 31, 2022	Carrying value as at March 31, 2022
Vehicles	0.98	-	-	0.98	0.78	0.18	-	0.96	0.02

4(ii) Contractual Obligations

Refer to Note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment

4(i) Contd.

Property, plant and equipment

(₹ in Million)

	Gross carrying amount				Accumulated Depreciation				Carrying value as at March 31, 2021
	Balance as at April 1, 2020	Additions during the year	Sales/adjustment during the year	Balance as at March 31, 2021	Balance as at April 1, 2020	For the year	Less: Sales/ Adjustments	Balance as at March 31, 2021	
Freehold land	57.05	-	-	57.05	-	-	-	-	57.05
Buildings	661.21	44.35	9.07	696.49	42.61	11.06	0.80	52.87	643.62
Plant and equipment	205.93	72.12	4.25	273.80	44.39	18.29	1.68	61.00	212.80
Furniture and fittings	22.39	1.46	0.01	23.84	2.81	2.65	0.01	5.45	18.39
Vehicles	23.21	-	-	23.21	19.52	1.74	-	21.26	1.95
Office equipment	0.36	-	-	0.36	0.08	0.05	-	0.13	0.23
Total	**970.15**	**117.93**	**13.33**	**1,074.75**	**109.41**	**33.79**	**2.49**	**140.71**	**934.04**

Right-of-use asset

(₹ in Million)

	Gross carrying amount				Accumulated amortisation				Carrying value as at March 31, 2021
	Balance as at April 1, 2020	Additions during the year	Sales/adjustment during the year	Balance as at March 31, 2021	As at April 1, 2020	For the year	Less: Sales/ Adjustments	Balance as at March 31, 2021	
Vehicles	1.64	-	0.66	0.98	1.21	0.23	0.66	0.78	0.20

Note: The Company had not revalued its property, plant and equipment and right-of-use assets during the year ending March 31, 2022 and March 31, 2021.

4 (ii)

Contractual Obligations

Refer to Note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to the Financial Statements

4 (iii)

Title deeds of immovable properties not held in the name of the Company:

As on March 31, 2022 (₹ in Million)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Net carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land located at Khasra No.108, of The Oberoi Amarvilas, Agra, admeasuring 7,840 sqm.	4.18	4.18	Goyal's International Hotels and Resorts Limited	No	14 August 2000	The title deeds are in the name of Goyal's International Hotels and Resorts Limited, erstwhile name of the Company which was changed to Mumtaz Hotels Limited pursuant to Certificate of incorporation issued by Government of India - Ministry of Corporate Affairs dated 28 May, 2002.
	Freehold land located at Khasra No.91, of The Oberoi Amarvilas, Agra, admeasuring 1,003.35 sqm.	0.38	0.38	Goyal's International Hotels and Resorts Limited	No	05 April 2000	
	Freehold land located at Khasra No.117, The Oberoi Amarvilas, Agra, admeasuring 8,013.70 sqm.	1.03	1.03	Goyal's International Hotels and Resorts Limited	No	04 May 1991	
	Freehold land located at Khasra No.145, Orchid Apartments, Tora, Agra, admeasuring 5,560 sqm.	6.00	6.00	Goyal's International Hotels and Resorts Limited	No	17 March 2001	

As on March 31, 2021 (₹ in Million)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Net carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land located at Khasra No.108, of The Oberoi Amarvilas, Agra, admeasuring 7,840 sqm.	4.18	4.18	Goyal's International Hotels and Resorts Limited	No	14 August 2000	The title deeds are in the name of Goyal's International Hotels and Resorts Limited, erstwhile name of the Company which was changed to Mumtaz Hotels Limited pursuant to Certificate of incorporation issued by Government of India - Ministry of Corporate Affairs dated 28 May, 2002.
	Freehold land located at Khasra No.91, of The Oberoi Amarvilas, Agra, admeasuring 1,003.35 sqm.	0.38	0.38	Goyal's International Hotels and Resorts Limited	No	05 April 2000	
	Freehold land located at Khasra No.117, The Oberoi Amarvilas, Agra, admeasuring 8,013.70 sqm.	1.03	1.03	Goyal's International Hotels and Resorts Limited	No	04 May 1991	
	Freehold land located at Khasra No.145, Orchid Apartments, Tora, Agra, admeasuring 5,560 sqm.	6.00	6.00	Goyal's International Hotels and Resorts Limited	No	17 March 2001	

#Relative here means relative as defined in the Companies Act, 2013.
***Promoter here means promoter as defined in the Companies Act, 2013.**

Notes to the Financial Statements

5(i) Capital Work In Progress*

As at March 31, 2022 (₹ in Million)

Particulars	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.81	-	0.59	-	1.40
Projects temporarily suspended	-	-	-	-	-
Total CWIP	**0.81**	**-**	**0.59**	**-**	**1.40**

As at March 31, 2021 (₹ in Million)

Particulars	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	30.57	17.03	-	-	47.60
Projects temporarily suspended	-	-	-	-	-
Total CWIP	**30.57**	**17.03**	**-**	**-**	**47.60**

*Includes assets/ projects ("Projects") forming part of capital work in progress
There were no projects in respect of which the completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022 and March 31, 2021.

5(ii) Intangible assets

(₹ in Million)

	Gross carrying amount				Accumulated Amortisation				
	Balance as at April 1, 2021	Additions during the year	Sales/ adjustment during the year	**Balance as at March 31, 2022**	Balance as at April 1, 2021	For the year	Less: Sales/ Adjustments	**Balance as at March 31, 2022**	**Carrying value as at March 31, 2022**
Computer software	2.19	-	-	2.19	1.31	0.29	-	1.60	0.59
Total	**2.19**	**-**	**-**	**2.19**	**1.31**	**0.29**	**-**	**1.60**	**0.59**

(₹ in Million)

	Gross carrying amount				Accumulated Amortisation				
	Balance as at April 1, 2020	Additions during the year	Sales/ adjustment during the year	**Balance as at March 31, 2021**	Balance as at April 1, 2020	For the year	Less: Sales/ Adjustments	**Balance as at March 31, 2021**	**Carrying value as at March 31, 2021**
Computer software	2.19	-	-	2.19	1.01	0.30	-	1.31	0.88
Total	**2.19**	**-**	**-**	**2.19**	**1.01**	**0.30**	**-**	**1.31**	**0.88**

Notes:
(i) Intangible assets are amortised on straight line basis over their estimated useful lives, which is generally between 3 to 5 years.
(ii) The Company had not revalued its intangible assets during the year ending March 31, 2022 and March 31, 2021.

6 Non -current financial assets

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Land compensation claim recoverable*	5.19	5.19
Security deposits	5.25	5.25
Total non-current financial assets	**10.44**	**10.44**

* refers to cost of land acquired by Uttar Pradesh Shashan Van Anubhag.
The Company's claim for compensation is pending adjudication before the Additional District Judge, Agra, Uttar Pradesh.

7 Tax assets (net)*

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Opening balance	24.77	49.46
Less: Tax payable for the year	-	-
Add: Taxes paid (net of refund)	3.37	(10.69)
Add/(Less): Adjustment for earlier periods	(0.61)	(14.00)
Total tax assets	**27.53**	**24.77**
* Includes amounts paid under protest	1.43	1.43

8 Other non-current assets

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Capital advances	-	2.76
Prepaid expenses	0.46	0.12
Services exports incentive	-	13.90
Other advances*	2.63	2.63
Total other non-current assets	**3.09**	**19.41**
* Includes amounts paid under protest	2.47	2.47

9 Inventories *

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Provision, wines and others	7.01	8.62
Stores & operating supplies	17.78	19.44
Total inventories	**24.79**	**28.06**

* Inventories are valued at cost which is based on 'Cumulative Weighted Average Method' or net realisable value, whichever is lower.

The cost of inventories recognised as an expense during the year as consumption of provisions, wines and others was Rs. 32.93 million (for the year ended March 31, 2021 Rs. 13.37 million).

10 Investments

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Investment in Mutual funds (Quoted)		
(Carried at fair value through Statement of Profit and Loss)		
2,061,562.755 (2021 - 2,787,977.464) units of Aditya Birla Sun Life Liquid Fund - Daily IDCW Direct Plan	206.56	279.34
29,509.056 (2021 - 28647.410) units of Nippon India Liquid Fund- Daily IDCW option - LFID	45.11	43.79
87,667.394 (2021 - 97,943.370) units of Nippon India Liquid Fund- Direct plan Daily IDCW option - LFAD	134.02	149.73
146,228.897 (2021 - NIL) units of Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	50.17	-
3,884.504 (2021 - NIL) units of Nippon India Liquid Fund - Direct plan Growth plan - Growth option LFAG	20.23	-
Total investments	**456.09**	**472.86**

11 Trade receivables*

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Receivable from related parties (Refer note 37 (c))	0.35	0.77
Receivable from other than related parties	11.97	7.82
	12.32	8.59

Notes to the Financial Statements

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Unsecured, which have significant increase in credit risk		
Receivable from other than related parties	0.07	0.12
Less: Allowance for doubtful trade receivables	(0.07)	(0.12)
	-	-
Total trade receivables	**12.32**	**8.59**

* Read with note 33 (B) and 44

As at March 31, 2022 — Outstanding for following periods from due date of payment (₹ in Million)

Particulars	Current but not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables – considered good	1.87	10.43	0.02	-	-	-	12.32
(b) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	0.07	-	0.07
(c) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**1.87**	**10.43**	**0.02**	-	**0.07**	-	**12.39**
Allowances							**(0.07)**
							12.32

As at March 31, 2021 — Outstanding for following periods from due date of payment (₹ in Million)

Particulars	Current but not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables – considered good	4.99	3.17	0.08	0.35	-	-	8.59
(b) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	0.12	-	-	0.12
(c) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**4.99**	**3.17**	**0.08**	0.47	**-**	-	**8.71**
Allowances	-	-	-	-	-		**(0.12)**
							8.59

12 Cash and cash equivalents

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- Current accounts	1.48	6.35
Cash in hand	0.39	0.38
Fixed deposits with original maturity of less than three months	17.83	12.80
Total cash and cash equivalents	**19.69**	**19.53**

13 Other bank balances

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Fixed deposits with original maturity of more than 3 months and having remaining maturity of less than 12 months from the Balance Sheet date	0.66	-
Total other bank balances	0.66	**-**

14 Other current financial assets

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Interest accrued on deposits	0.24	0.19

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Security deposits	0.63	0.68
Other receivables	-	0.03
Total other current financial assets	**0.87**	**0.90**

15 Other current assets

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	3.44	6.78
Services export incentive	7.99	0.28
Balance with government authorities	21.24	22.66
Recoverables from directors (Refer note 37)	-	0.20
Other advances	6.89	1.65
Total other current assets	**39.56**	**31.57**

16 Equity share capital

Authorised

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
25,000,000 Equity Shares of Rs. 10 each (2021 - 25,000,000)	250.00	250.00
	250.00	250.00
Issued, Subscribed & Fully Paid		
20,650,000 Equity Shares of Rs. 10 each (2021 - 20,650,000)	206.50	206.50
	206.50	**206.50**

(i) Reconciliation of equity share capital

	Number of shares	Equity share capital (par value) (₹Million)
As at April 1, 2020	20,650,000	206.50
Change during the year	-	-
As at March 31, 2021	20,650,000	206.50
Change during the year	-	-
As at March 31, 2022	**20,650,000**	**206.50**

(ii) Rights and preferences attached to equity shares :

The Company has one class of equity shares having a par value of Rs. 10 per share. These shares rank pari passu in all respects including voting rights and entitlement to dividend.

(iii) Details of shareholders holding more than 5 percent shares in the Company :

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
EIH Limited	12,390,000	60.00%	12,390,000	60.00%
Mr. Shivy Bhasin	1,560,108	7.56%	1,560,108	7.56%
Mrs. Mridu Bhasin	1,560,107	7.55%	1,560,107	7.55%
Mr. Gaurav Goyal	1,098,065	5.32%	1,098,065	5.32%
Mr. Manav Goyal	1,098,065	5.32%	1,098,065	5.32%

(iv) Shares of the Company held by holding company:

	As at March 31, 2022	As at March 31, 2021
	Number of Shares	
EIH Limited	12,390,000	12,390,000

Notes to the Financial Statements

(v) Shareholding of promoters*

Sl. No.	Promoter Name	Number of shares as at April 1, 2021	Change during the year	Number of shares as at March 31, 2022	% of total shares	% Change during the year
1	EIH Limited	12,390,000	-	12,390,000	60.00%	-
2	Mr. Shivy Bhasin	1,560,108	-	1,560,108	7.56%	-
3	Mrs. Mridu Bhasin	1,560,107	-	1,560,107	7.55%	-
4	Mr. Gaurav Goyal	1,098,065	-	1,098,065	5.32%	-
5	Mr. Manav Goyal	1,098,065	-	1,098,065	5.32%	-
6	Mr. Gaurav Goyal	818,713	-	818,713	3.96%	-
7	Mr. Vinish Goyal	818,712	-	818,712	3.96%	-
8	Mr. Ravish Goyal	818,711	-	818,711	3.96%	-
9	Mrs. Vijay Goyal	260,005	-	260,005	1.26%	-
10	Chandra Seoni	113,752	-	113,752	0.55%	-
11	Shikha Madan	56,881	-	56,881	0.28%	-
12	Ankush Malhotra	56,881	-	56,881	0.28%	-
	Total	**20,650,000**	**-**	**20,650,000**	**100.00%**	**-**

Sl. No.	Promoter Name	Number of shares as at April 1, 2020	Change during the year	Number of shares as at March 31, 2021	% of total shares	% Change during the year
1	EIH Limited	12,390,000	-	12,390,000	60.00%	-
2	Mr. Shivy Bhasin	1,560,108	-	1,560,108	7.56%	-
3	Mrs. Mridu Bhasin	1,560,107	-	1,560,107	7.55%	-
4	Mr. Gaurav Goyal	1,098,065	-	1,098,065	5.32%	-
5	Mr. Manav Goyal	1,098,065	-	1,098,065	5.32%	-
6	Mr. Gaurav Goyal	818,713	-	818,713	3.96%	-
7	Mr. Vinish Goyal	818,712	-	818,712	3.96%	-
8	Mr. Ravish Goyal	818,711	-	818,711	3.96%	-
9	Mrs. Vijay Goyal	260,005	-	260,005	1.26%	-
10	Chandra Seoni	113,752	-	113,752	0.55%	-
11	Shikha Madan	56,881	-	56,881	0.28%	-
12	Ankush Malhotra	56,881	-	56,881	0.28%	-
	Total	**20,650,000**	**-**	**20,650,000**	**100.00%**	**-**

* Promoter here means promoter as defined in the Companies Act, 2013.

17 Other equity

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Reserve and surplus		
Securities premium	293.50	293.50
General reserve	85.50	85.50
Retained earnings (surplus)	863.29	821.14
Total other equity	**1,242.29**	**1,200.14**

(i) Securities premium

Opening balance	293.50	293.50
Adjustment during the year	-	-
Closing balance	**293.50**	**293.50**

(ii) General reserve

Opening balance	85.50	85.50
Adjustment during the year	-	-
Closing balance	**85.50**	**85.50**

(iii) Retained earnings (surplus)

Opening balance	821.14	911.38
Add: Profit/ (Loss) during the year as per Statement of Profit and Loss	41.17	(90.46)
Less: Final dividend	-	-
Dividend distribution tax	-	-
Other comprehensive income/(loss) recognised directly in retained earnings Remeasurements of post-employment benefit obligation, net of tax	0.98	0.22
Closing balance	**863.29**	**821.14**

Nature and purpose of reserves

Securities premium

Nature and purpose of Reserves

(i) Securities premium

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) General reserve

General reserve represents profits transferred from retained earnings from time to time to general reserve for appropriate purposes based on the provisions of the erstwhile Companies Act, 1956. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. It can be utilised in accordance with the provisions of the Companies Act, 2013.

(iii) Retained earnings (surplus)

Retained earnings represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

18 Other non-current financial liabilities

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Security deposits	0.17	0.16
Total other non-current financial liabilities	**0.17**	**0.16**

19 Provisions

(₹ in Million)

Employee benefit obligations	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Leave encashment- Unfunded						
Present value of obligation	0.37	4.09	4.46	0.96	4.39	5.35
Gratuity- unfunded						
Present value of obligation	0.09	0.62	0.71	0.17	0.68	0.85
Total employee benefit obligations	**0.46**	**4.71**	**5.17**	**1.13**	**5.07**	**6.20**

(i) Defined Benefit Plans

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan and provision/ write back, if any, is made on the basis of the present value of the liability as at the Balance Sheet date determined by actuarial valuation following Projected Unit Credit Method.

b) Leave encashment

As per the policy of the Company, obligations on account of encashment of accumulated leave of an employee is settled only on termination / retirement of the employee. Such liability is recognised on the basis of actuarial valuation following Projected Unit Credit Method. It is an unfunded plan.

Notes to the Financial Statements

(ii) Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs. 3.50 million (for the year ended March 31, 2021 : Rs. 3.83 million).

(iii) Movement of defined benefit obligation and fair value on plan assets:

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in Million)

	Gratuity			Leave encashment
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
April 1, 2020	**0.76**	**-**	**0.76**	**4.96**
Current service cost	0.16	-	0.16	0.74
Interest expense/(income)	0.04	-	0.04	0.31
Total amount recognised in Statement of Profit and Loss	**0.20**	**-**	**0.20**	**1.05**
Remeasurements				
Experience (gains)/losses	(0.02)	-	(0.02)	(0.59)
(Gain)/loss from change in financial assumptions	0.08	-	0.08	0.24
Total amount recognised in Other Comprehensive Income/ (Loss)	**0.06**	**-**	**0.06**	**(0.35)**
Employer contributions	-	-	-	-
Benefit payments	(0.17)	-	(0.17)	(0.31)
March 31, 2021	**0.85**	**-**	**0.85**	**5.35**
April 1, 2021	**0.85**	**-**	**0.85**	**5.35**
Current service cost	0.16	-	0.16	0.58
Interest expense/(income)	0.05	-	0.05	0.29
Total amount recognised in Statement of Profit and Loss	**0.21**	**-**	**0.21**	**0.87**
Remeasurements				
Experience (gains)/losses	0.19	-	0.19	(0.84)
(Gain)/loss from change in financial assumptions	(0.10)	-	(0.10)	(0.57)
Total amount recognised in Other Comprehensive Income/ (Loss)	**0.09**	**-**	**0.09**	**(1.41)**
Benefit payments	(0.44)	-	(0.44)	(0.35)
March 31, 2022	**0.71**	**-**	**0.71**	**4.46**

(iv) Post-Employment Benefits

The significant actuarial assumptions were as follows:

	March 31, 2022	March 31, 2021
Discount rate	6.80%	5.45%
Salary growth rate	5.00%	5.00%

Mortality	Indian Assured Lives Mortality (2012-14) ultimate	
March 31, 2021	Staff	Executive
Withdrawal rate - Up to 30 years	30%	30%
Withdrawal rate - 31 - 54 years	5%	5%
Withdrawal rate - 55 - 57 years	5%	5%

Mortality	Indian Assured Lives Mortality (2012-14) ultimate	
March 31, 2022	Staff	Executive
Withdrawal rate - Up to 30 years	30%	30%
Withdrawal rate - Above 30 years	5%	5%

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Million)

	Change in assumption		Impact on defined benefit obligation			
			Increase by 1%		Decrease by 1%	
	March 31, 2022	March 31, 2021	**March 31, 2022**	March 31, 2021	**March 31, 2022**	March 31, 2021
Gratuity						
Discount rate	1%	1%	(0.06)	(0.03)	0.07	0.04
Salary growth rate	1%	1%	0.07	0.04	(0.06)	(0.03)
Leave encashment						
Discount rate	1%	1%	(0.36)	(0.24)	0.41	0.26
Salary growth rate	1%	1%	0.41	0.26	(0.37)	(0.24)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e., projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

(vi) Risk Exposure

The defined benefit obligations have the undermentioned risk exposures:

Discount rate risk: The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Liquidity risk: This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outgo inflow mismatch. (Or it could be due to insufficient assets/cash.)

Future salary increase risk: The cost is sensitive to the assumed future salary escalation rates for all final salary defined benefit schemes. If actual future salary escalations are higher than that assumed in the valuation of actual cost, the value of the liability will be higher than that estimated.

Demographic risk: In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the cost.

(vii) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 9 years (2021 - 4.08 years) and 9 years (2021- 9.02 years) for Gratuity and Leave encashment respectively.

The expected maturity analysis of undiscounted gratuity and leave encashment is as follows:

(₹ in Million)

	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Between 6 to 10 years	More than 10 years	Total
March 31, 2022						
Gratuity	0.09	-	0.31	0.18	1.04	1.62
Leave encashment	0.37	-	1.27	2.04	5.09	8.77
Total	**0.46**	**-**	**1.58**	**2.22**	**6.13**	**10.39**
March 31, 2021						
Gratuity	0.17	0.16	0.36	0.21	0.21	1.11
Leave encashment	0.96	0.84	1.95	1.89	1.54	7.18
Total	**1.13**	**1.00**	**2.31**	**2.10**	**1.75**	**8.29**

Notes to the Financial Statements

20 Deferred tax liabilities (net)

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities on account of:		
Property, plant and equipment, right-of-use asset and intangible assets	109.02	103.29
Fair valuation of security deposit liability	-	-
Total deferred tax liabilities (A)	**109.02**	**103.29**
Deferred tax assets on account of :		
Accrued expenses deductible on payment	1.39	1.62
Allowance for doubtful trade receivables	0.02	0.03
Unabsorbed Depreciation/ Business loss	16.96	26.63
Other temporary differences	1.77	1.86
Total deferred tax assets (B)	**20.14**	**30.14**
Deferred tax liabilities (Net-A-B)	**88.88**	**73.15**

21 Other non-current liabilities

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Advance rent	0.03	0.04
Total other non- current liabilities	**0.03**	**0.04**

22 Other current financial liabilities

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Liability for capital expenditure	40.85	29.09
Security deposits	2.19	2.19
Total current financial liabilities	**43.04**	**31.28**

23 Other current liabilities

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Advance from customers	18.84	5.95
Statutory and other dues	16.54	9.49
Total other current liabilities	**35.38**	**15.44**

24 Revenue from operations

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
Rooms	295.98	104.02
Food and beverages	145.64	57.55
Other services	10.79	5.23
Total revenue from operations	**452.41**	**166.80**

25 Other income

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on financial assets carried at amortised cost	0.58	6.30
Dividend income from financial assets measured at fair value	14.66	14.55
Other gains/(losses) :		
Net foreign exchange gain	0.36	-
Provisions and liabilities no longer required, written back	0.47	0.14
Miscellaneous income	3.07	0.67
Total other income	**19.14**	**21.66**

26 Consumption of provisions, wines & others

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
Opening stock	8.62	9.72
Add: Purchases	31.32	12.27
	39.94	**21.99**
Less: Closing stock	7.01	8.62
Total consumption of provisions, wines & others	**32.93**	**13.37**

27 Employee benefits expense

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	70.61	68.54
Contribution to provident fund and other funds (Refer note 19)	3.50	3.83
Gratuity (Refer note 19)	0.20	0.20
Staff welfare expenses	13.48	8.33
Total employee benefits expense	**87.79**	**80.90**

28 Finance costs

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense	0.01	0.01
Interest on lease liabilities (Refer note 40)	0.02	0.05
Total finance costs	**0.03**	**0.06**

29 Depreciation and amortisation expense

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	37.66	33.79
Depreciation of right-of-use assets	0.18	0.23
Amortisation of intangible assets	0.29	0.30
Total depreciation and amortisation expense	**38.13**	**34.32**

30 Other expenses

(₹ in Million)

	Year Ended March 31, 2022	Year ended March 31, 2021
Power and fuel	46.90	27.03
Lease rent (Refer note 40)	5.29	4.13
Repairs to property, plant and equipment	26.47	22.73
Repairs to others	1.30	0.68
Insurance	2.38	2.72
Rates and taxes	15.33	12.53
Expenses on apartment and board	10.77	6.65

Notes to the Financial Statements

(₹ in Million)

	Year Ended March 31, 2022	Year ended March 31, 2021
Hotel operating fees	7.15	-
Royalty	4.55	1.66
Advertisement, publicity and other promotional expenses	16.06	9.56
Commission to travel agents and others	34.28	16.31
Passage and travelling	1.65	0.75
Linen, uniform washing and laundry expenses	1.22	0.40
Renewals and replacements	12.34	4.00
Auditors' remuneration [Refer note (a) below]	1.76	1.70
CSR expenses [Refer note (b) below]	5.22	8.82
Expenses on contracts for service	17.85	13.76
Allowance for doubtful trade receivables	-	0.05
Loss on sale / discard of property, plant and equipment (Net)	16.00	9.24
Director's sitting fees	1.68	1.64
Advance written off	0.19	-
SEIS benefit not recoverable [Refer note (c) below]	5.91	-
Professional Charges	12.11	9.49
Miscellaneous expenses	9.08	5.26
Total other expenses	**255.49**	**159.11**
(a) Details of Auditors' remuneration		
As auditor:		
Audit fee	1.30	1.30
Review of special purpose financial information	0.20	0.20
Tax audit fee*	0.25	0.20
Reimbursement of expenses	0.01	-
Total auditors' remuneration	**1.76**	**1.70**

* includes relating to additional billing of Rs. 0.05 million

(b) Corporate Social Responsibility

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of corporate social responsibility expenditures as certified by Management are as follows:

(₹ in Million)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
(a) Amount required to be spent on CSR as per Section 135 of the Companies Act, 2013	5.22	8.82
(b) Amount approved by the board to be spent during the year	5.22	8.82
(c) Amount of expenditure incurred (as per table below)	5.22	8.82
(i) Construction/acquisition of any asset		
Nil	-	-
(ii) On purposes other than (i) above		
Contribution for basic healthcare services to vulnerable communities with special focus to elderly people of Agra, Uttar Pradesh through Help Age India.	-	3.30
Contribution for promoting education for underprivileged children by developing schools in and around Agra through Save the Children, Bal Raksha Bharat. Bal Raksha Bharat	3.00	5.32
Contribution to SOS Children's Villages of India	2.22	-
Contribution to PM CARES FUND	-	0.20
	5.22	8.82
(d) Shortfall at the end of the year (a - c)	-	-
(e) Total of previous year shortfall	-	-
(f) Reason for shortfall	-	-
(g) Details of related party transactions	-	-
(h) Liability against contractual obligations for CSR	-	-

Details of ongoing projects under 135(6) of the Companies Act, 2013

₹ Million

Balance as on 1 April 2021		Amount required to be spent during the year	Amount spent during the year		Balance as on 31 March 2022	
With the Company	In separate CSR unspent account		From the Company's Bank account	From the separate CSR unspent account	With the Company	In separate CSR unspent account
Nil	Nil	Nil	Nil	Nil	Nil	Nil

₹ Million

Balance as on 1 April 2020		Amount required to be spent during the year	Amount spent during the year		Balance as on 31 March 2021	
With the Company	In separate CSR unspent account		From the Company's Bank account	From the separate CSR unspent account	With the Company	In separate CSR unspent account
Nil	Nil	Nil	Nil	Nil	Nil	Nil

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

₹ Million

Balance as on 1 April 2021	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2022
Nil	Nil	Nil	Nil	Nil

₹ Million

Balance as on 1 April 2020	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2021
Nil	Nil	Nil	Nil	Nil

Details of excess CSR expenditure under Section 135(5) of the Act

₹ Million

Balance excess spent as at 1 April 2021	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2022
Nil	Nil	Nil	Nil

₹ Million

Balance excess spent as at 1 April 2020	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2021
Nil	Nil	Nil	Nil

(c) :

Pursuant to the notification dated 23 September, 2021with respect to Service Exports from India Scheme (SEIS issued by the Ministry of Commerce & Industry, management has reassessed the entitlement in respect of the service exports incentive and has charged off Rs. 5.91 million in 'Other expenses - Other assets (service export incentive) written off' in the Statement of Profit and Loss for the year ended 31st March, 2022.

31 Tax expense

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Income tax		
Tax on profits for the year	-	-
Adjustments for prior years*	0.61	14.00*
Total income tax	0.61	14.00

* During the year ended March 31, 2021, the Company has opted for the "Vivad se Vishwas Scheme 2020", an income tax amnesty scheme to settle tax related litigations/ disputes. The Company has decided to settle its disputes pertaining to assessment year 2011-12 and assessment year 2012-13 and has accordingly recorded a provision of Rs.14.00 million in the books of account.

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
(b) Deferred tax		
(Decrease) / Increase in deferred tax liabilities	5.73	3.97
Decrease / (Increase) in deferred tax assets	10.00	(26.74)
	15.73	**(22.77)**
Add : Recognised in other comprehensive income	(0.33)	(0.07)
Total deferred tax expense/(benefit)	**15.40**	**(22.84)**
Total tax expense	**16.01**	**(8.84)**

(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax expense	57.18	(99.30)
Tax at the rate of 25.168% (F.Y. 2020-21 – 25.168%)	14.39	(24.99)
Tax effect of amounts not deductible in calculating taxable income		
Corporate social responsibility expenditure	1.32	2.22
Expenses disallowed under the Income Tax Act, 1961	-	-
Tax effect of amounts not taxable in calculating taxable income		
Interest on MSME	0.07	-
Tax expense related to prior periods	0.61	14.00
Others (Tax benefit on rental income)	(0.10)	(0.11)
Adjustment relating to Property, plant and equipment:		
Adjustment on account of depreciable and leased assets	(0.28)	0.04
Total tax expense	**16.01**	**(8.84)**

32 Fair Value Measurements

Financial instruments by category

(₹ in Million)

	As at March 31, 2022		As at March 31, 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments	456.09	-	472.86	-
Trade receivables	-	12.32	-	8.59
Cash and cash equivalents	-	19.69	-	19.53
Other bank balances	-	0.66	-	-
Security deposits	-	5.88	-	5.93
Other receivables	-	5.43	-	5.41
Total financial assets	**456.09**	**43.98**	**472.86**	**39.46**
Financial liabilities				
Lease liabilities	-	0.02	-	0.27
Security deposits	-	2.36	-	2.35
Trade payables	-	67.69	-	65.67
Liability for capital expenditure	-	40.85	-	29.09
Total financial liabilities	-	**110.92**	-	**97.38**

(i) Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
	Level 1	Level 1
Financial investments at FVTPL		
Investment in mutual funds (Refer Note 10)	456.09	472.86
Total financial assets	**456.09**	**472.86**

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

(iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed.

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

33 Financial risk management

The Company's activities expose it to market risk (including currency risk, interest rate risk and other price risk), liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

The Company's risk management is carried out by a senior management team under policies approved by the Board of Directors. The senior management team identifies, evaluates and hedges financial risks in close co-operation with the Company's operating unit. The Board of Directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

(A) Market Risk

(i) Foreign Currency risk

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Company's functional currency (Rs.).

The exposure of the Company to foreign currency risk is not significant. However, this is closely monitored by the Management to decide on the requirement of hedging. The position of foreign currency exposure to the Company as at the end of the year expressed in Rs. Million are as follows:

(₹ in Million)

Currency	Receivables	Payables
March 31, 2022		
US Dollar (USD)	-	0.35
Great Britain Pound (GBP)	-	-
Net exposure to foreign currency risk	-	**0.35**
March 31, 2021		
US Dollar (USD)	-	1.04
Great Britain Pound (GBP)	-	-
Net exposure to foreign currency risk	-	**1.04**

Sensitivity

If Rs. is depreciated or appreciated by 5% vis-s-a-vis foreign currency, the impact thereof on the profit and loss of the Company is as given below:

(₹ in Million)

	Impact on profit	
	March 31, 2022	March 31, 2021
USD sensitivity		
INR/USD Increases by 5% (March 31, 2021 - 5%)	(0.02)	(0.05)
INR/USD Decreases by 5% (March 31, 2021 - 5%)	0.02	0.05
GBP sensitivity		
INR/GBP Increases by 5% (March 31, 2021 - 5%)	-	-
INR/GBP Decreases by 5% (March 31, 2021 - 5%)	-	-

(ii) Interest rate risk

As at the end of the reporting period, the Company does not have any variable rate borrowings outstanding, therefore, Company is not exposed to any interest rate risk.

(iii) Price Risk

The Company does not have investment in market quoted securities. Therefore, the Company is not exposed to market price risk.

(B) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the Company.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. In order to mitigate the risk of financial loss from defaulters, the Company has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the Company does not allow any credit period and therefore, is not exposed to any credit risk. As per the Company's past collection history, credit risk is insignificant.

The Company does not have any derivative transaction and therefore is not exposed to any credit risk on account of derivatives.

Reconciliation of allowance for doubtful trade receivables :

(₹ in Million)

Loss allowance on April 1, 2020	**0.07**
Changes in loss allowance	0.05
Loss allowance on March 31, 2021	**0.12**
Changes in loss allowance	(0.05)
Loss allowance on March 31, 2022	**0.07**

(C) Liquidity risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilisation requirement. This is monitored through a rolling forecast showing the expected net cashflow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

(i) Financing arrangements: The position of undrawn borrowing facilities at the end of reporting period are as follows:

(₹ in Million)

Floating Rate	March 31, 2022	March 31, 2021
Expiring within one year		
ICICI Bank Limited Cash Credit Facility	70.00	70.00
Total	**70.00**	**70.00**

The bank cash credit facilities may be drawn at any time and may be terminated by the bank without notice.

(ii) Maturities of financial liabilities

The table below analyses the Company's non-derivative financial liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

(₹ in Million)

	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
March 31, 2022				
Lease liabilities	0.02	-	-	0.02
Liability for capital expenditure	40.85	-	-	40.85
Trade payables	67.69	-	-	67.69
Security deposits	2.19	-	0.17	2.36
Total non-derivative liabilities	**110.75**	**-**	**0.17**	**110.92**
March 31, 2021				
Lease liabilities	0.32	0.10	-	0.42
Liability for capital expenditure	29.09	-	-	29.09
Trade payables	65.67	-	-	65.67
Security deposits	2.14	-	0.21	2.35
Total non-derivative liabilities	**97.22**	**0.10**	**0.21**	**97.53**

34 Capital Management

(a) Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company manages the share capital issued and subscribed alongwith shareholder's fund appearing in the financial statements as capital of the Company.

(b) Dividends

(₹ in Million)

	March 31, 2022	March 31, 2021
Final dividend for the year ended March 31, 2022 of Rs. xxxx (March 31, 2021 – Rs. Nil)	-	-
Dividend distribution tax	-	-
Dividends not recognised at the end of the reporting period		
Liability for proposed dividend	-	-
Dividend distribution tax on proposed dividend	-	-

35 Micro and Small Enterprises

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid at the end of the year **	1.87	0.35
(ii) Interest due thereon remaining unpaid at the end of the year	0.28	-
(iii) The amount of interest paid along with the amounts of the payment beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	0.28	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	0.28	-
(vi) The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid	-	-
(vii) Interest remaining disallowable as deductible expenditure under the Income Tax Act, 1961	0.28	-
Total	**2.15**	**0.35**

** Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are based on information made available to the Company.

Notes to the Financial Statements

36 Total outstanding dues of creditors other than micro enterprises and small enterprises

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Trade payables to related parties	14.88	14.32
Trade payables - others	50.66	51.00
Total	**65.54**	**65.32**

As on March 31, 2022 (₹ in Million)

Particulars	Unbilled dues	Not due	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) MSME	-	-	2.15	-	-	-	2.15
(b) Others	36.23	4.14	24.50	0.08	0.59	-	65.54
Total	**36.23**	**4.14**	**26.65**	**0.08**	**0.59**	**-**	**67.69**

As on March 31, 2021

Particulars	Unbilled dues	Not due	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) MSME	-	-	0.24	0.11	-	-	0.35
(b) Others	37.76	4.39	20.36	2.57	0.24	-	65.32
Sub-total	**37.76**	**4.39**	**20.60**	**2.68**	**0.24**	**-**	**65.67**

NOTE 37(a)

Related Party Transactions

a) List of Related Parties

(i) Key Management Personnel of the Company and its Parent Company

Mr. P. R. S. Oberoi	Chairman
Mr. Shivy Bhasin	Vice Chairman
Mr. Manish Goyal	Managing Director
Mr. Tej Kumar Sibal	Director
Mr. Manav Goyal	Director
Mr. Vikramjit Singh Oberoi	Director
Mr. Arjun Singh Oberoi	Director
Mr. Rajkumar Kataria	Director
Mr. Sandeep Kumar Barasia	Director
Dr. Chhavi Rajawat	Director
Mr. S. N. Sridhar (upto 01.09.2021)	Company Secretary
Mr. Lalit Kumar Sharma (w.e.f. 21.10.2021)	Company Secretary
Mr. Kallol Kundu	Chief Financial Officer
Mr. S. S. Mukherji	Vice Chairman of the Parent Company

(ii) Parent Company

EIH Limited

(iii) Fellow Subsidiaries with whom transactions have taken place during the current/previous year

Mashobra Resort Limited

(iv) Associate / Joint Venture of Parent Company with whom transactions have taken place during the current/previous year

(a) Associate of Parent Company

EIH Associated Hotels Limited

(b) Joint Venture of Parent Company

Mercury Car Rentals Private Limited

(v) **Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant Influence with whom transactions have taken place during the current/previous year**

Oberoi Hotels Private Limited
Oberoi Internaional LLP
Regent Tours and Travels Private Limited

37(b)

Transactions with Related Parties for the year ended March 31, 2022 and March 31, 2021 are as follows:

(₹ in Million)

Nature of Transactions	Parent Company		Fellow Subsidiaries		Associate / Joint Venture of Parent Company		Enterprises in which Key Management Personnel and close member of Key management personnel have Joint Control or Significant Influence with whom transactions have taken place during the current/previous year		Key Management Personnel	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
PURCHASES										
Purchase of goods and services										
EIH Limited	81.65	65.53	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.62	0.25	-	-	-	-
Mercury Car Rentals Private Limited	-	-	-	-	1.81	1.92	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	-	-	0.01	-	-	-
Total	**81.65**	**65.53**	**-**	**-**	**2.43**	**2.17**	**0.01**	**-**	**-**	**-**
Management Contract										
EIH Limited	19.16	3.92	-	-	-	-	-	-	-	-
Total	**19.16**	**3.92**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Royalty										
Oberoi Hotels Private Limited	-	-	-	-	-	-	5.37	1.96	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**5.37**	**1.96**	**-**	**-**
Director's sitting fees										
Mr. P. R. S. Oberoi	-	-	-	-	-	-	-	-	0.04	0.12
Mr. Shivy Bhasin	-	-	-	-	-	-	-	-	0.16	0.16
Mr. Tej Kumar Sibal	-	-	-	-	-	-	-	-	0.16	0.16
Mr. Manish Goyal	-	-	-	-	-	-	-	-	0.20	0.20
Mr. Manav Goyal	-	-	-	-	-	-	-	-	0.16	0.16
Mr. Vikramjit Singh Oberoi	-	-	-	-	-	-	-	-	0.24	0.20
Dr. Chhavi Rajawat	-	-	-	-	-	-	-	-	0.16	0.12
Mr. Arjun Singh Oberoi	-	-	-	-	-	-	-	-	0.20	0.20
Mr. Raj Kataria	-	-	-	-	-	-	-	-	0.24	0.20
Mr. Sandeep Kumar Barasia	-	-	-	-	-	-	-	-	0.12	0.12
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.68**	**1.64**
SALES										
Sale of goods and services										
EIH Limited	1.04	0.52	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.20	0.07	-	-	-	-
Mashobra Resort Limited	-	-	0.01	-	-	-	-	-	-	-
Total	**1.04**	**0.52**	**0.01**	**-**	**0.20**	**0.07**	**-**	**-**	**-**	**-**
Sale of property, plant and equipment										
EIH Limited	0.09	-	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.02	0.03	-	-	-	-
Total	**0.09**	**-**	**-**	**-**	**0.02**	**0.03**	**-**	**-**	**-**	**-**
INCOME										
License agreement										
EIH Associated Hotels Limited	-	-	-	-	1.28	1.29	-	-	-	-
Total	**-**	**-**	**-**	**-**	**1.28**	**1.29**	**-**	**-**	**-**	**-**

(₹ in Million)

Nature of Transactions	Parent Company		Fellow Subsidiaries		Associate / Joint Venture of Parent Company		Enterprises in which Key Management Personnel and close member of Key management personnel have Joint Control or Significant Influence with whom transactions have taken place during the current/previous year		Key Management Personnel	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Refund of collections to related party										
EIH Limited	0.46	0.02			-	-				-
Mercury Car Rentals Private Limited	-	-			0.22	-				1.00
EIH Associated Hotels Limited	-	-			0.44	0.03				-
Total	**0.46**	**0.02**			**0.66**	**0.03**				**1.00**
Expense reimbursed to related party										
EIH Limited	6.32	3.15*	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.71	1.12	-	-	-	-
Mercury Car Rentals Private Limited	-	-	-	-	-	0.03	-	-	-	-
Total	**6.32**	**3.15***	**-**	**-**	**0.71**	**1.15**	**-**	**-**	**-**	**-**
RECEIPTS										
Recovery of collections by related party										
EIH Limited	0.84	0.53	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.01	0.01	-	-	-	-
Total	**0.84**	**0.53**	**-**	**-**	**0.01**	**0.01**	-	-	-	-
Expense reimbursed by related party										
EIH Limited	0.38	0.63	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.25	0.58	-	-	-	-
Total	**0.38**	**0.63**	**-**	**-**	**0.25**	**0.58**	**-**	**-**	**-**	**-**

* includes ₹ 0.20 Million towards CSR contribution arranged by the parent company on behalf of the Company to PM CARES FUND.

37(c) The details of amounts due to or due from related parties as at March 31, 2022 and March 31, 2021 are as follows:

(₹ in Million)

Outstanding Balances	Parent Company		Fellow Subsidiaries		Associate / Joint Venture of Parent Company		Enterprises in which Key Management Personnel and close member of Key management personnel have Joint Control or Significant Influence with whom transactions have taken place during the current/previous year		Key Management Personnel	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
PAYABLES										
For goods, services and management Contract										
EIH Limited	13.29	12.68	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.01	0.39	-	-	-	
Mercury Car Rentals Private Limited	-	-	-	-	0.18	0.15	-	-	-	-
Total	**13.29**	**12.68**			**0.19**	**0.54**	**-**	**-**	**-**	**-**
Royalty										
Oberoi Hotels Private Limited	-	-	-	-	-	-	1.40	1.06	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**1.40**	**1.06**	**-**	**-**
Director's sitting fees										
Mr. Manish Goyal	-	-	-	-	-	-	-	-	-	0.04
Total	-	-	-	-	-	-	-	-	-	0.04
RECEIVABLES										
For goods and services										
EIH Limited	0.35	0.26	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	-	0.51	-	-	-	-
Total	**0.35**	**0.26**	**-**	**-**	**-**	**0.51**	**-**	**-**	**-**	**-**
Recoverables from the directors*										
Mr. P. R. S. Oberoi	-	-	-	-	-	-	-	-	-	0.04
Mr. Shivy Bhasin	-	-	-	-	-	-	-	-	-	0.04
Mr. T. K. Sibal	-	-	-	-	-	-	-	-	-	0.04
Mr. Manav Goyal	-	-	-	-	-	-	-	-	-	0.04
Dr. Chhavi Rajawat	-	-	-	-	-	-	-	-	-	0.04
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.20**

*The amount relates to director's sitting fees inadvertently paid to the above mentioned directors which has been recovered subsequent to the year end.

38 The Company had contingent liabilities as at March 31, 2022 and March 31, 2021 in respect of:

Claims against the Company pending appellate / judicial decisions not acknowledged as debts:

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
i. Stamp Duty	10.23	10.23
ii. Sales Tax	0.19	0.19
iii. Expenditure tax	0.10	0.10
iv. Income-tax (Refer note 31)	3.25	3.25*

The matters listed above are in the nature of statutory dues, namely, Stamp Duty, Sales Tax, Expenditure Tax and Income Tax, all of which are under litigation, the outcome of which would depend on the merits of facts and law at an uncertain future date.The amounts shown in the items above represent the best possible estimates arrived at, are on the basis of currently available information and the cases that are disputed by the Company are those where the management is of the view that it has strong legal positions. The management is of the view that the outcomes of these matters are not envisaged to have any material adverse impact on the Company's financial position. Accordingly, management is of the view that no provision is considered necessary in respect thereof at this point in time as the likelihood of liability devolving on the Company is less than probable.

*During the year ended March 31, 2021, the Company had recorded a provision of Rs. 14.00 million in the books of account towards full and final settlement of income tax demand relating to assessment year 2011-2012 and assessment year 2012-13 as per the provisions of the Direct Tax Vivad Se Vishwas Act, 2020.

Notes to the Financial Statements

39 Commitments

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:	-	-
Property, plant and equipment (Net of capital advances)	4.23	17.54

40 Leases

(₹ in Million)

Effective April 1, 2019, the Company had adopted Ind AS 116 -"Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method.

On transition, the adoption of the new standard resulted in reclassification of Rs. 0.86 million from property, plant and equipment to right-of-use assets, reclassification of Rs. 0.43 million from other current financial liabilities to lease liabilities – current and reclassification of Rs. 0.53 million from non-current borrowings to lease liabilities – non-current. There had been no impact on the retained earnings due to application of the standard.

The following is the summary of practical expedients elected on initial application:

1) Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review-there were no onerous contracts as at April 1, 2019.
2) Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4) Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Amount recognised in Statement of Profit and Loss

The Statement of Profit and Loss shows the following amount relating to leases:

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation charge for the right-of-use assets (vehicle leases)	0.18	0.23
Interest expense (included in Finance costs)	0.02	0.05
Expense relating to short-term leases (included in other expenses)	5.29	4.13
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	0.03	0.09

The total cash outflow flows for leases for the year ended March 31, 2022 is Rs. 0.27 million (March 31, 2021 was Rs. 0.26 million) were presented as part of cash flows from financing activities.

Following are the changes in the carrying value of right-of-use assets:

(₹ in Million)

	Year ended March 31, 2022	Year ended March 31, 2021
Opening Balance	0.20	0.43
Additions	-	-
Depreciation	0.18	0.23
Closing Balance	**0.02**	**0.20**

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities:

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	0.02	0.25
Non-current lease liabilities	-	0.02
Total	**0.02**	**0.27**

The following is the movement in lease liabilities:

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	0.27	0.53
Additions	-	-
Finance cost accrued during the year	0.02	0.05
Payment of lease liabilities	(0.27)	**(0.31)**
Closing Balance	**0.02**	**0.27**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	0.02	0.25
One to five years	-	0.02
More than five years	-	-
Total	**0.02**	**0.27**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Assets given on Operating Lease-Lessor

The Company gives shops located at hotel unit on operating lease arrangements. These leases are generally not non-cancellable in nature and may generally be terminated by either party by serving notice.

41 Segment Reporting

The Company has no reportable segment other than hotel as per Ind AS 108,"Operating Segment.
The Company does not have transactions of more than 10% of total revenue with any single external customer.

42 Earnings per equity share

(₹ in Million)

	March 31, 2022	March 31, 2021
(a) Basic earnings per share	1.99	(4.38)
(b) Diluted earnings per share	1.99	(4.38)

(c) Reconciliations of earnings used in calculating earnings per equity share

(₹ in Million)

	March 31, 2022	March 31, 2021
Profit/ (Loss) attributable to the equity holders of the Company used in calculating basic earnings per share	41.17	(90.46)
Profit/ (Loss) attributable to the equity holders of the Company used in calculating diluted earnings per share:	41.17	(90.46)

(d) Weighted average number of shares used as the denominator

	March 31, 2022 Number of Shares	March 31, 2021 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,06,50,000	2,06,50,000
Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	2,06,50,000	2,06,50,000

Notes to the Financial Statements

43 Reconciliation of liabilities arising from financing activities

The table below details the changes in Company's borrowings arising from financing activities, including both cash and non-cash

(₹ in Million)

	As at March 31, 2021	Cash Flows	Non-cash changes	As at March 31, 2022
Non-current borrowings	-	-	-	-
Lease liabilities	0.27	(0.25)	-	**0.02**
Current borrowings	-	-	-	-
Total	**0.27**	**(0.25)**	**-**	**0.02**

(₹ in Million)

	As at March 31, 2020	Cash Flows	Non-cash changes	As at March 31, 2021
Non-current borrowings (including current maturities of finance lease obligations)	-	-	-	-
Lease liabilities	0.53	(0.26)	-	**0.27**
Current borrowings	-	-	-	-
Total	**0.53**	**(0.26)**	**-**	**0.27**

44 Disclosure on contract balances :

Trade receivables

A trade receivable is recorded when the Company has an unconditional right to receive payment. In respect of revenue from rooms, food and beverages and other services invoice is typically issued as the related performance obligations are satisfied as described in note 1(b) (Refer note 11).

Advance from customers

Advance from customers is recognised when payment is received before the related performance obligation is satisfied (Refer note 23).

(₹ in Million)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
As at the beginning of the year	5.95	12.62
Recognised as revenue during the year	5.95	11.74
As at the end of the year	18.84	5.95

45 There was no amount required to be transferred to the Investor Education and Protection Fund by the Company.

46 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code and Rules thereunder become effective.

47 Impact of COVID-19 on Business Operations

The second wave of COVID-19 has had severe impact on human lives and the economy across various states in India in April and May 2021. Different states in India imposed lockdown from different dates of April 2021 and May 2021 with the state of Uttar Pradesh imposing lockdown from 20th April, 2021 upto 19th June, 2021. The Taj Mahal remained shut for tourists for most part of this period.

The consequences of the COVID-19 outbreak on the Company's business for the year ended 31st March, 2022 and 31st March, 2021 have been severe. Several cost rationalization measures that were initiated during the last financial year were continued through the current year. Although the Company's hotel was operational throughout the period to accommodate the in-house guests who preferred to stay, the business started picking up after the lifting of the lockdown from 20th June, 2021 and has seen recovery thereafter. The adverse effects of Omicron, the new variant of COVID-19 on the Company's business was restricted to the first few weeks of January 2022. With international flights from India resuming on 27th March, 2022, the Company's business is expected to improve.

The Management does not foresee any stress on liquidity owing to the availability of liquid funds in the form of cash and cash equivalents, other bank balances and investments in mutual funds amounting to Rs. 476.44 million as on 31st March 2022. The Management has also assessed the potential impact of COVID-19 including but not limited to its assessment of liquidity and going concern assumption, the carrying value of property, plant and equipment, right of use of assets, capital work-in-progress, intangible assets, tax assets, inventories, investments, trade receivables, other current and non-current assets appearing in the financial statements of the Company as on 31st March, 2022. Based on current indicators of future economic conditions, the Management expects to recover the carrying amount of its assets as on 31st March, 2022.

The impact of COVID-19 on the business may be different from that estimated on the date of approval of this special purpose financial information and the Management will continue to closely monitor any material changes to future economic conditions.

48 Ratios

Sl. No.	Ratio	Numerator	Denominator	Year Ended March 31, 2022	Year Ended March 31, 2021	% change	Reason for Variance/ Remarks
(a)	Current ratio (in times)	Current assets	Current liabilities	3.78	4.94	-23%	
(b)	Debt-equity ratio (in times)	Total debt (Non-current and current)	Shareholder's equity (Total equity)	0.02	0.27	-93%	The variance is due to reduction in lease liability on account of payments made during the year.
(c)	Debt service coverage ratio (in times)	Earnings available for debt service = net profit after taxes + depreciation and amortisation expense + finance costs + non-cash operating expenses + other non-cash adjustments	Debt service = interest and lease payments + principal repayments	342.96	(179.65)	-291%	The variance is due to the Company earning net profit after taxes of Rs. 41.17 million during the current year as against net loss after taxes of Rs. 90.46 in the previous year. Such increase in earnings was on account of growth in revenue mainly due to increase in the revenue from rooms and food and beverages on account of increased occupancy.
(d)	Return on equity ratio (in %)	Net profit/(loss) after taxes	Average shareholder's equity	2.95%	-6.22%	-147%	The variance is due to the Company earning net profit after taxes of Rs. 41.17 million during the current year as against net loss after taxes of Rs. 90.46 in the previous year. Such increase in earnings was on account of growth in revenue mainly due to increase in the revenue from rooms and food and beverages on account of increased occupancy.
(e)	Inventory turnover ratio (in times)	Consumption of provisions, wines and others	Average inventory (Provisions, wines and others)	4.21	1.46	189%	The variance is on account of increase in consumption as well as decrease in the average inventory which was mainly on account of improvement in business leading to growth in food and beverages revenue.
(f)	Trade receivables turnover ratio (in times)	Credit sales = revenue from operations - cash sales	Average trade receivable	39.90	2.56	1460%	The variance is on account of increase in credit sales as well as decrease in average trade receivables which was mainly on account of growth in revenue due to improvement in business and collections made during the current year.
(g)	Trade payables turnover ratio (in times)	Net credit purchases and other expenses	Average trade payables	3.63	1.44	151%	The variance is due to increase in net credit purchases and decrease in average trade payables which was mainly due to improvement in business and payments made during the year.
(h)	Net capital turnover ratio (in times)	Revenue from operations	Working capital = current assets - current liabilities	1.11	0.37	198%	The variance is due to increase in revenue from operations as well as decrease in working capital which was mainly on account of growth in business and increase in current liabilities.
(i)	Net profit ratio (in %)	Net profit/(loss) after taxes	Revenue from operations	9%	-54%	117%	The variance is due to the Company earning net profit after taxes of Rs. 41.17 million during the current year as against incurring net loss after taxes of Rs. 90.46 in the previous year. Such increase in earnings was on account of growth in revenue from operations mainly on account of increased occupancy.
(j)	Return on capital employed (in %)	Earning before interest and taxes	Capital employed= tangible net worth + total debt + deferred tax liability	4%	-7%	-155%	The variance is mainly due to increase in earning before interest and taxes which was on account on improvement in business. The Company had earned net profit during the current year as against a net loss in the previous year.
(k)	Return on investment (in %)	Income generated from investments	Time weighted average investments	3.16%	3.39%	-7%	

Notes to the Financial Statements

49 Other Statutory Information

1. The Company was not holding any benami property and no proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. The Company did not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

3. The Company did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.

4. The Company had not traded or invested in Crypto currency or Virtual Currency during year ended 31 March, 2022.

5. The Company had not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

6. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds (which are material either individually or in the aggregate) to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

7. The Company has not received any funds (which are material either individually or in the aggregate) from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

8. The Company did not have any transaction which had not been recorded in the books of account that had been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

9. The Company had not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

50

The financial statements were approved for issue by the Board of Directors on 25th April 2022.

For and on behalf of the Board of Directors

Vikramjit Singh Oberoi Director (DIN No: 00052014)	**Manish Goyal** Managing Director (DIN No: 00059182)
Kallol Kundu Chief Financial Officer	**Lalit Kumar Sharma** Company Secretary

Place: Delhi
Date: 25th April 2022

MASHOBRA RESORT LIMITED

BOARD OF DIRECTORS

Mr. Ram Subhaj Singh	(w.e.f. 26.10.2021 upto 29.04.2022
Mr. Subhashish Pand	(w.e.f. 26.10.2021)
Mr. Anil Kumar Khachi, Chairperson	(upto 26.10.2021)
Mr. Prabodh Saxena	
Mr. Devesh Kumar	upto 22.07.2021 and w.e.f. 29.04.2022
Mr. Arjun Oberoi, Managing Director	
Mr. Vikram Oberoi	
Mr. T.K. Sibal	
Mr. S.N. Sridhar, Director & Secretary	(upto 01.09.2021)
Mr. Kallol Kundu Director & CFO	(w.e.f. 26.10.2021)

CHIEF FINANCIAL OFFICER

Mr. Kallol Kundu

AUDITORS

Deloitte Haskins & Sells LLP,
Chartered Accountants
7th Floor, Building 10, Tower B
DLF Cyber City Complex
DLF City Phase – II
Gurugram – 122002
Haryana

REGISTERED OFFICE

Wildflower Hall
(An Oberoi Resort)
Chharabra
Shimla - 171 012
Himachal Pradesh

CORPORATE OFFICE

7, Sham Nath Marg
Delhi 110 054

Directors' Report

The Members

Mashobra Resort Limited

The Board presents its Twenty Seventh Annual Report together with the Audited Financial Statement and the Auditor's Report for the Financial Year ended on 31st March 2022.

Financial Highlights

The financial highlights of the year under review as compared to the previous year are as follows:

Rs. in Million

Particulars	2021-22	2020-21
Total Revenue	738.55	390.75
Operating Profit before Interest, Depreciation, Taxes, Amortisations and Exceptional Items (EBIDTA)	418.60	197.46
Interest	1.03	0.99
Depreciation and Amortization Expenses	14.16	14.20
Profit /(Loss) before Tax	403.41	182.27
Tax including Deferred Tax	118.79	54.48
Profit/ (Loss) after Tax	284.62	127.79
Other Comprehensive Income/(Loss), net of tax	0.04	1.11
Total Comprehensive Income	284.66	128.90
Profit/(Loss) Brought Forward from earlier year	417.32	288.42
Profit/(Loss) Carried Over	701.98	417.32

Performance

The performance of the Company was affected due to the outbreak of second and third waves of the Covid-19 pandemic during the Financial Year. The lockdowns imposed by the Central and State Governments as well other countries globally and consequent travel restrictions to avoid spread of the Covid-19 pandemic had an impact on almost all business segments i.e. corporate, leisure, MICE and direct business, all of which were severely impacted. The hospitality industry, in general has been severely impacted in terms of occupancy, ARR, RevPAR, turnover and profitability resulting from the Covid-19 pandemic. Due to travel bans by several countries foreign travellers coming to India has become almost negligible. This has severely impacted the hotel industry in the Financial Year 2021 - 22. However, with India's very successful vaccination drive that resulted in Covid-19 pandemic infection declining, domestic travel and marketing and sales initiative taken by the Hotels to boost occupancies resulted in strong performance by the Company for the Financial Year.

A note on the impact of Covid-19 on the Company's operations is given in Note No. 45 of the Notes to the Accounts.

The Company and the Hotel have taken various initiatives to protect the Health and Safety of Guests and Employees. All precautions as per the World Health Organisation guidelines and directions of the Central and State Government have been implemented and are being strictly adhered to including to the following:

- All public areas such as Restaurants, SPA, Gym, swimming pool etc. made non-operational on States directives;
- Temperature measuring devices provided at the hotel for continuous monitoring of guests and employees;
- General Manager of the Hotel in continuous touch with local health officials for implementation of necessary guidelines.
- All the staff fully vaccinated.

Directors' Responsibility Statement

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013 ("the Act"), and based on representations from the Management, the Board states that:

a) in the preparation of the annual accounts, applicable Accounting Standards have been followed and there are no material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at the end of the Financial Year and of the profit of the Company for that period;

c) the directors, to the best of their knowledge and ability, have taken proper and sufficient care in maintaining adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the directors have prepared the Annual Accounts of the Company on a "going concern" basis; and

e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors

Mr. Anil Kumar Khachi, Mr. Devesh Kumar and Mr. S.N. Sridhar ceased to be Directors of the Company w.e.f. 26th October 2021, 22nd July 2021 and 1st September 2021 respectively. The Board places on record its deep appreciation of the services rendered and valuable contributions made by Mr. Anil Kumar Khachi, Mr. Devesh Kumar and Mr. S.N. Sridhar during their tenure as Director on the Board of the Company.

Mr. Ram Subhag Singh, (DIN: 02659274) and Mr. Subhasish Panda (DIN: 02331848) were appointed as Additional Directors on the Board of the Company w.e.f. 26th October

2021. Pursuant to provision of Section 161(1) of the Act, they hold office upto the date of the forthcoming Annual General Meeting.

The Government of Himanchal Pradesh has nominated Mr. Devesh Kumar, IAS to be appointed as Director in place Mr. Subhasish Panda, IAS. Therefore, Mr. Subhasish Panda had relinquished the office of Director and Mr. Devesh Kumar, IAS was appointed as Additional Director on the Board of the Company w.e.f. 29th April 2022, who shall hold office upto the date of the forthcoming Annual General Meeting, pursuant to provision of Section 161(1) of the Act. The Directors recommend the appointment of Mr. Ram Subhag Singh and Mr. Devesh Kumar as a regular Director at the ensuing Annual General Meeting, liable to retire by rotation.

Mr. Kallol Kundu (DIN: 09377233) was appointed as Director by the Board on 26th October 2021 in the casual vacancy caused due to the vacation of office by Mr. S.N. Sridhar. The appointment of Mr. Kallol Kundu is required to be approved by the Shareholders at the next Annual General Meeting of the Company. Mr. Kallol Kundu will hold office as a Director up to the date up to which Mr. S.N. Sridhar would have held office, had he not vacated his office as Director. The Directors recommend appointment of Mr. Kallol Kundu as a regular Director on the Board, liable to retire by rotation.

Mr. T.K. Sibal (DIN: 00038992) will retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment. The Directors recommend re-appointment of Mr. T.K. Sibal as Director on the Board, liable to retire by rotation.

Board Meeting

During the year, the Company held four Board Meetings on 23rd April 2021, 23rd July 2021, 26th October 2021 and 1st February 2022. The attendance of the Directors is as under:

Name of the Director	No. of Meetings attended
Mr. Anil Kumar Khachi##	2
Mr. Prabodh Saxena	4
Mr. Devesh Kumar#	1
Mr. Arjun Singh Oberoi	4
Mr. Vikramjit Singh Oberoi	4
Mr. T.K. Sibal	4
Mr. S.N. Sridhar@	2
Mr. Kallol Kundu*	2
Mr. Ram Subhag Singh*	2
Mr. Subhasish Panda*	1

*appointed as a Director with effect from 26th October 2021
ceased to be a Director with effect from 22nd July 2021 and again appointed as director w.e.f. 29th April 2022
ceased to be a Director with effect from 26th October 2021
@ ceased to be a Director with effect from 1st September 2021

Audit Committee and the Nomination and Remuneration Committee

The Company is a Joint Venture between EIH Ltd and the Government of Himachal Pradesh. Therefore, the Company is not required to comply with the provisions relating to Audit Committee (Section 177) and Nomination and Remuneration Committee (Section 178) pursuant to Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Independent Directors and their Meeting

The Company is a Joint Venture between EIH Ltd and the Government of Himachal Pradesh. Therefore, in accordance with Section 149(4) of the Act read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended by Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, with effect from 5th July 2017, the Company is not required to appoint Independent Directors and as such requirement of holding at least one meeting of the Independent Directors in a year pursuant to Schedule V of the Act is not applicable to the Company.

Corporate Social Responsibility

In accordance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company's CSR Policy formulated in the Financial Year 2014-15 can be accessed on the holding Company, EIH Limited website, www.eihltd.com .

The Annual Report with details on Corporate Social Responsibility activities for the Financial Year 2021-22 is attached as Annexure –I and forms part of this report.

Directors Appointment and Remuneration Policy

The Company is not covered under sub- section (1) of Section 178 of the Act, being a Joint Venture Company. Therefore, the requirement of clause (e) of sub-section 3 of Section 134 does not apply to the Company.

Board Evaluation

The Company has put in place a policy and process for evaluation of the Board of Directors, Individual Directors and Committees etc. M/s Excellence Enablers Private Limited has conducted the evaluation of the Board, Committees and Individual Directors. The Board Evaluation Report for the Financial Year 2021-22 submitted by M/s Excellence Enablers Private Limited has been taken on record by the Board.

Risk Management

The Company is a subsidiary of EIH Limited. EIH Limited has in place a comprehensive Risk Management policy, framework and risk committee which is made applicable to the Company's hotel, Wildflower Hall and the Company. The risks, if any, on the Company and the Company's hotel is monitored periodically and reported to the Board.

Energy Conservation Measures

Focussed Energy Conservation efforts continued during the year. Action taken during the year include installation of Heat Pump for swimming pool heating and Installation of Electric heater for Jacuzzi water heating so as to reduce consumption of diesel. Energy efficient LED lamps were installed in Back of the House areas and motion sensor to control lighting operation were also installed.

Furthermore, conservation measures in form of tight operational control of Kitchen and Laundry equipment. Major plant and machinery like Elevators, Chillers, boilers, ventilation equipment, etc. were operated with adaptive control in relation to occupancy and ambient weather conditions.

Some of the action planned for coming year are replacement of remaining fluorescent tube lights & incandescent lamps with energy efficient LED lights, installation of water flow optimisers & Heat pumps for domestic water heating.

With various energy conservation measures taken in FY 2021-22, we were able to reduce our overall absolute energy consumption by about 4.5% in comparison to FY 2019-20. These energy savings have resulted in reduction of our carbon dioxide emissions by about 58 metric tonnes in comparison to FY 2019-20.

Foreign Exchange Earnings and outgo

Foreign exchange earnings during the year amounted to Rs 37.62 Million as compared to Rs. 24.20 Million in the previous year. The outflow of foreign exchange during the year was Rs. 6.58 Million as compared to Rs. 5.13 Million in the previous year.

Secretarial Standards

During the year, the Company has complied with the applicable Secretarial Standards.

Auditors

At the 22nd Annual General Meeting of the Company held in year 2017, members had approved the appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants (FRN 117366W/W-100018) as the Statutory Auditors of the Company to hold office for 5 (five) consecutive years from the conclusion of the 22nd Annual General Meeting till the conclusion of the 27th Annual General Meeting.

In accordance with Section 139 of the Act which provides for rotation of Auditors, the Board at its Meeting held on 29th April 2022, have unanimously recommended to the Shareholders appointment of M/s. Deloitte, Haskins & Sells LLP, Chartered Accountants, (FRN 117366 W/W 100018) ("Deloitte") as the Statutory Auditors of the Company to hold office for another term of 5 (five) consecutive years from the conclusion of the 27th Annual General Meeting scheduled to be held in the month of June 2022 till the conclusion of the 32nd Annual General Meeting to be held in the year 2027.

Deloitte have given a written consent to the Company for re-appointment as Auditors. They have also given a certificate that they satisfy the criteria prescribed in Section 141 of the Act and the appointment, if made, shall be in accordance with the conditions laid down under the Act and Rules.

Auditor's Report

The Auditor's Observations, if any, in their report have been fully explained in Notes 3(ii) and 17 of the financial statement and do not call for any further comments.

Cost Records

The Company is not required to maintain cost records in accordance with Section 148 of the Act read with Rule 3 of the Companies (Cost Record and Audit) Rules 2014 as the services of the Company are not covered under these rules.

Significant and Material Orders, if any

During the year, there were no significant or material orders passed by the Regulators, Courts or Tribunals impacting the going concern status and the Company's operation in future.

Prevention of Sexual Harassment at Work Place

During the year, no complaint of sexual harassment at the work place (Wildflower Hall) were received. The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition. and Redressal) Act, 2013 and filed necessary returns under the Act.

Related Party Transactions

The contracts, arrangements or transactions with Related Parties are in the ordinary course of business and at arm's length. There are no material contracts, arrangements or transactions entered into by the Company with its Related Parties, required to be reported in the prescribed form in accordance with Section 188 of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014. The Related Party Transactions entered during the year are given in Note no 35 of the Financial Statement.

Internal Financial Controls

The Company has put in place adequate Internal Financial Control systems commensurate with the size and operation of the business.

Annual Return

In accordance with Section 92(3) of the Companies Act, 2013 read with rules made thereunder, the Annual Return of the Company in Form MGT-7 has been placed on the website of the holding company, www.eihltd.com.

Loans, Guarantees or Investments

During the year, the Company has not given any intercorporate loan or guarantee and has not made any intercorporate investments.

Deposits

During the year, the Company has not accepted any deposits.

Secretarial Audit

In accordance with the listing regulations applicable to the holding company, the Company is recognised as an "Unlisted Material Subsidiary Company" of EIH Limited. Therefore, the secretarial audit of the records of the Company was conducted by a Practicing Company Secretary. The report submitted by the Practicing Company Secretary does not contain any qualification, reservation or adverse remark. The report is annexed and forms part of this report.

Directors' Report (Contd.)

Internal Audit and Vigil Mechanism

The Company does not require the appointment of an Internal Auditor under the relevant provisions of the Act. However, the Chief Internal Auditor of the holding Company, EIH Limited, also conducts internal audit(s) of the records of the Company and his report is periodically placed before the Board.

The requirement of establishment of a vigil mechanism as required under Section 177 of the Act read with Rule 7 (1) of the Companies (Meetings of the Board) Rules, 2014 is not applicable to the Company.

Subsidiaries, Associates and Joint Ventures

The Company does not have any subsidiary, associate or joint venture Company.

Director/KMP Remuneration

The Key Managerial Personnel of the Company do not draw any remuneration from the Company. Sitting fee of Rs. 40,000 per sitting of the Board or a Committee thereof is paid to all Directors. The total sitting fee paid during the Financial Year 2021-22 was Rs. 1.20 Million.

Top 10 Employees Remuneration

In accordance with Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a list of Top 10 employees' remuneration details is Annexed and forms part of this report.

Particulars of Employees

There is no employee in the Company drawing remuneration more than the limit prescribed under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Acknowledgment

Your Directors wish to place on record their deep appreciation of the commitment and dedication of the employees at all levels, which has been critical for the Company's performance. The Directors look forward to their continued support.

For and on behalf of the Board

Place: Shimla	Arjun Singh Oberoi	T.K. Sibal
Date: 26 April, 2022	Managing Director	Director

1. Brief outline on CSR Policy of the Company

The Company's CSR Policy focus on addressing the critical social, economic and educational needs of the marginalized under-privileged and differently abled children of the society. Directing its energies to orphan, homeless and differently abled children and care for their educational, nutritional, health, psychological development needs and Promotion and Development of Traditional Arts and Handicrafts. The policy also focusses on sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation, contribution to Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga, ensuring environment sustainability, ecological balance and also for contribution to the Prime Minister's National Relief Fund.

The Board of Directors at the Board meeting held on 23rd April 2021, on the recommendation of the CSR Committee, approved a CSR spend of Rs. 44,03,486 for the Financial Year 2021-22, being 2% of average net profit of the Company in the last three Financial Years. The amount was spent on the following activities:

a) Skill Development through vocational training of students at the School for Hearing and Visually Impaired, Dhalli, Mashobra, Shimla;

b) Operation, Repair and Maintenance work at the School for Hearing and Visually Impaired, Dhalli, Mashobra, Shimla and

c) Work done at the Model Children Home, Arki, Mashobra, Shimla (Home for the blind);

d) Development of relaxing facilities for people visiting the SEOG water catchment sanctuary.

The CSR Policy and the activities of the Company are available on the holding Company, EIH Limited website www.eihltd.com.

2. Composition of the CSR Committee

S. No.	Name of Director	Designation /nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Arjun Singh Oberoi	Managing Director	2	1
2.	Mr. Vikramjit Singh Oberoi	Director	2	1
3.	Mr. Devesh Kumar*	Director	2	1
4.	Mr. Subhasish Panda@	Director	2	1

* ceased to be a member w.e.f 22nd July 2021
@appointed as member w.e.f 26th October 2021

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The Composition of the CSR Committee of the Company and the CSR projects approved by the Board are available on the holding Company EIH Limited website, www.eihltd.com.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

Not applicable as CSR spent is less than Rs. 10 crores.

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

S.No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
		Not applicable	

6. Average Net Profit of the company as per Section 135(5): **Rs. 22,01,74,307**

7. a) Two percent of average net profit of the company as per Section 135(5) : **Rs. 44,03,486**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(c) Amount required to be set off for the financial year, if any: **Nil**

(d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 44,03,486**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
34,02,421	NIL	NA	PM CARES Fund	10,01,065	NA

8. (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
				Not Applicable								

8. (c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/No)**	**Location of the project**		**Amount spent for the project (in Rs.)**	**Mode of Implementation Direct (Yes/No)**	**Mode of Implementation Through Implementing Agency**	
				State	**District**			**Name**	**CSR Registration number**
1	Skill Development (vocational training) at the School for the Hearing and visually impaired at Village Dhalli, Mashobra, Shimla	(ii)- Promoting Education including special education etc.	Yes	H.P	Shimla	1,868,533	Yes	NA	
2	Operational expenditure on the vocational training at the School for the Hearing and visually impaired at Village Dhalli, Mashobra, Shimla	(ii)-Promoting Education including special education etc.	Yes	H.P	Shimla	3,60,881	Yes	NA	
3	Work at the Model Children Home, Arki, Mashobra (Home for the blind.)	(ii)-Promoting Education including special education etc.	Yes	H.P	Shimla	9,12,007	Yes	NA	
4	Development of facilities in the SEOG water sanctuary	(iv)- ensuring environment sustainability, ecological balance	Yes	H.P	Shimla	2,61,000	Yes	NA	
						34,02,421			

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **Not applicable.**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 44,03,486**

(g) Excess amount for set-off, if any: **Nil**

Sl. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs.22,01,74,307
(ii)	Total amount spent for the Financial Year	44,03,486
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

CSR Activities (Contd.)

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
			NIL				
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed / Ongoing
				NIL				
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:
(Asset-wise details)

(a) Date of creation or acquisition of the capital asset(s): N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset: N.A.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5):

The Company has fully spent the two percent of the average net profit as per Section 135(5) in the Financial Year 2021-22.

Place: Shimla
Dated: April 29, 2022

For and on behalf of the Board

Arjun Singh Oberoi
Managing Director

T.K. Sibal
Director

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of
EIH Limited, and
Mashobra Resort Limited
Hotel Wildflower Hall,
Chharabra, Shimla
Himachal Pradesh-171012

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Mashobra Resort Limited" ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022 ("the financial year"), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022, according to the provisions of:

I. The Companies Act, 2013 ("the Act") and the rules made thereunder read with notifications, exemptions and clarifications thereto;

II. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent applicable in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

III. Secretarial Standards issued by the Institute of Company Secretaries of India;

IV. Other significant laws specifically applicable to the Company, including:

a) Tourism Policy of Government of India and Classification of Hotels

b) Food Safety and Standards Act, 2006 and Rules made thereunder

c) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder

d) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder

e) Phonographic and Performance License

f) Indian Explosives Act, 1884 and Rules made thereunder

g) The Apprentices Act, 1961 and Rules made thereunder

h) India Boiler Act, 1923

During the financial year, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned herein above.

We further report that:

1. The Board of Directors of the Company ("the Board") is duly constituted in accordance with the provisions of the Act. The changes in the Board that took place during the period under review were carried out in compliance with the provisions of the Act.

2. The Board in its Meeting held on October 26, 2021 took note of the resignation letters Mr. Devesh Kumar and Mr. Anil Kumar Khachi as Directors effective July 22, 2021 and October 21, 2021 respectively and appointed Mr. Subhasish Panda and Mr. Ram Subhag Singh as Additional Directors on the Board in their place.

3. In its meeting held on October 26, 2021, the Board noted the resignation of Mr. S. N. Sridhar as Director and Company Secretary effective September 1, 2021 and appointed Mr. Kallol Kundu as a Director appointed in casual vacancy caused due to his resignation.

   In the same meeting, the Board also appointed Mr. Lalit Kumar Sharma as Company Secretary effective October 26, 2021.

4. During the financial year, adequate notice along with agenda and detailed notes on agenda was given to all directors for the meetings of the Board and its Committee(s) and in case of shorter notice, due compliance of relevant provisions of the Act and Secretarial Standards in this regard was made. There exists a system for seeking and obtaining further

Secretarial Audit Report (Contd.)

information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

5. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

6. In accordance with the guidelines prescribed by the Ministry of Corporate Affairs (the "MCA") for holding general meeting/ conducting postal ballot through e-voting vide General Circular Nos. 14/2020 dated April 08, 2020; 17/2020 dated April 13, 2020; 20/2020 dated May 05, 2020; 22/2020 dated June 15, 2020; 33/2020 dated September 28, 2020; 39/2020 dated December 31, 2020; 02/2021 dated January 13, 2021 (the "Relevant Circulars") the Company conducted its Annual General Meeting on June 25, 2021 through video conferencing.

We further report that during the financial year there were no specific events/ actions having major bearing on the Company's affairs affecting its going concern or alter the charter or capital structure or management or business operation or control etc., in pursuance of the above referred laws, regulations, guidelines, standards etc. referred to above.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For the purpose of examining adequacy of compliances with other applicable laws including industry/sector specific, under both Central and State legislations, reliance has been placed on the quarterly Compliance Certificate and reporting by Mashobra Resorts Ltd. to the Company Secretary of the Company and the Compliance Certificate duly signed by the Company Secretary, as placed before the meeting of the Board of Directors of the Company as well as of EIH Limited ("EIHL"), the holding company, for each quarter. Also, the team of Chief Internal Auditor of EIHL conducts audit, of all hotels run by EIHL, along with unlisted material subsidiaries and joint venture companies of EIHL, which also covers compliances under applicable laws. Based on the aforesaid internal compliance management and certification mechanism, we are of the opinion that the Company has generally complied with the following:

i) Deposit of Provident Fund, Employee State Insurance, Employee Deposit Linked Insurance and other employee related statutory dues;

ii) Applicable stipulations pertaining to the Payment of Wages Act, Minimum wages Act, Contract Labour (Regulation and Abolition) Act and other related legislations;

iii) Deposit of taxes relating to Income Tax, Goods and Services Tax and other applicable taxes including Tax Deducted at Source. The estimated liability in respect of cases of disputed tax liabilities and other legal cases have been disclosed as contingent liability in the Notes to Accounts forming an integral part of the financial statement for the year under review, and brief of the same has also been disclosed in the Independent Auditors' Report;

iv) Applicable State and Central laws, including those related to the Environment, Food Safety & Standards and Standards of Weights and Measures, pertaining to the operations of the Company. However, notices from the statutory authorities, whenever received, are reported to the Management and appropriate action is taken from time to time.

For **Jus & Associates**
Company Secretaries
Dr. Ajay Kumar Jain

Proprietor
Membership Number: FCS - 1551
Certificate of Practice Number: 21898
Firm Registration Number: S2010DE695800
Peer Review Certificate Number: 1325/2021

Date: 29 April, 2022
Place: New Delhi

UDIN: F001551D000235169

This report is to be read with our letter of even date which is annexed and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To,

The Members of
EIH Limited, and
Mashobra Resort Limited
Hotel Wildflower Hall,
Chharabra, Shimla
Himachal Pradesh-171012

Our Secretarial Audit Report of even date for the financial year ended March 31, 2022 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and occurrence of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our responsibility is to express an opinion based on examination of systems and procedures being followed by the Company.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Jus & Associates**
Company Secretaries

Dr. Ajay Kumar Jain
Proprietor
Membership Number: FCS - 1551
Certificate of Practice Number: 21898
Firm Registration Number: S2010DE695800
Peer Review Certificate Number: 1325/2021

Date: 29 April, 2022
Place: New Delhi

Independent Auditor's Report

To The Members of Mashobra Resort Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **MASHOBRA RESORT LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity 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 specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 17 of the financial statements regarding disclosure of advance towards equity shares pending settlement of legal issues between Government of Himachal Pradesh and EIH Limited and Note 3(ii) regarding ongoing litigation between EIH Limited, the Holding Company and the Government of Himachal Pradesh as well as between the Company and the Government of Himanchal Pradesh. The said notes describe the uncertainty related to the outcome of the above legal matters and accordingly the impact, if any, on the financial statements has not been ascertained.

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 other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management's Responsibility 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 other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility 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.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the information and explanations given to us, no remuneration has been paid by the Company to any of its directors. Accordingly, the provisions of Section 197 of the Act relating to remuneration to directors are not applicable.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 36, 3(ii) and 17 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- Refer Note 31(B) to the financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company- Refer Note 43 to the financial statements.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the financial statements no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 47(7) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "ANNEXURE B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN:22093474AIDSWE1664)

Place: Gurugram
Date: April 29, 2022
ROIN: AC-2022-37561

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **MASHOBRA RESORT LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls

"Annexure A" to the independent auditor's report (Contd.)

system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN:22093474AIDSWE1664)

Place: Gurugram
Date: 29 April, 2022
ROIN: AC-2022-37561

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i)(a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in- progress and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(i)(b) The property, plant and equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification at reasonable intervals and no material discrepancies were noticed on such verification.

(i)(c) With respect to immovable properties disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the conveyance deed provided to us, we report that, the title deed of such immovable properties are not held in the name of the Company as at the balance sheet date, as mentioned below:

Description of property	As at the balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held since	Reason for not being held in name of Company
	Gross carrying value	Carrying value in the financial statements				
Freehold land of Wildflower Hall located at Shimla	74.41	74.41	Mashobra Resort Private Limited	No	6 February, 1997	The conveyance deed was signed on the February 6, 1997 when the name of the company was Mashobra Resort Private Limited. Later the word private was deleted and the company was converted into a public company under section 43-A(1) of the Companies Act, 1956 w.e.f March 22, 1997 vide order dated July 1, 1997
Buildings constructed on the above mentioned Freehold land of Wildflower Hall located at Shimla	401.68 (Refer note below)	360.06 (Refer note below)	Mashobra Resort Private Limited	No	Refer note below	Pursuant to the purchase of land, the company build the hotel building of 85 rooms out of which no objection certificate for 28 rooms was received by the company from the Town & Country Planning Department, Government of Himachal Pradesh. The completion certificate for the balance rooms was not received by the company. The matter was referred by the High Court to an Arbitral Tribunal of Single Arbitrator. The Arbitration award was challenged by the company and EIH Limited before the High Court of Himachal Pradesh in the year 2005. The company continues to keep 30% of the room revenue in fixed deposit and current account with nationalized bank in respect of 57 rooms out of 85 rooms being operated as per the direction of the High Court of Himachal Pradesh. By order dated February 25, 2016 the High Court of Himachal Pradesh decided not to interfere with the order of Arbitrator. The Company and EIH Limited, preferred an appeal before the division bench of the High Court of Himachal Pradesh. By an order dated June 27, 2016, the division bench has directed the parties to maintain status quo till the matter is finally heard and disposed of. The matter is presently sub judice before the division bench of the High Court of Jimachal Pradesh.

*Note: Includes net of additions/deletions from the date of execution of the conveyance deed, upto the year ended March 31, 2022.

"Annexure b" to the independent auditor's report (Contd.)

(i) (d) The Company has not revalued any of its property, plant, and equipment (including right-of-use assets) and intangible assets during the year.

(i) (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in-transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/ alternate procedures performed as applicable, when compared with the books of account.

(ii)(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

(iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii)(a) In respect of statutory dues:

Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a slight delay in a few cases in respect of Provident Fund.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess, and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(vii)(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period	Amount unpaid (₹ in million)
Himachal Pradesh Tax on Luxuries (in Hotels and Lodging Houses) Rules, 1979	Luxury Tax	Deputy Excise & Taxation Commissioner- Cum-Assessing Authority	2013-2014 to 2015-2016	10.12
Income Tax Authority	Income Tax	Commissioner (Appeal)	2016-17^	0.18

^Period represents assessment year

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)(a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix)(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(ix)(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(ix)(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(ix)(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x)(a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(x)(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi)(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi)(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(xi)(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv)(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(xiv)(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group has more than one CIC as part of the group. There are 3 CIC forming part of the group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) In respect of other than ongoing projects, the Company has not transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e. six months from the expiry of the financial year as permitted under the second proviso to section 135(5) of the Act, has not elapsed till the date of our report.

(xx)(b) In respect of ongoing projects, there is no unspent Corporate Social Responsibility (CSR) amount for the year requiring a transfer to a special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx)(b) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)
(UDIN:22093474AIDSWE1664)

Place: Gurugram
Date: April 29, 2022
ROIN: AC-2022-37561

Balance Sheet

As at March 31, 2022

₹ Million

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	501.76	485.38
(b) Right-of-use asset	4	0.09	0.25
(c) Capital work-in-progress	5(i)	0.47	2.81
(d) Intangible assets	5(ii)	0.15	0.23
(e) Financial assets			
Other financial assets	6(i)	1.22	1.22
(f) Tax assets (net)	8	14.66	10.89
(g) Other non-current assets	9	1.80	1.60
Total non-current assets		**520.15**	**502.38**
Current assets			
(a) Inventories	10	31.37	25.02
(b) Financial assets			
(i) Trade receivables	11	18.51	21.58
(ii) Cash and cash equivalents	12	51.23	35.98
(iii) Other bank balances	13	1,878.71	1,579.17
(iv) Other financial assets	6(ii)	3.65	2.99
(c) Other current assets	14	14.04	8.74
Total current assets		**1,997.51**	**1,673.48**
Total Assets		**2,517.66**	**2,175.86**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	330.00	330.00
(b) Other equity	16	701.98	417.32
Total Equity		**1,031.98**	**747.32**
Advance towards equity	**17**	**1,361.93**	**1,361.93**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	5.00	5.00
(ii) Lease liabilities	38	-	0.11
(b) Provisions	19	3.13	3.02
(c) Deferred tax liabilities (net)	7	54.66	6.35
Total non-current liabilities		**62.79**	**14.48**
Current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities	38	0.11	0.20
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	33	2.65	0.35
Total outstanding dues of creditors other than micro enterprises and small enterprises	34	37.64	30.01
(iii) Other financial liabilities	20	0.74	0.09
(b) Provisions	19	0.14	0.01
(c) Other current liabilities	21	18.68	21.47
Total current liabilities		**60.96**	**52.13**
Total Equity and Liabilities		**2,517.66**	**2,175.86**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place: Gurugram
Date: 29 April, 2022

For and on behalf of the Board of Directors

Arjun Singh Oberoi
Managing Director
(DIN: 00052106)

Tej Kumar Sibal
Director
(DIN No: 00038992)

Kallol Kundu
Director and Chief Financial Officer
(DIN: 09377233)

Lalit Sharma
Company Secretary

Place: New Delhi
Date: 29 April, 2022

Statement of Profit and Loss

for the Year ended March 31, 2022

₹ Million

	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
Income			
Revenue from operations	22	661.17	299.50
Other income	23	77.38	91.25
Total Income		**738.55**	**390.75**
Expenses			
Consumption of provisions, wines & others	24	41.77	19.78
Employee benefits expense	25	71.34	57.01
Finance costs	26	1.03	0.99
Depreciation and amortisation expense	27	14.16	14.20
Other expenses	28	206.84	116.50
Total Expenses		**335.14**	**208.48**
Profit before tax		**403.41**	**182.27**
Tax Expense			
Income tax	29	117.91	53.19
Deferred tax	29	0.88	1.29
Profit for the year		**284.62**	**127.79**
Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		0.05	1.57
Tax relating to this item		(0.01)	(0.46)
Total other comprehensive income/(loss) for the year, net of tax		**0.04**	**1.11**
Total comprehensive income for the year		**284.66**	**128.90**
Earnings per equity share (in ₹) - Face Value ₹ 10	40		
(1) Basic		8.62	3.87
(2) Diluted		8.62	3.87

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place: Gurugram
Date: 29 April, 2022

For and on behalf of the Board of Directors

Arjun Singh Oberoi
Managing Director
(DIN: 00052106)

Tej Kumar Sibal
Director
(DIN No: 00038992)

Kallol Kundu
Director and Chief Financial Officer
(DIN No: 09377233)

Lalit Sharma
Company Secretary

Place: New Delhi
Date: 29 April, 2022

Statement of Cash Flows

for the Year ended March 31, 2022

₹ Million

	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash flows from operating activities		
Profit before tax	**403.41**	**182.27**
Adjustments for		
Depreciation and amortisation expense	14.16	14.20
Loss on sale / discard of property, plant and equipment (net)	-	0.47
Effect of exchange rate difference	0.01	
Interest income on financial assets carried at amortised cost	(75.98)	(90.71)
Provisions and liabilities no longer required, written back	(0.09)	(0.19)
Bad debts and other current assets written off	0.15	0.14
Finance costs	1.03	0.99
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	2.92	4.63
(Increase)/decrease in inventories	(6.35)	1.74
(Increase)/decrease in other financial assets	(0.02)	(0.03)
(Increase)/decrease in other non-current assets	0.13	2.33
(Increase)/decrease in other current assets	(5.30)	5.31
Increase/(decrease) in trade payables	9.93	(13.69)
Increase/(decrease) in employee benefit obligations	0.28	0.53
Increase/(decrease) in other financial liabilities	1.00	-
Increase/(decrease) in other current liabilities	(2.80)	12.38
Cash generated from operations	**342.48**	**120.37**
Income taxes paid (net of refund)	(74.26)	(40.56)
Net cash inflow from operating activities	**268.22**	**79.81**
Cash flows from investing activities		
Payments for property, plant and equipment	(27.62)	(2.87)
Proceeds from sale of property, plant and equipment	-	0.08
Other bank balances - deposits placed	(299.55)	(154.19)
Interest received	75.34	105.59
Net cash outflow used in investing activities	**(251.83)**	**(51.39)**
Cash flows from financing activities		
Repayment of lease liabilities	(0.20)	(0.21)
Interest paid	(0.94)	(0.99)
Net cash outflow used in financing activities	**(1.14)**	**(1.20)**
Net increase/(decrease) in cash and cash equivalents	15.25	27.22
Cash and cash equivalents at the beginning of the year	35.98	8.76
Cash and cash equivalents at the end of the year	**51.23**	**35.98**

Note :

The above Cash Flow Statement has been prepared under the "Indirect Method"as set out in Ind AS - 7 "Statement of Cash Flows".

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place: Gurugram
Date: 29 April, 2022

For and on behalf of the Board of Directors

Arjun Singh Oberoi
Managing Director
(DIN: 00052106)

Tej Kumar Sibal
Director
(DIN No: 00038992)

Kallol Kundu
Director and Chief Financial Officer
(DIN No: 09377233)

Lalit Sharma
Company Secretary

Place: New Delhi
Date: 29 April, 2022

Statement of changes in equity

for the Year ended March 31, 2022

A. Equity share capital

	₹ Million
Balance as at April 1, 2020	**330.00**
Add/(less): Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2020	**330.00**
Changes in equity share capital during the year	-
Balance as at March 31, 2021	**330.00**
Add/(less): Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2020	**330.00**
Any Other change in equity share capital during the year	-
Balance as at March 31, 2022	**330.00**

B. Other equity

	Retained earnings (Surplus/ (Deficit))
Balance as at April 1, 2020	288.42
Changes in accounting policy or prior period errors	-
Restated balance as at April 1, 2020	**288.42**
Profit for the year	127.79
Other comprehensive income/(loss) for the year, net of tax	1.11
Total comprehensive income for the year	**128.90**
Balance as at March 31, 2021	**417.32**
Balance as at April 1, 2021	**417.32**
Changes in accounting policy or prior period errors	-
Restated balance as at April 1, 2021	**417.32**
Profit for the year	284.62
Other comprehensive income/(loss) for the year, net of tax	0.04
Total comprehensive income for the year	**284.66**
Balance as at March 31, 2022	**701.98**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership Number 93474)

Place: Gurugram
Date: 29 April, 2022

For and on behalf of the Board of Directors

Arjun Singh Oberoi
Managing Director
(DIN: 00052106)

Tej Kumar Sibal
Director
(DIN No: 00038992)

Kallol Kundu
Director and Chief Financial Officer
(DIN No: 09377233)

Lalit Sharma
Company Secretary

Place: New Delhi
Date: 29 April, 2022

Notes to the Financial Statements

As at March 31, 2022

General Information

MASHOBRA RESORT LIMITED is a Company limited by shares, incorporated consequent upon a Joint Venture Agreement between EIH Limited and Government of Himachal Pradesh and domiciled in India **having its registered office at Wildflower Hall, Chharabra, Shimla**. The Company is primarily engaged in owning premium luxury hotel under the luxury 'Oberoi' brand.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements of Mashobra Resort Limited. These policies have been consistently applied to all the periods presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Indian Accounting Standard (Ind AS)

The financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended, and other accounting principles generally accepted in India, as a going concern on accrual basis.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- defined benefit plans – plan assets measured at fair value
- customer loyalty programs

(iii) Use of estimates

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and the amount of revenue and expenses during the reported year. Actual results could differ from those estimates. Any revision of such estimates is recognised in the period the same is determined.

b) Revenue recognition

(i) Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied contracts that were not completed as of April 1, 2018. Accordingly, the comparative information in the statement of profit and loss has not been restated. The impact of adoption of the standard on financial statements of the Company is insignificant.

(ii) Performance obligation in contract with customers are met throughout the stay of guest in the hotel or on rendering of services and sale of goods.

(iii) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of trade allowances, rebates, value added taxes, Goods and Service Taxes and amounts collected on behalf of third parties.

(iv) Revenue from interest is recognised on accrual basis and determined by contractual rate of interest.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Timing of revenue recognition from major business activities

- Hospitality Services: Revenue from hospitality services is recognised when the services are rendered and the same becomes chargeable or when collectability is certain.
- Others: Revenue from Shop License Fee included under "Other Services" is recognised on accrual basis as per terms of the contract.
- Revenue in respect of customer loyalty is recognised when loyalty points are redeemed by the customers or on its expiry.

c) Foreign currency translation

(i) Presentation Currency

The Financial Statements are presented in INR which is the Functional Currency of the Company.

(ii) Transactions and balances

Effective April 1, 2018, the Company has adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency.

The effect on account of adoption of this amendment is insignificant.

Sales made in any currency other than the functional currency of the Company are converted at the prevailing applicable exchange rate. Gain/Loss arising out of fluctuations in exchange rate is accounted for on realisation or translation at the year end.

Payments made in foreign currency are converted at the applicable rate prevailing on the date of remittance. Liability on account of foreign currency is converted at the exchange rate prevailing at the end of the year. Monetary items denominated in foreign currency are converted at the exchange rate prevailing at the end of the year.

d) Income tax

Current income tax is recognised based on the amount expected to be paid to the tax authorities, using tax rates and tax laws that have been enacted or substantially enacted on the date of balance sheet.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Effective April 1, 2019, the Company has adopted Appendix C to Ind AS 12 – Income taxes, which clarifies how to apply the recognition and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments.

e) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

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

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

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

Minimum Alternate Tax (MAT) is accounted for in accordance with tax laws which give rise to future economic benefits in the form of tax credit against which future income tax liability is adjusted and is recognised as deferred tax asset in the Balance Sheet.

f) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Accordingly, comparative information as at and for the year ended March 31, 2019 has not been restated. The impact of adoption of the standard on financial statements of the Company has been disclosed in the notes to accounts.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of Ind AS 116 are only applied after that date.

The Company as a lessee:

The Company’s lease asset classes primarily consist of leases for vehicle leases. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Notes to the Financial Statements

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and estimated restoration costs of the underlying asset where applicable. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

To determine the incremental borrowing rate, the Company:

- Where possible, uses recent third-party financing as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

  Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

  Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

  These lease payments would comprise:

- Fixed payments (including in substance fixed payments) less any lease incentive receivable
- Variable lease payments that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and
- Payment of penalties for terminating the lease when the Company is reasonably certain to exercise the exit option at the lease commencement date.

The Company applies the practical expedient by the standard allowing not to separate the lease component from other service components included in its lease agreements. Accordingly, all fixed payments provided for in the lease agreement, whatever their nature, are included in the lease liability.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

g) **Impairment of assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

h) **Cash and cash equivalents**

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash in hand, cash at bank and other deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

i) **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

j) **Inventories**

Inventories are valued at cost which is based on Cumulative Weighted Average method or net realisable value, whichever is lower. Unserviceable/ damaged/discarded stocks and shortages are charged to the Statement of Profit or Loss.

k) **Investments and other financial assets**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) **Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit or Loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Statement of profit and loss.

Notes to the Financial Statements

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 31 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income: Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

l) Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

m) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical Cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use on the reporting date and materials at site.

Transition to Ind AS

Effective 1 April, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with 1 April, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment other than land, the hotel buildings, and leased vehicles and equipment is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013. Leased vehicles are depreciated over the lives of the respective asset or over the remaining lease period of the respective asset whichever is shorter.

The hotel buildings are depreciated equally over the balance useful life ascertained by independent technical expert, which is 57 years with effect from 31st March 2018 and is higher than those specified by Schedule II to the Companies Act, 2013. The management believes that the balance useful lives so assessed best represent the periods over which the hotel buildings are expected to be in use. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

n) Intangible assets

Intangible Assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

Transition to Ind AS

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

o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

p) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

q) Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognised only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognised but disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

r) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

Gratuity obligations –

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the balance sheet.

Leave encashment on termination of service –

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

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

Provident Fund –

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

s) Dividends

Liability is created for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity.

t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit for the year attributable to equity shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year,

(ii) Diluted earnings per share

Diluted earnings per share adjusts the number of equity shares used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares happened.

u) Government grants / Incentives

Government grants / incentives that the Company is entitled to on fulfillment of certain conditions, but are available to the Company only on completion of some other conditions, are recognised as income at fair value on completion of such other conditions.

Grants / incentives that the Company is entitled to unconditionally on fulfillment of certain conditions, such grants are recognised at fair value as income when there is reasonable assurance that the grant will be received.

v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million with two decimals as per the requirement of Schedule III, unless otherwise stated.

Recent pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020 notifies new standard or amendments to the standards.

Notes to the Financial Statements

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. This amendment comes into effect from April 1, 2022.

The Company does not expect the amendment to have any significant impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). This amendment comes into effect from April 1, 2022.

The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Financial Instruments

The amendment specifies that for the purpose of paragraph 3.3.2 of IndAS 109, the terms shall be considered to be substantially different if the discounted present value of the cash flows under the new terms of a debt instrument, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. In determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. This amendment comes into effect from April 1, 2022.

The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

3 Significant estimates and judgements

"The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides information about the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(i) Useful life of the Hotel Building

The Company has adopted useful life of property, plant and equipment as stipulated by Schedule II to the Companies Act, 2013 except for the hotel building for computing depreciation. In the case of the hotel building of the Company, due to superior structural condition, management decided to assess the balance useful life by independent technical expert. As per the certificate of the technical expert as on March 31, 2022 the balance useful life of the hotel building of the Company was 53 years. The carrying amount of the hotel building is being depreciated over its residual life. Based on management evaluation performed at each reporting period, there has been no change in the earlier assessed useful life.

(ii) Significant and material order

The Company was incorporated consequent upon a Joint Venture Agreement between EIH Limited and the Government of Himachal Pradesh. Disputes inter se, between the two Joint Venture Partners as well as between the Company and the Government of Himachal Pradesh were referred by the High Court of Himachal Pradesh by an Order dated December 17, 2003 to an Arbitral Tribunal consisting of a single arbitrator. The Arbitrator's Award dated July 23, 2005 was challenged both by the Company and EIH Limited, amongst others, before the High Court of Himachal Pradesh. The Company continues to keep 30% of the Room Revenue in respect of the balance 57 rooms out of 85 rooms, being operated as per the directions of the High Court, in fixed deposits and current account with a Nationalised Bank, in accordance with the December 17, 2003 Order referred to above and such deposits have been disclosed in these financial statements under "Other bank balances" (Refer Note 13).

The High Court, by virtue of an order dated February 25, 2016 which was made available to the Company in May 2016, decided not to interfere with the order of the Arbitrator. The Company and EIH Limited, amongst others, have preferred an appeal before the Division Bench of the High Court of Himachal Pradesh. By an Order dated June 27, 2016, the Division Bench has stayed the Single Bench Judge Order dated February 25, 2016 and directed the parties to maintain status quo till the matter is finally heard and disposed off. The matter is pending before the Division Bench of the High Court of Himachal Pradesh for adjudication.

Notes to the Financial Statements

4 (i)

Property, plant and equipment

₹ Million

	Gross carrying amount				Accumulated Depreciation				
	Balance as at April 1, 2021	Additions during the year	Sales/adjustment during the year	Balance as at March 31, 2022	As at April 1, 2021	For the year	Less: Sales/ Adjustments	As at March 31, 2022	Carrying value as at March 31, 2022
Freehold land (refer note 4(iii))	74.41	-	-	74.41	-	-	-	-	74.41
Buildings	382.66	19.02	-	401.68	35.53	6.09	-	41.62	360.06
Plant and equipment	91.82	9.63	-	101.45	44.66	4.10	-	48.76	52.69
Furniture and fittings	7.16	1.65	-	8.81	3.37	0.74	-	4.11	4.70
Vehicles	15.44	-	-	15.44	4.33	2.27	-	6.60	8.84
Office equipment	0.16	-	-	0.16	0.01	0.03	-	0.04	0.12
Computers	6.27	-	-	6.27	4.64	0.69	-	5.33	0.94
Total	**577.92**	**30.30**	-	**608.22**	**92.54**	**13.92**	-	**106.46**	**501.76**

₹ Million

Right-of-use asset	Gross carrying amount				Accumulated Depreciation				
	Balance as at April 1, 2021	Additions during the year	Sales/adjustment during the year	Balance as at March 31, 2022	As at April 1, 2021	For the year	Less: Sales/ Adjustments	As at March 31, 2022	Carrying value as at March 31, 2022
Vehicles	1.68	-	-	1.68	1.43	0.16	-	1.59	0.09

	Gross carrying amount				Accumulated Depreciation				
	Balance as at April 1, 2021	Additions during the year	Sales/adjustment during the year	Balance as at March 31, 2022	As at April 1, 2021	For the year	Less: Sales/ Adjustments	As at March 31, 2022	Carrying value as at March 31, 2021
Freehold land (refer note 4(iii))	74.41	-	-	74.41	-	-	-	-	74.41
Buildings	382.43	0.25	0.02	382.66	29.56	5.97	-	35.53	347.13
Plant and equipment	91.25	1.06	0.49	91.82	40.67	3.99	-	44.66	47.16
Furniture and fittings	7.16	-	-	7.16	2.61	0.76	-	3.37	3.79
Vehicles	15.44	-	-	15.44	2.06	2.27	-	4.33	11.11
Office equipment	-	0.16	-	0.16	-	0.01	-	0.01	0.15
Computers	6.31	-	0.04	6.27	3.78	0.86	-	4.64	1.63
Total	**577.00**	**1.47**	0.55	**577.92**	**78.68**	**13.86**	-	**92.54**	**485.38**

Right-of-use asset	Gross carrying amount				Accumulated Depreciation				
	Balance as at April 1, 2020	Additions during the year	Sales/adjustment during the year	Balance as at March 31, 2021	As at April 1, 2020	For the year	Less: Sales/ Adjustments	As at March 31, 2021	Carrying value as at March 31, 2021
Vehicles	1.68	-	-	1.68	1.23	0.20	-	1.43	0.25

Note: The Company had not revalued its property, plant and equipment and right-of use assets during the year ended March 31, 2022 and March 31, 2021.

4 (ii)

Contractual Obligations

Refer to Note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4 (iii)

Title deeds of immovable properties not held in the name of the Company

		Gross carrying amount					
Relevant line item in balance sheet	**Description of item of property**	**Gross carrying value as at 31 March, 2022 Rupees Million**	**Carrying value as at 31 March, 2022 Rupees Million**	**Title deeds held in the name of**	**Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter / director**	**Property held since which date**	**Reason for not being held in name of Company**
	Freehold land of Wildflower Hall located at Shimla admeasuring 77,471 sq. mtrs	74.41	74.41	Mashobra Resort Private Limited	No	6 February, 1997	The conveyance deed was signed on the 6th of February, 1997 when the name of the company was Mashobra Resort Private Limited. Later the word private was deleted and the company was converted into a public company under section 43-A(1) of the Companies Act, 1956 w.e.f 22 March, 1997 vide order dated 01 July, 1997.
Property, plant and equipment	Buildings constructed on the above mentioned Freehold land of Wildflower Hall located at Shimla	401.68	360.06	See remarks	No	Refer remarks	Pursuant to the purchase of land, the Company built the hotel buidling of 85 rooms out of which no objection certificate for 28 rooms was received by the Company from the Town & Country Planning Department, Goverment of Himanchal Pradesh. The completion certificate for the balance rooms was not received by the Company. The matter was referred by the High Court to an Arbitral Tribunal of single Arbitrator. The Arbitration award was challenged by the Company and EIH Limited before the High Court of Himanchal Pradesh in the year 2005. The Company continues to keep 30% of the room revenue in fixed deposit and current account with nationalized bank in respect of 57 room out of 85 rooms being operated as per the direction of the High Court of Himanchal Pradesh. By order dated February 25, 2016 the High Court of Himanchal Pradesh decided not to interfere with the order of Arbitrator. The Company and EIH Limited, preferred an appeal before the division bench of the High Court of Himanchal Pradesh. By an order dated June 27, 2016, the division bench has directed the parties to maintained the status quo till the matter is finally heard and disposed of. The matter is presently sub judice before the division bench of the High Court of Himanchal Pradesh.

Note: Includes net of additions/deletions from the date of execution of the conveyance deed, upto the year ended March 31, 2022

Relative here means relative as defined in the Companies Act, 2013.

* Promoter here means promoter as defined in the Companies Act, 2013

Notes to the Financial Statements

5(i)
Capital Work In Progress (CWIP)*
(a) CWIP ageing schedule

₹ Million

As at March 31, 2022	Amount in CWIP for a period of				
Particulars	**Less Than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	0.03	-	-	-	0.03
Projects temporarily suspended**	-	-	-	0.44	0.44
Total CWIP	**0.03**	**-**	**-**	**0.44**	**0.47**

₹ Million

As at March 31, 2021	Amount in CWIP for a period of				
Particulars	**Less Than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	0.24	2.13	-	-	2.37
Projects temporarily suspended**	-	-	-	0.44	0.44
Total CWIP	**0.24**	**2.13**	**-**	**0.44**	**2.81**

*Includes assets/ projects ("Projects") forming part of capital work in progress

(b) (i) Capital-work-in progress, whose completion is overdue

₹ Million

As at March 31, 2022	To be completed in				
Particulars	**Less Than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects temporarily suspended**	-	-	-	-	
Bathtubs	-	-	-	0.44	0.44
Total of projects temporarily suspended	**-**	**-**	**-**	**0.44**	**0.44**

As at March 31, 2021	To be completed in				
Particulars	**Less Than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects temporarily suspended**	-	-	-	-	
Bathtubs	-	-	-	0.44	0.44
Total of projects temporarily suspended	**-**	**-**	**-**	**0.44**	**0.44**

** Comprises assets where original plans for capitalisation were temporarily suspended

(b)(ii) There is no Capital-work-in-progress, which has exceeded its cost compared to its original plan as at March 31, 2022 and March 31, 2021.

Notes to the Financial Statements

5(ii)

Intangible assets

₹ Million

	Gross carrying amount				Accumulated Depreciation				Carrying value
	Balance as at April 1, 2021	**Additions during the year**	**Sales/adjustment during the year**	**Balance as at March 31, 2022**	**As at April 1, 2021**	**For the year**	**Less: Sales/ Adjustments**	**As at March 31, 2022**	**Carrying value as at March 31, 2022**
Computer Software	0.97	-	-	0.97	0.74	0.08	-	0.82	0.15
Total	**0.97**	**-**	**-**	**0.97**	**0.74**	**0.08**	**-**	**0.82**	**0.15**

₹ Million

	Gross carrying amount				Accumulated Depreciation				Carrying value
	Balance as at April 1, 2020	**Additions during the year**	**Sales/adjustment during the year**	**Balance as at March 31, 2021**	**As at April 1, 2020**	**For the year**	**Less: Sales/ Adjustments**	**As at March 31, 2021**	**Carrying value as at March 31, 2021**
Computer Software	0.97	-	-	0.97	0.60	0.14	-	0.74	0.23
Total	**0.97**	**-**	**-**	**0.97**	**0.60**	**0.14**	**-**	**0.74**	**0.23**

Note: (i) Intangible assets are amortised on straight line basis over their estimated useful lives, which is generally between 3 to 5 years.
(ii) The Company had not revalued its intangible assets during the year ending 31st March, 2022 and 31st March, 2021.

Notes to the Financial Statements

6

Other financial assets

(i) Non-current financial assets

₹ Million

	As at March 31, 2022	As at March 31, 2021
Security deposits	1.22	1.22
Total other non-current financial assets	**1.22**	**1.22**

₹ Million

(ii) Current financial assets	As at March 31, 2022	As at March 31, 2021
Interest accrued on deposits	3.47	2.83
Security deposits	0.16	0.12
Other receivables	0.02	0.04
Total other current financial assets	**3.65**	**2.99**

7

Deferred tax assets/ (liabilities) (net)

₹ Million

	As at March 31, 2022	As at March 31, 2021
Deferred tax assets on account of:		
Accrued expenses deductible on payment	1.76	1.83
MAT credit entitlement	31.35	78.77
Other temporary differences	0.02	0.02
Total deferred tax assets (A)	**33.13**	**80.62**
Deferred tax liabilities on account of:		
Property, plant and equipment, right-of-use asset and intangible assets	87.79	86.97
Total deferred tax liabilities (B)	**87.79**	**86.97**
Deferred tax assets/(liabilities) (net) (A-B)	**(54.66)**	**(6.35)**

Movement in deferred tax assets

₹ Million

	Accrued expenses deductible on payment	MAT credit entitlement	Other temporary differences	Total
As at April 1, 2020	**2.40**	**99.82**	**0.10**	**102.32**
(Charged)/Credited:				
- to profit and loss	(0.11)	(21.05)	(0.08)	(21.24)
- to other comprehensive income	(0.46)	-	-	(0.46)
As at March 31, 2021	**1.83**	**78.77**	**0.02**	**80.62**
(Charged)/Credited:				
- to profit and loss	(0.07)	(47.42)	-	(47.49)
- to other comprehensive income	-	-	-	-
As at March 31, 2022	**1.76**	**31.35**	**0.02**	**33.13**

Movement in deferred tax liabilities

₹ Million

	Property, plant and equipment, right-of-use asset and intangible assets
As at April 1, 2020	**85.78**
(Charged)/Credited:	
- to profit and loss	1.19
As at March 31, 2021	**86.97**
(Charged)/Credited:	
- to profit and loss	0.82
As at March 31, 2022	**87.79**

Notes to the Financial Statements

8
Non-current tax assets (net)

₹ Million

	As at March 31, 2022	As at March 31, 2021
Opening balance	10.89	2.47
Less: Tax payable for the year	(117.91)	(53.19)
Add: MAT credit utilised	47.42	21.05
Add: Taxes paid	74.26	40.56
Total non-current tax assets (net)	**14.66**	**10.89**

9
Other non-current assets

₹ Million

	As at March 31, 2022	As at March 31, 2021
Capital advances	1.78	1.45
Prepaid expenses	0.02	0.15
Total other non-current assets	**1.80**	**1.60**

10
Inventories*

₹ Million

	As at March 31, 2022	As at March 31, 2021
Provisions, wines and others	13.19	9.67
Stores & Operating supplies	18.16	15.35
Goods-in-transit (Operating supplies)	0.02	-
Total inventories	**31.37**	**25.02**

*Inventories are valued at cost which is based on 'Cumulative Weighted Average Method' or net realisable value, whichever is lower.

The cost of inventories recognised as an expense during the year as consumption of provisions, wines and others was Rs. 41.77 million (for the year ended March 31, 2021: Rs. 19.78 million).

11
Trade receivables*

₹ Million

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Receivables from related parties	0.06	0.64
Receivable from other than related parties	18.45	20.94
Total trade receivables	**18.51**	**21.58**

*Read with note 30

Notes to the Financial Statements

₹ Million

As at March 31, 2022	Outstanding for following periods from due date of payment						
Particulars	Current but not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables – considered good	7.45	7.37	3.69	-	-	-	18.51
(b) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Undisputed trade receivables – credit impaired	-	-	-	-		-	-
Subtotal	7.45	7.37	3.69	-	-	-	18.51
Unbilled dues	-	-	-	-	-	-	-
Total	7.45	7.37	3.69	-	-	-	18.51

₹ Million

As at March 31, 2021	Outstanding for following periods from due date of payment						
Particulars	Current but not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables – considered good	16.66	4.15	0.20	0.57	-	-	21.58
(b) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Undisputed trade receivables – credit impaired	-	-	-	-		-	-
Subtotal	16.66	4.15	0.20	0.57	-	-	21.58
Unbilled dues	-	-	-	-	-	-	-
Total	16.66	4.15	0.20	0.57	-	-	21.58

Note: There are no disputed trade receivables

Notes to the Financial Statements

12
Cash and cash equivalents

₹ Million

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- Current accounts	50.62	31.42
Cash in hand	0.61	0.36
Fixed deposits with original maturity of less than months	-	4.20
Total cash and cash equivalents	**51.23**	**35.98**

13
Other bank balances

₹ Million

	As at March 31, 2022	As at March 31, 2021
Current account *	0.02	0.02
Fixed deposits with original maturity of more than 3 months and having remaining maturity of less than 12 months from the Balance Sheet date *	1,104.06	970.20
Fixed deposits with original maturity of more than 3 months and having remaining maturity of less than 12 months from the Balance Sheet date	774.63	608.95
Total other bank balances	**1,878.71**	**1,579.17**

* Maintained as per High Court order dated December 17, 2003 (Refer Note 3(ii))

14
Other current assets

₹ Million

	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	1.42	1.10
Services exports incentive	1.77	2.72
Other advances	10.85	4.92
Total other current assets	**14.04**	**8.74**

15
Equity share capital

₹ Million

	As at March 31, 2022	As at March 31, 2021
AUTHORISED		
50,000,000 Equity Shares of Rs. 10 each (2021 - 50,000,000)	500.00	500.00
	500.00	**500.00**
ISSUED, SUBSCRIBED & FULLY PAID		
33,000,000 Equity Shares of Rs. 10 each (2021 - 33,000,000)	330.00	330.00
	330.00	**330.00**

(i) Reconciliation of equity share capital

	Number of shares	Equity share capital (par value) ₹ Million
As at April 1, 2020	33,000,000	330.00
Change during the year	-	-
As at March 31, 2021	33,000,000	330.00
Change during the year	-	-
As at March 31, 2022	33,000,000	330.00

(ii) Rights and preferences attached to equity shares :

The Company has one class of equity shares having a par value of Rs. 10 per share. These shares rank pari passu in all respects including voting rights and entitlement to dividend.

(iii) Details of shareholders holding more than 5 percent shares in the Company:

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	%holding
EIH Limited	25,999,995	78.79%	25,999,995	78.79%
Government of Himachal Pradesh	7,000,000	21.21%	7,000,000	21.21%

(iv) Shares of the Company held by holding Company:

	As at March 31, 2022	As at March 31, 2021
	Number of Shares	
EIH Limited	25,999,995	25,999,995

(v) Shareholding of promoters*

Sl. No.	Promoter Name	Number of shares as at April 1, 2021	Change during the year	Number of shares as at March 31, 2022	% of total shares	% Change during the year
1	EIH Limited	2,59,99,995	-	2,59,99,995	78.79%	-
2	Government of Himachal Pradesh	70,00,000	-	70,00,000	21.21%	-
3	Oberoi Hotels Private Limited	1	-	1	0.00%	-
4	Oberoi Holdings Private Limited	1	-	1	0.00%	-
5	Oberoi Properties Private Limited	1	-	1	0.00%	-
6	Oberoi Investments Private Limited	1	-	1	0.00%	-
7	Oberoi Plaza Private Limited	1	-	1	0.00%	-
		3,30,00,000	-	3,30,00,000	100.00%	-

Sl. No.	Promoter Name	Number of shares as at April 1, 2020	Change during the year	Number of shares as at March 31, 2021	% of total shares	% Change during the year
1	EIH Limited	2,59,99,995	-	2,59,99,995	78.79%	-
2	Government of Himachal Pradesh	70,00,000	-	70,00,000	21.21%	-
3	Oberoi Hotels Private Limited	1	-	1	0.00%	-
4	Oberoi Holdings Private Limited	1	-	1	0.00%	-
5	Oberoi Properties Private Limited	1	-	1	0.00%	-
6	Oberoi Investments Private Limited	1	-	1	0.00%	-
7	Oberoi Plaza Private Limited	1	-	1	0.00%	-
		3,30,00,000	-	3,30,00,000	100.00%	-

*Promoters here means promoter as defined in the Companies Act, 2013

16
Other equity

₹ Million

	As at March 31, 2022	As at March 31, 2020
Reserves and Surplus		
Retained earnings*	701.98	417.32
Total other equity	**701.98**	**417.32**
***Retained earnings**		
Opening Balance	417.32	288.42
Add: Profit during the year as per Statement of Profit and Loss	284.62	127.79
Less: Other comprehensive income recognised directly in retained earnings - Remeasurements of post-employment benefit obligation, net of tax	(0.04)	(1.11)
Closing Balance	**701.98**	**417.32**

Nature and purpose of Reserves

Retained earnings

Retained earnings represents accumulated profits of the Company. It can be utilised in accordance with the provisions of the Companies Act, 2013.

17
Advance towards equity

₹ Million

	As at March 31, 2022	As at March 31, 2021
Advance towards equity	1,361.93	1,361.93
	1,361.93	**1,361.93**

Notes to the Financial Statements

Amounts received from EIH Limited, the holding company, amounting to Rs. 1,361.93 Million (2021 - Rs. 1,361.93 Million) have been shown as “Advance towards equity” as the Company intends to issue shares against the said advances without allotment, pending settlement of inter se legal issues between Government of Himachal Pradesh and EIH Limited in relation to the Company and the stay orders issued by the High Court of Himachal Pradesh at Shimla in this regard. In view of the above, the same has not been disclosed as Non- Current Liability but as a separate line item below Equity in the Balance Sheet. Refer Note 3(ii).

18
Non-current borrowings - at amortised cost

₹ Million

	Maturity Date	Terms of repayments	Coupon/ Interest rate per annum	As at March 31,2022	As at March 31,2021
Unsecured					
Government of Himachal Pradesh	Refer note (i) below	Half-Yearly	16.50%	5.00	5.00
Total				**5.00**	**5.00**

(i) Unsecured borrowings

Unsecured borrowings from Government of Himachal Pradesh is repayable at the option of the Company and the Company does not expect repayment in the next twelve months.

19
Provisions

₹ Million

	As at March 31, 2022			As at March 31, 2021		
Employee benefit obligations	Current	Non-current	Total	Current	Non-current	Total
Leave Encashment - Unfunded						
Present value of obligation	0.11	2.49	2.60	0.01	2.31	2.32
Gratuity - Unfunded						
Present value of obligation	0.03	0.64	0.67	-	0.71	0.71
Total employee benefit obligations	**0.14**	**3.13**	**3.27**	**0.01**	**3.02**	**3.03**

(i) Defined benefit plans

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan and provision/ write back, if any, is made on the basis of the present value of the liability as at the Balance Sheet date determined by actuarial valuation following Projected Unit Credit Method.

b) Leave Encashment

As per the policy of the Company, obligations on account of encashment of accumulated leave of an employee is settled only on termination / retirement of the employee Such liability is recognised on the basis of actuarial valuation following Projected Unit Credit Method. It is an unfunded plan.

(ii) Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs. 2.78 million (for the year ended March 31, 2021: Rs. 2.37 million).

Notes to the Financial Statements

(iii) Movement of defined benefit obligation and fair value of plan assets:

The amount is recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

₹ Million

	Gratuity			Leave Encashment
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
April 1, 2020	0.73	-	0.73	3.32
Current service cost	0.15	-	0.15	0.22
Interest expense/(Income)	0.05	-	0.05	0.21
Total amount recognised in Statement of Profit and Loss	**0.20**	**-**	**0.20**	**0.43**
Remeasurements				
Experience (gains)/losses	(0.17)	-	(0.17)	(1.25)
(Gain)/loss from change in financial assumptions	(0.05)	-	(0.05)	(0.10)
Total amount recognised in Other Comprehensive Income	**(0.22)**	**-**	**(0.22)**	**(1.35)**
Employer contributions	-	-	-	-
Benefit payments	-	-	-	0.08
March 31, 2021	**0.71**	**-**	**0.71**	**2.32**
April 1, 2021	**0.71**	**-**	**0.71**	**2.32**
Current service cost	0.14	-	0.14	0.30
Interest expense/(income)	0.05	-	0.05	0.16
Total amount recognised in Statement of Profit and Loss	**0.19**	**-**	**0.19**	**0.46**
Remeasurements				
Experience (gains)/losses	0.03	-	0.03	0.07
(Gain)/loss from change in financial assumptions	(0.03)	-	(0.03)	(0.12)
Total amount recognised in Other Comprehensive Income	**(0.00)**	**-**	**(0.00)**	**(0.05)**
Employer contributions	-	-	-	-
Benefit payments	(0.23)	-	(0.23)	(0.13)
March 31, 2022	**0.67**	**-**	**0.67**	**2.60**

(iv) Post-Employment benefits

The significant actuarial assumptions were as follows:

	March 31, 2022	March 31, 2021
Discount rate	7.30%	6.95%
Salary growth rate	5.00%	5.00%
Mortality		

	March 31, 2022	March 31, 2021
	Indian Assured Lives Mortality (2012-14) ultimate	Indian Assured Lives Mortality (2012-14) ultimate
Withdrawal rate - up to 40 years	4.2	4.2
Withdrawal rate - 40 - 54 years	1.8	1.8
Withdrawal rate - 55 - 57 years	2.2	2.2

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

₹ Million

	Change in assumption		Impact on defined benefit obligation			
			Increase by 1%		Decrease by 1%	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Gratuity						
Discount rate	1%	1%	(0.09)	(0.14)	0.11	0.18
Salary growth rate	1%	1%	0.11	0.18	(0.09)	(0.14)
Leave encashment						
Discount rate	1%	1%	(0.29)	(0.32)	0.34	0.39
Salary growth rate	1%	1%	0.35	0.39	(0.30)	(0.33)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e., projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

Notes to the Financial Statements

(vi) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

Discount Rate risk: The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Liquidity Risk: This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outgo inflow mismatch. (Or it could be due to insufficient assets/cash.)

Future Salary Increase Risk: The cost is sensitive to the assumed future salary escalation rates for all final salary defined benefit schemes. If actual future salary escalations are higher than that assumed in the valuation of actual cost, the value of the liability will be higher than that estimated.

Demographic Risk: In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the cost.

(vii) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 17.92 years (2021 - 24.22 years) and 17.4 years (2021- 16.97 years) for gratuity and leave encashment respectively.

The expected maturity analysis of undiscounted gratuity and leave encashment is as follows:

₹ Million

	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Between 6 to 10 years	More than 10 years	Total
March 31, 2022						
Gratuity	0.03	-	0.15	0.17	2.11	2.46
Leave encashment	0.11	-	0.43	0.54	6.24	7.32
Total	**0.14**	**-**	**0.58**	**0.71**	**8.35**	**9.78**
March 31, 2021						
Gratuity	-	-	0.02	0.04	3.78	3.84
Leave encashment	0.02	0.01	0.05	0.13	7.30	7.50
Total	**0.02**	**0.01**	**0.07**	**0.17**	**11.08**	**11.34**

20
Other current financial liabilities

₹ Million

	As at March 31, 2022	As at March 31, 2021
Liability for capital expenditure	0.74	0.09
Liability towards Corporate Social Responsibility	1.00	-
Total current financial liabilities	**1.74**	**0.09**

21
Other current liabilities

₹ Million

	As at March 31, 2022	As at March 31, 2021
Advance from customers	16.64	19.03
Statutory dues	2.04	2.44
Total other current liabilities	**18.68**	**21.47**

Notes to the Financial Statements

22
Revenue from operations

₹ Million

	Year Ended March 31, 2022	Year Ended March 31, 2021
Rooms	475.91	213.01
Food and beverage	148.42	71.10
Other services	36.84	15.39
Total revenue from operations	**661.17**	**299.50**

23
Other income

₹ Million

	Year Ended March 31, 2022	Year Ended March 31, 20201
Interest income on financials assets carried at amortised cost :		
Bank deposits	75.98	90.71
Other gains/(losses) :		
Net foreign exchange gain	-	0.04
Provisions and liabilities no longer required, written back	0.09	0.19
Miscellaneous income	1.31	0.31
Total other income	**77.38**	**91.25**

24
Consumption of provisions, wines & others

₹ Million

	Year Ended March 31, 2022	Year Ended March 31, 2021
Opening stock	9.84	9.84
Add : Purchases	45.12	19.78
	54.96	**29.62**
Less : Closing stock	13.19	9.84
Total Consumption of provisions, wines & others	**41.77**	**19.78**

25
Employee benefits expense

₹ Million

	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries and wages	52.17	44.29
Contribution to provident fund and other funds (Refer note 19)	2.78	2.37
Gratuity (Refer note 19)	0.19	0.20
Staff welfare expenses	16.20	10.15
Total employee benefits expense	**71.34**	**57.01**

26
Finance costs

₹ Million

	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest expense	0.83	0.82
Interest on MSME (Refer note 33)	0.09	-
Interest on lease liabilities (Refer note 38)	0.11	0.17
Total finance costs	**1.03**	**0.99**

27
Depreciation and amortisation expense

₹ Million

	Year Ended March 31, 2022	Year Ended March 31, 20201
Depreciation of property, plant and equipment	13.92	13.86
Depreciation of right-of-use asset	0.16	0.20
Amortisation of intangible assets	0.08	0.14
Total depreciation and amortisation expense	**14.16**	**14.20**

Notes to the Financial Statements

28
Other expenses

₹ Million

	Year Ended March 31, 2022	Year Ended March 31, 2021
Power and fuel	36.57	19.80
Rent (Refer note 38)	1.88	2.37
Repairs and maintenance		
- Buildings	8.27	8.18
- Plant and equipment	10.42	8.12
- Others	2.35	0.71
Insurance	2.33	2.23
Rates and taxes	3.77	3.26
Expenses on apartment and board	17.32	9.16
Advertisement, publicity and other promotional expenses	7.82	3.45
Commission to travel agents and others	44.93	11.77
Passage and travelling	12.81	5.72
Postage, telephone, etc.	1.31	1.26
Legal and professional charges	7.08	4.58
Linen, uniform washing and laundry expenses	1.32	0.66
Renewals and replacements	7.94	3.77
Musical, banquet and kitchen expenses	0.51	0.49
Auditors' remuneration (Refer Note 28(a))	0.15	0.12
CSR expenses (Refer note 28(b))	4.40	4.89
Expenses on contracts for service	20.60	15.22
Loss on sale / discard of property, plant and equipment (net)	-	0.47
Water charges	8.09	4.74
Director's sitting fees	1.20	1.16
Printing and stationery	1.19	0.97
Subscriptions	0.24	0.35
Bad debts aqnd other current assets written off	0.15	0.14
Net foreign exchange loss	0.13	-
Miscellaneous expenses	4.06	2.91
Total other expenses	**206.84**	**116.50**

28 (a)		
Details of Auditors' remuneration		
As auditor:		
- Audit fee	0.09	0.09
- Tax Audit fee	0.05*	0.01
- Reimbursement of expenses	0.01	0.02
	0.15	**0.12**

* includes additional billing of Rs. 0.02 million

28 (b)

Corporate Social Responsibility

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of corporate social responsibility expenditures as certified by Management are as follows:

₹ Million

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
(a) Amount required to be spent on CSR as per Section 135 of the Companies Act, 2013	4.40	4.89
(b) Amount approved by the board to be spent during the year	4.40	4.89
(c) Amount of expenditure incurred (as per table below)	3.40	4.89
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
Repair and maintenance work and supplies at Modern Children Home, Mashobra	0.91	2.53
Skill Development (Vocational Training) at school for hearing and visually impaired at Dhalli, Shimla	2.23	2.16
Procurement of Bench for SEOG Water Catchment Area	0.26	-
Contribution for PM CARES FUND	-	0.20
	3.40	4.89
	3.40	4.89
(d) Shortfall at the end of the year (a - c)	1.00	-
(e) Total of previous year shortfall	-	-
(f) Reason for shortfall	Refer note below	-
(g) Details of related party transactions	-	-
(h) Liability against contractual obligations for CSR	-	-

Note:

In respect of other than ongoing projects, the Company has not transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of approval of these financial statements. However, the time period for such transfer i.e. six months from the expiry of the financial year as permitted under the second proviso to section 135(5) of the Act, has not elapsed till the date of approval of these financial statements. The CSR Committee meeting held on 26 April, 2022 has approved the payment of the unspent amount for financial year 2021-22 to a Fund specified in Schedule VII to the Companies Act, 2013 within the time period permited under the second proviso to section 135(5) of the Act.

Details of ongoing projects under 135(6) of the Companies Act, 2013

₹ Million

Balance as on 1 April 2021		Amount required to be spent during the year	Amount spent during the year		Balance as on 31 March 2022	
With the Company	In separate CSR unspent account		From the Company's Bank account	From the separate CSR unspent account	With the Company	In separate CSR unspent account
Nil	Nil	Nil	Nil	Nil	Nil	Nil

₹ Million

Balance as on 1 April 2020		Amount required to be spent during the year	Amount spent during the year		Balance as on 31 March 2021	
With the Company	In separate CSR unspent account		From the Company's Bank account	From the separate CSR unspent account	With the Company	In separate CSR unspent account
Nil	Nil	Nil	Nil	Nil	Nil	Nil

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

₹ Million

Balance as on 1 April 2021	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2022
Nil	Nil	4.40	3.40	1.00

₹ Million

Balance as on 1 April 2020	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2021
Nil	Nil	4.89	4.89	Nil

Details of excess CSR expenditure under Section 135(5) of the Act

₹ Million

Balance excess spent as at 1 April 2021	Amount required to be spent during the year	Amount spent during the year	Balance excess spent/ (shortfall) as on 31 March 2022
Nil	4.40	3.40	(1.00)

₹ Million

Balance excess spent as at 1 April 2020	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2021
Nil	4.89	4.89	Nil

29
Tax Expense

₹ Million

	Year Ended March 31, 2022	Year Ended March 31, 2021
(a) Income tax		
Tax on profits for the year	117.91	53.19
Total income tax	**117.91**	**53.19**
(b) Deferred tax		
Decrease (increase) in deferred tax assets	47.49	21.61
(Decrease) increase in deferred tax liabilities	0.82	1.19
	48.31	**22.80**
Less: MAT credit utilised	(47.42)	(21.05)
Add / (Less): Recognised in OCI	(0.01)	(0.46)
Total deferred tax expense/(benefit)	**0.88**	**1.29**
Total tax expense	**118.79**	**54.48**
(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:		
Profit before tax expense	**403.41**	**182.27**
Tax at the rate of 29.12% (F.Y. 2020-21 – 29.12%)	117.47	53.08
Tax effect of amounts which are not deductible in calculating taxable income:		
CSR expenses	1.28	1.42
Interest on MSME (Refer note 33)	0.03	-
Adjustments related to property, plant and equipment:		
Adjustment on account of depreciable and leased assets	0.01	(0.02)
Tax expense as per Income Tax	**118.79**	**54.48**

Notes:

(i) The Company has elected not to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 in view of the eligible MAT credit available for set-off.

(ii) Effective April 1, 2019, the Company had adopted Appendix C to Ind AS 12 – Income taxes retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The effect on account of initial application and effect on adoption of this amendment was Nil (previous year Nil).

30
FAIR VALUE MEASUREMENTS
Financial instruments by category

₹ Million

	As at March 31, 2022	As at March 31, 2021
	Amortised cost	Amortised cost
Financial assets		
Trade receivables	18.51	21.58
Cash and cash equivalents	51.23	35.98
Other bank balances	1,878.71	1,579.17
Other receivables	3.49	2.87
Security deposits	1.38	1.34
Fixed deposits with more than 12 months maturity period	-	4.20
Total financial assets	**1,953.32**	**1,645.14**
Financial liabilities		
Borrowings	5.00	5.00
Lease liabilities	0.11	0.31
Trade payables	40.20	30.36
Others	1.83	0.09
Total financial liabilities	**47.14**	**35.76**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

(ii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed.

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

31 Financial risk management

The Company's activities expose it to market risk (including currency risk, interest rate risk and other price risk), liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

The Company's risk management is carried out by a senior management team under policies approved by the Board of Directors. The senior management team identifies, evaluates and hedges financial risks in close co-operation with the Company's operating unit. The Board of Directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

(A) Market risk

(i) Foreign currency risk

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Company's functional currency (Rs.).

The exposure of the Company to foreign currency risk is not significant. However, this is closely monitored by the Management to decide on the requirement of hedging. The position of foreign currency exposure to the Company as at the end of the year expressed in Rs. Million are as follows :

₹ Million

Currency	Receivables	Payables
March 31, 2022	-	-
Euro	-	0.45
US Dollar (USD)	-	-
Net Exposure to foreign currency risk	-	**0.45**
March 31, 2021		
Euro	-	-
US Dollar (USD)	-	0.29
Net Exposure to foreign currency risk	-	0.29

Sensitivity

If Rs. is depreciated or appreciated by 5% vis-s-a-vis foreign currency, the impact thereof on the profit and loss of the Company are given below:

	Impact on profit	
	March 31, 2022	**March 31, 2021**
EURO sensitivity		
INR/EURO Increases by 5% (March 31, 2020 - 5%)	(0.02)	-
INR/EURO Decreases by 5% (March 31, 2020 - 5%)	0.02	-
USD sensitivity		
INR/USD Increases by 5% (March 31, 2020 - 5%)	-	(0.01)
INR/USD Decreases by 5% (March 31, 2020 - 5%)	-	0.01

(ii) Interest rate risk

The status of borrowings in terms of fixed rate and floating rate are as follows:

₹ Million

	March 31, 2022	March 31, 2021
Variable rate borrowings	-	-
Fixed rate borrowings	5.00	5.00
Total borrowings	5.00	5.00

As at the end of the reporting period, the Company does not have any variable rate borrowings outstanding, therefore, Company is not exposed to any interest rate risk.

(iii) Price risk

The Company does not have investment in market quoted securities. Therefore Company is not exposed to market price risk.

(B) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the Company.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. In order to mitigate the risk of financial loss from defaulters, the Company has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the Company does not allow any credit period and therefore, is not exposed to any credit risk.

The Company does not have any derivative transaction and therefore is not exposed to any credit risk on account of derivatives. The Company does not have any long-term contracts for which there were any material foreseeable losses.

For trade receivables, the Company has decided to provide loss allowance for lifetime credit loss on the basis of expected credit loss model. However, as per the Company's past collection history, credit risks (default risk and delay risk) are insignificant. As per the past practice, the Company's trade receivables are generally collected within the acceptable credit period. In some instances, there is a practice of delay in receipt of payment, however the quantum of same is insignificant in comparison to the total trade receivables. Therefore, no loss allowance has been provided by the Company on trade receivables under Ind AS.

(C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. However, the Company has a past practice of maintaining sufficient liquidity (Cash and bank balances) to meet its obligation.

Further, the Company does not have significant debt liability outstanding. Therefore, the Company does not maintain any committed credit facilities or borrowing to mitigate liquidity risk as the same is insignificant as per the Company's current capital structure.

Maturities of financial liabilities

The table below analyses the Company's non-derivative financial liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

₹ Million

	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
March 31, 2022				
Borrowings*	0.83	3.30	5.00	9.13
Lease liabilities	0.11	-	-	0.11
Liability for capital expenditure	0.74	-	-	0.74
Liability towards Corporate Social Responsibility	1.00	-	-	1.00
Trade payables	40.29	-	-	40.29
Total non-derivative liabilities	42.97	**3.30**		**51.27**
March 31, 2021				
Borrowings*	0.83	3.30	5.00	9.13
Obligations under finance lease	0.18	0.52	5.00	0.70
Liability for capital expenditure	0.09	-	-	0.09
Trade payables	30.36	-	-	30.36
Total non-derivative liabilities	**31.46**	**3.82**	**5.00**	**40.28**

* The borrowing is repayable at the option of the Company. The management does not expect repayment in foreseeable future. Accordingly, interest component payable after 5 years has not been considered.

Notes to the Financial Statements

32
Capital Management

Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company manages the share capital issued and subscribed alongwith shareholder's fund appearing in the financial statement as capital of the Company.

The Company does not have significant borrowings outstanding. Further, borrowing of ₹ 5 million (2020 - ₹ 5 million) appearing in the books of account of the Company is a loan from Government of Himachal Pradesh. There is no significant covenants to the loan. The loan is repayable at the option of the Company.

33
Trade Payables to Micro and Small Enterprises

₹ Million

	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid at the end of the year *	2.56	0.35
(ii) Interest due thereon remaining unpaid at the end of the year	0.09	Nil
(iii) The amount of interest paid along with the amounts of the payment beyond the appointed day.	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	0.09	Nil
(vi) The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid	Nil	Nil
(vii) Interest remaining disallowable as deductible expenditure under the Income-tax Act, 1961	0.09	Nil
Total [(i)+(v)]	2.65	0.35

* Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are based on information made available to the Company.

34
Trade Payables To Other Than Micro And Small Enterprises

₹ Million

	As at March 31, 2022	As at March 31, 2021
Trade payables to related parties	3.23	4.48
Trade payables - others	34.41	25.53
Total	**37.64**	**30.01**

As at March 31, 2022		Outstanding for following periods from due date of payment					
Particulars	Unbilled dues	Not due	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) MSME		0.30	2.25	0.01	-	-	2.56
(b) Others	15.59	5.45	11.23	0.50	2.89	2.07	37.73
Total	**15.59**	**5.75**	**13.48**	**0.51**	**2.89**	**2.07**	**40.29**

As at March 31, 2021		Outstanding for following periods from due date of payment					
Particulars	Unbilled dues	Not due	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) MSME		-	0.28	0.01	0.06	-	0.35
(b) Others	6.43	8.88	5.59	6.49	0.44	2.18	30.01
Total	6.43	**8.88**	**5.87**	**6.50**	**0.50**	**2.18**	**30.36**

Notes to the Financial Statements

35(a)

Related Party Disclosures

List of Related Parties

(i) (i) Key Management Personnel of the Company and its Parent Company

Mr. Ram Subhag Singh (w.e.f 26.10.21) - Chairman
Mr. Anil Kumar Khachi (w.e.f. 21.01.20 upto 20.10.21) - Chairman
Mr. Subhashis Panda (w.e.f 26.10.21) - Director
Mr. Ram Dass Dhiman (w.e.f. 21.01.20 upto 11.08.20) - Director
Mr. Prabodh Saxena (w.e.f. 21.01.20)- Director
Mr. Devesh Kumar (w.e.f. 11.08.20 upto 21.07.21) - Director
Mr. Vikramjit Singh Oberoi - Director
Mr. S. N. Sridhar - Company Secretary and Director (upto 31.08.21)
Mr. Tej Kumar Sibal - Director
Mr. Kallol Kundu - Director (w.e.f. 26.10.21) and Chief Financial Officer
Mr. Arjun Singh Oberoi - Managing Director
Mr. Lalit Kumar Sharma - Company Secretary (w.e.f. 26.10.21)
Mr. P. R. S. Oberoi - Chairman of the Parent Company
Mr. S. S. Mukherji - Vice Chairman of the Parent Company

(ii) Parent Company

EIH Limited

(iii) Fellow Subsidiaries

Mumtaz Hotels Limited
Oberoi Kerala Hotels and Resorts Limited
EIH Flight Services Ltd
EIH International Ltd
EIH Holdings Ltd
EIH Investments N.V. (Liquidated during 2020-21)
PT Widja Putra Karya
PT Waka Oberoi Indonesia
PT Astina Graha Ubud

(iv) Associates / Joint Ventures of Parent Company

Associates of Parent Company:

EIH Associated Hotels Limited

La Roseraie De L'atlas

Usmart Education Limited

Joint Ventures of Parent Company:

Mercury Car Rentals Private Limited

Oberoi Mauritius Ltd. (including its subsidiary, Island Resort Limited)

(v) Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant influence with whom transactions have taken place during the year

Oberoi Hotels Private Limited

(vi) Joint Venture Partner

Himachal Pradesh Government

35 (b)

Transactions with Related Parties for the year ended March 31, 2022

₹ Million

NATURE OF TRANSACTIONS	Parent Company		Fellow Subsidiaries		Associates / Joint Ventures of Parent Company		Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant influence with whom transactions have taken place during the year		Key Management Personnel	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
PURCHASES										
Purchase of goods and services										
EIH Limited	38.33	32.32	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.24	0.16	-	-	-	-
Mumtaz Hotels Limited	0.01	-	-	-	-	-	-	-	-	-
Mercury Car Rentals Private Limited	-	-	-	-	5.05	-	-	-	-	-
Total	**38.34**	**32.32**	**-**	**-**	**5.29**	**3.02**	**-**	**-**	**-**	**-**
EXPENSES										
Directors' sitting fees										
Mr. Arjun Singh Oberoi	-	-	-	-	-	-	-	-	0.24	0.20
Mr. Vikramjit Singh Oberoi	-	-	-	-	-	-	-	-	0.24	0.20
Mr. Tej Kumar. Sibal	-	-	-	-	-	-	-	-	0.16	0.16
Mr. S.N. Sridhar	-	-	-	-	-	-	-	-	0.08	0.16
Mr. Kallol Kundu	-	-	-	-	-	-	-	-	0.04	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.76**	**0.72**
SALES										
Sale of goods and services										
EIH Limited	1.89	0.23	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.22	0.07	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	-	-	0.01	0.02	-	-
Total	**1.89**	**0.23**	**-**	**-**	**0.22**	**0.07**	**0.01**	**0.02**	**-**	**-**
PAYMENTS										
Refund of collections to related party										
EIH Limited	0.10	-	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.60	-	-	-	-	-
Total	0.10	-	-	-	0.60	-	-	-	-	-
Expenses reimbursed to related party										
EIH Limited	2.87	1.26 *	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.65	1.01	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	-	-	0.23	-	-	-
Total	2.87	1.26*	-	-	0.65	1.01	0.23	-	-	-
Expenses reimbursed by related party										
EIH Limited	-	0.24	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.05	0.11	-	-	-	-
Total	**-**	**0.24**	**-**	**-**	**0.05**	**0.11**	**-**	**-**	**-**	**-**

* includes Rs 0.20 Million towards CSR contribution arranged by the parent company on behalf of the Company to PM CARES FUND.

35 (c)

The details of amounts due to or due from related parties as at March 31, 2022 and March 31, 2021 are as follows:

₹ Million

NATURE OF TRANSACTIONS	Parent Company		Fellow Subsidiaries		Associates / Joint Ventures of Parent Company		Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant influence with whom transactions have taken place during the year		Key Management Personnel	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
PAYABLES										
For goods and services										
EIH Limited	3.21	3.76	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	-	0.72	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	-	-	0.02	-	-	-
Total	**3.21**	**3.76**	**-**	**-**	**-**	**0.72**	**0.02**	**-**	**-**	**-**
Advance towards equity										
EIH Limited	1,361.93	1,361.93	-	-	-	-	-	-	-	-
Total	**1,361.93**	**1,361.93**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
RECEIVABLES										
For goods and services										
EIH Limited	0.02	0.39	-	-	-	-	-	-	-	-
EIH Associated Hotels Limited	-	-	-	-	0.04	0.21	-	-	-	-
Oberoi Hotels Private Limited	-	-	-	-	-	-	-	0.04	-	-
Total	**0.02**	**0.39**	**-**	**-**	**0.04**	**0.21**	**-**	**0.04**	**-**	**-**

Notes to the Financial Statements

36

The Company had contingent liabilities at March 31, 2022 in respect of:

Claims against the Company pending appellate / judicial decisions not acknowledged as debts:

₹ Million

	As at March 31, 2022	As at March 31, 2021
i. Luxury Tax	10.12	10.12

Note - The matter listed above is in the nature of statutory dues, namely, luxury tax, which is under litigation, the outcome of which would depend on the merits of facts and law at an uncertain future date. The amount shown in the item above represents the best possible estimate arrived at, is on the basis of currently available information. The Company engages reputed professional advisors to protect its interest, and cases that are disputed by the Company are those where the management has been advised that it has strong legal positions. Hence, the outcome of this matter is not envisaged to have any material adverse impact on the Company's financial position.

37

Commitments

₹ Million

	As at March 31, 2022	As at March 31, 2021
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment (Net of capital advances)	0.82	1.26

38

Leases

Effective April 1, 2019, the Company had adopted Ind AS 116 -"Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method.

On transition, the adoption of the new standard resulted in reclassification of Rs. 0.65 million from property, plant and equipment to right-of-use assets, reclassification of Rs. 0.18 million from other current financial liabilities to lease liabilities – current and reclassification of Rs. 0.52 million from non-current borrowings to lease liabilities – non-current. There had been no impact on the retained earnings due to application of the standard.

The following is the summary of practical expedients elected on initial application:

1. Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at April 1, 2019.
2. Applied the exemption not to recognise right-of-use asset and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

₹ Million

Lease liabilities recognised on adoption of Ind AS 116 - Leases as at April 1, 2019	**0.70**
Of which were:	
Current lease liabilities	0.18
Non-current lease liabilities	0.52

Amount recognised in the Statement of Profit and Loss

The Statement of Profit and Loss shows the following amount relating to leases:

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation charge for the right-of-use assets (vehicle leases)	0.16	0.20
Interest expense (included in Finance costs)	0.11	0.17
Expense relating to short-term leases (included in other expenses)	1.88	2.37
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	0.03	-

The total cash outflows for leases for the year ended March 31, 2022 was Rs. 0.31 million (March 31, 2021 - Rs. 0.38 million) which are presented as part of cash flows from financing activities.

Following are the changes in the carrying value of right -of- use assets:

₹ Million

	As at March 31, 2022	As at March 31, 2021
Opening balance	0.25	0.45
Additions	-	-
Depreciation	0.16	0.20
Closing balance	**0.09**	**0.25**

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities:

₹ Million

	As at March 31, 2022	As at March 31, 2021
Particulars		
Current lease liabilities	0.11	0.20
Non-current lease liabilities	-	0.11
Total	**0.11**	**0.31**

The following is the movement in lease liabilities:

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Balance	0.31	0.52
Additions	-	-
Finance cost accrued during the period	**0.11**	**0.17**
Payment of lease liabilities	0.31	0.38
Closing Balance	**0.11**	**0.31**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ Million

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	0.11	0.20
One to five years	-	0.11
More than five years	-	-
Total	**0.11**	**0.31**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

39

Segment Reporting

There are no reportable segments other than hotels as per Ind AS 108,"Operating Segment". The Company does not have transactions of more than 10% of total revenue with any single external customer.

40

Earnings per equity share

₹

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Basic earnings per share	8.62	3.87
(b) Diluted earnings per share	8.62	3.87

(c) Reconciliations of earnings used in calculating earnings per equity share

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Profit attributable to the equity holders of the Company used in calculating basic earnings per share	284.62	127.79
Profit attributable to the equity holders of the Company used in calculating diluted earnings per share	284.62	127.79

(d) Weighted average number of shares used as the denominator

	March 31, 2022 Number of shares	March 31, 2021 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	33,000,000	33,000,000
Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	33,000,000	33,000,000

41

Reconciliation of Liabilities arising from financing activities

The table below details the changes in Company's borrowings arising from financing activities, including both cash and non-cash.

₹ Million

	As at March 31, 2021	Cash Flows	Non-cash Changes	As at March 31, 2022
Non-current borrowings	5.00	-	-	5.00
Lease liabilities	0.31	(0.20)	-	0.11
Current borrowings	-	-	-	-
Total	**5.31**	**(0.20)**	**-**	**5.11**

₹ Million

	As at March 31, 2020	Cash Flows	Non-cash Changes	As at March 31, 2021
Non-current borrowings (including current maturities of finance lease obligations)	5.00	-	-	5.00
Lease liabilities	0.52	(0.21)	-	0.31
Current borrowings	-	-	-	-
Total	**5.52**	**(0.21)**	**-**	**5.31**

42

Disclosure on Contract balances :

Trade receivable

A trade receivable is recorded when the Company has an unconditional right to receive payment. In respect of revenue from rooms, food and beverages and other services invoice is typically issued as the related performance obligations are satisfied as described in note 1(b) (Refer Note 11).

Advance from Customers

Advance from Customers is recognised when payment is received before the related performance obligation is satisfied (Refer Note 22).

₹ Million

Particulars	As at March 31, 2022	As at March 31, 2021
As at the beginning of the year	19.03	5.22
Recognised as revenue during the year	19.03	5.22
As at the end of the year	16.64	19.03

43

There was no amount required to be transferred to the Investor Education and Protection Fund by the Company.

Notes to the Financial Statements

44

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020, draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code and Rules thereunder become effective.

45

Impact of COVID-19 on Business Operations

The second wave of COVID-19 has had severe impact on human lives and the economy across various states in India in April and May 2021. Different states in India imposed lockdown from different dates during April, 2021 and May, 2021, with the state of Himachal Pradesh imposing lockdown from 7 May, 2021 unto 14 June, 2021

The consequences of the COVID-19 outbreak on the Company's business were severe for the month of April and May 2021 and year ended 31 March, 2021. Several cost rationalization measures that were initiated during the last financial year have continued through the current year. Although the Company's hotel was operational throughout the period to accommodate the in-house guests who preferred to stay, business started picking up after the lockdown was lifted on 15 June 2021 and has seen significant recovery thereafter.

The Management does not foresee any stress on liquidity owing to the availability of liquid funds in the form of cash and cash equivalents and other bank balances (other than earmarked accounts) amounting to Rs. 825.86 Million as on 31 March, 2022.

The Management has also assessed the potential impact of COVID-19 including but not limited to its assessment of liquidity and going concern assumption, the carrying value of property, plant and equipment, right of use of assets, capital work-in-progress, intangible assets, tax assets, inventories, trade receivables, other current and non-current assets appearing in the Financial Statements as on 31 March, 2022. Based on current indicators of future economic conditions, the Management expects to recover the carrying amount of its assets as on 31 March, 2022.

The impact of COVID-19 on the business may be different from that estimated on the date of approval of these Financial Statements. The Management will continue to closely monitor any material changes to future economic conditions.

46 Ratios **

Sl. No.	Ratio	Numerator	Denominator	Year Ended March 31, 2022	Year Ended March 31, 2021	% Change (increase/ (decrease))	Explanation for variances exceeding 25%
(a)	Current ratio (in times)	Current assets	Current liabilities	32.77	32.10	2%	
(b)	Debt-equity ratio (in times)	Total debt (Non-current and current) including Lease Liabilities	Shareholder's equity (Total equity)	0.00*	0.00*		
(c)	Debt service coverage ratio (in times)	Earnings available for debt service = net profit after taxes + depreciation and amortisation expense + finance costs + non-cash operating expenses + other non-cash adjustments	Debt service = interest and lease payments + principal repayments	243.80	119.50	104%	The variance is due to the Company earning higher net profit after taxes of Rs. 156.86 million. Such increase in earnings was on account of growth in revenue mainly due to increase in the revenue from rooms and food and beverages on account of increased occupancy.
(d)	Return on equity ratio (in %)	Net profit after taxes	Average shareholder's equity	31.99%	18.71%	71%	The variance is due to the Company earning higher net profit after taxes of Rs. 156.86 million. Such increase in earnings was on account of growth in revenue mainly due to increase in the revenue from rooms and food and beverages on account of increased occupancy.
(e)	Inventory turnover ratio (in times)	Consumption of provisions, wines and others	Average inventory (Provisions, wines and others)	3.65	2.03	80%	The variance is on account of increase in consumption which was mainly on account of improvement in business leading to growth in food and beverages revenue.
(f)	Trade receivables turnover ratio (in times)	Credit sales = revenue from operations - cash sales	Average trade receivables	29.00	10.45	177%	The variance is on account of increase in credit sales as well as decrease in average trade receivables which was mainly on account of growth in revenue due to improvement in business and collections made during the current year.
(g)	Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	6.83	1.53	347%	The variance is due to increase in net credit purchases and decrease in average trade payables which was mainly due to improvement in business and payments made during the year.
(h)	Net capital turnover ratio (in times)	Revenue from operations	Working capital = current assets - current liabilities	0.34	0.18	85%	The variance is due to increase in revenue from operations and decrease in working capital which was on mainly on account of growth in revenue along with higher efficiency on working capital.
(i)	Net profit ratio (in %)	Net profit after taxes	Revenue from operations	43.05%	42.67%	1%	
(j)	Return on capital employed (in %)	Earning before interest and taxes	Capital employed= tangible net worth + total debt + deferred tax liability	37.22%	24.16%	54%	The variance is mainly due to increase in earning before interest and taxes at higher rate as against increase in capital employed. The increase in earning before interest and taxes is on account on growth in revenue.
(k)	Return on investment (in %)	Income generated from investments	Time weighted average investments	NA	NA		Return on investment is not applicable, as the Company did not hold any investments during the year as at 1 April, 2021.

** Based on the requirements on Schedule III

* Value is less than 0.01

47

Other Statutory Information

1 The Company was not holding any benami property and no proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2 The Company did not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

3 The Company did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.

4 The Company had not traded or invested in Crypto currency or Virtual Currency during year ended 31 March, 2022.

5 The Company had not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

6 The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds (which are material either individually or in the aggregate) to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

7 The Company has not received any funds (which are material either individually or in the aggregate) from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

8 The Company did not have any transaction which had not been recorded in the books of account that had been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

9 The Company had not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

48

The financial statements were approved for issue by the Board of Directors on 29 April, 2022.

For and on behalf of the Board of Directors

Arjun Singh Oberoi
Managing Director
(DIN No: 00052106)

Tej Kumar Sibal
Director
(DIN No: 00038992)

Kallol Kundu
Director and Chief Financial Officer
(DIN No: 09377233)

Lalit Sharma
Company Secretary

Place: New Delhi
Date: 29 April, 2022

OBEROI KERALA HOTELS AND RESORTS LIMITED

BOARD OF DIRECTORS

Mr. Vikramjit Singh Oberoi	
Mr. Arjun Singh Oberoi	
Mr. T. K. Sibal	
Mr. K. G. Nair Mohanlal	upto 20.04.2022
Mrs. Rani George	upto 02.08.2021
Dr. Venu V	w.e.f. 20.04.2022
Mr. Manoj kumar K	w.e.f. 20.04.2022

AUDITORS

Ray & Ray, Chartered Accountants
205, Ansal Bhawan, 2nd Floor
16, Kasturba Gandhi Marg
New Delhi 110 001

REGISTERED OFFICE

C-46-452 (H)
Bristow Road
Willingdon Island
Cochin 682 003
Kerala

CORPORATE OFFICE

7, Sham Nath Marg
Delhi 110 054

Directors' Report

The Members
Oberoi Kerala Hotels and Resorts Limited

The Board presents the Twenty Eighth Annual Report with the Audited Statement of Accounts and the Auditor's Report for the Financial Year ended on 31st March 2022.

Financials

The Company has recorded a loss of Rs.1.37 lakhs during the Financial Year 2021-22 as against a profit of Rs 0.38 lakhs during the previous year. The accumulated losses as on 31st March 2022 amounted to Rs. 81.78 lakhs. This is being carried forward. There were no material changes affecting the financial position of the Company.

As the Company has not commenced its operations, it does not foresee any impact of Covid-19 pandemic on its financials nor does it foresee any impairment in the carrying value of the Company's asset. Accordingly, the Annual Financial Statement have been prepared on a going concern basis.

Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, ("the Act"), and based on representations from the Management, the Board states that:

a) in the preparation of the annual accounts, the applicable Accounting Standards has been followed and that there are no material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at the end of the Financial Year and of the loss of the company for that period;

c) the directors, to the best of their knowledge and ability, have taken proper and sufficient care in maintaining adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the directors have prepared the Annual Accounts of the Company on a "going concern" basis; and

e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Board Meeting

During the year, the Company held four Board Meetings on 19th April 2021, 21st July 2021, 20th October 2021 and 19th January 2022. All the meetings during the Financial Year 2021-22 were held through video conferencing as per the circulars issued by the Government of India, Ministry of Corporate Affairs due to Covid-19 pandemic outbreak.

The attendance of the Directors in the Board meetings are as under:

Name of the Director	Number of Meetings Attended
Mr. T.K.Sibal	4
Ms. Rani George*	1
Mr. K.G. Mohanlal**	2
Mr. Vikramjit Singh Oberoi	2
Mr. Arjun Singh Oberoi	2
Dr. Venu V#	NA
Mr. Manoj Kumar K#	NA

* ceased to be Director w.e.f 2nd August 2021
** ceased to be Director w.e.f. 20th April 2022
# Appointed as Director w.e.f 20th April 2022

Directors

Ms. Rani George (DIN: 00789500) and Mr. K.G. Mohanlal (DIN: 00760179) ceased to be Directors of the Company w.e.f. 2nd August 2021 and 20th April 2022 respectively.

Dr. Venu V (DIN 01105099) and Mr. Manoj Kumar K (DIN 09450291) were appointed as Directors of the Company by the Board on 20th April 2022 in the casual vacancy caused due to the vacation of office by Ms. Rani George and Mr. K.G. Mohanlal.

In accordance with Section 161(4) of the Act, Dr. Venu V and Mr. Manoj Kumar K who were appointed by the Board in the causal vacancy are required to be approved by the Shareholders at the next Annual General Meeting of the Company and will hold office as a Director up to the date up to which Ms. Rani George and Mr. K.G. Mohanlal would have held office, had they not vacated their office as Directors. The Directors recommend appointment of Dr. Venu V. and Mr. Manoj Kumar K as a regular Director on the Board, liable to retire by rotation.

Mr. Vikramjit Singh Oberoi (DIN:00052014) and Mr. Arjun Singh Oberoi (DIN:00052106), Directors retire by rotation at the ensuing Annual General Meeting, being eligible for re-appointment, have offered themselves for reappointment as Directors on the Board. The Directors recommend re-appointment of Mr. Vikramjit Singh Oberoi and Mr. Arjun Singh Oberoi as a Directors on the Board, liable to retire by rotation.

Energy Conservation Measures & Risk Management

The Company is yet to commence any construction/operation of the hotel. Therefore, Energy Conservation measures and Risk Management reviews are not applicable to the Company.

Foreign Exchange Earnings and outgo

There has been no foreign exchange earnings and outgo during the year.

Directors' Report (Contd.)

Annual Return

In accordance with Section 92(3) of the Companies Act, 2013 read with rules made thereunder, the Annual Return of the Company in Form MGT-7 has been placed on the website of the holding company, www.eihltd.com

Employees

The Company does not have employees. Therefore, the provisions of Section 197 of the Act read with Rule 5 (2) of the Companies (Appointment and Remuneration) Rules, 2014 does not apply.

Deposits

During the year, the Company has not accepted any deposits.

Directors' Remuneration

None of the Directors were paid any remuneration during the year under review.

Loans, Guarantees or investments

During the year, the Company has not made any loans or guarantees and has not made any investments.

Related Party Transactions

The contract or arrangement entered into by the Company with Related Parties are in the ordinary course of business and are at arm's length price. There are no material contracts or arrangements with Related Parties required to be reported in the prescribed form in accordance with Section 188 of the Act read with Rule 8 (2) of the Companies Accounts Rules, 2014. The Related Party Transactions entered during the year are given in Note No 26 of the Financial Statement.

Subsidiaries Associates and Joint Ventures

The Company has no subsidiaries, associates or joint ventures companies.

Internal Financial Controls

The Company has adequate Internal Financial Control systems commensurate with the size and operations of the Company.

Non applicability of Company's compliance under provisions of Companies Act, 2013

Under the Companies Act, 2013, the Company is not required to comply with the following:

(i) Appointment of Key Managerial personnel;

(ii) Policy on Directors appointment and remuneration u/s 178 (3);

(iii) Risk Management policy;

(iv) Policy on CSR and CSR compliance;

(v) Whistle Blower Policy;

(vi) Board Evaluation process;

(vii) Internal Audit;

(viii) Secretarial Auditor;

(ix) Formation of Audit Committee;

(x) Appointment of Cost Auditors;

(xi) Formation of Nomination and remuneration Committee.

Auditors

The Auditors, Ray & Ray, Chartered Accountants (FRN 301072E) retire at the ensuing Annual General Meeting. The provisions relating to rotation of Auditors are not applicable to the Company. The Board recommends to the members appointment of M/s Ray & Ray (FRN 301072E) as Auditors of the Company who shall hold office commencing from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2027. The Auditors have given a certificate that, if re-appointed, they meet the criteria prescribed in Section 141 and are not disqualified under the Act.

Auditor's Report

The Report of the Auditors does not contain any qualification, reservation or adverse remark.

Significant and Material Orders, if any

During the year, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and of the Company's operation in future.

For and on behalf of the Board

Vikramjit Singh Oberoi — **Director**

T.K. Sibal — **Director**

Place: New Delhi

Date: 20 April, 2022

Independent Auditor's Report

To The Members of Oberoi Kerala Hotels & Resorts Limited

Report on the Financial Statements

Financial Statement Opinion

We have audited the accompanying Ind AS financial statements of **Oberoi Kerala Hotels & Resorts Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, total comprehensive income, the changes in equity and cash flows for the year ended on that date

Basis for Opinion

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

Emphasis of Matter

We draw attention to:

a) Note 4(ii) to the Ind AS financial statements regarding the Company not commencing any construction/ operation of the hotel on the freehold land at Thekkady having a cost of Rs 171.80 Lakhs

b) Note 4(iii) to the Ind AS financial statements regarding an in-principle approval received from one shareholder to purchase the shares of the other shareholder.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. During the course of our audit, we have nothing to report on these matters.

Information other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these Ind AS Financial Statements.

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 the 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS 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 Section 143(3) of the Act, we report that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) the Balance Sheet, the statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow 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 prescribed under section 133 of the Act;

e) on the basis of the written representations received from the directors of the Company as on 31st March, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section164(2) of the Act;

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid /provided any remuneration to its directors during the year. As such the provisions of section 197 of the Act are not applicable at present.

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

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

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company and as such, the question of delay does not arise.

   iv. a) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities "Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b) The management has represented, that, to the best of it's knowledge and belief, , no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

   v. No dividend was declared or paid during the year by the company

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

For RAY & RAY
Chartered Accountants
Firm's Registration no. 301072E

Anil P. Verma
Partner
Membership no. 090408
UDIN- 22090408AHMXVH5848

Place: New Delhi
Date: 20th April, 2022

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements section or our report to the members of Oberoi Kerala Hotels and Resorts Limited of even date).

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of Oberoi Kerala Hotels & Resorts Limited ("the Company") as at 31st March, 2022 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the standard on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **RAY & RAY**
Chartered Accountants
Firm's Registration no. 301072E

Anil P. Verma
Partner
Membership no. 090408
UDIN- 22090408AHMXVH5848

Place: New Delhi
Date: 20th April, 2022

ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 3 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Oberoi Kerala Hotels and Resorts Limited of even date).

(i) In respect of the Company’s property, plant & equipment:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have any intangible assets. Accordingly, reporting under this clause is not applicable.

(b) The property, plant and equipment of the Company namely land have been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(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 all the immovable properties. (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.

(d) The Company has not revalued its Property, Plant and Equipment during the year. Accordingly, reporting under this clause is not applicable.

(e) According to information and explanations given to us and on the basis of our checking of records etc., proceedings have not been initiated or are pending against the company for holding any Benami property under the “Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.

(ii). (a) The Company did not have any inventory during the year. Accordingly, reporting under clause (a) and (b) of paragraph 3 (ii) of the Order is not applicable to the Company.

(iii). The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnership or any other parties Accordingly, clauses (a) to (f) of paragraph 3 (iii) the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not made investments. given loans and provided guarantees and security. Accordingly, reporting under paragraph 3 (iv) of the Order is not applicable to the Company.

(v) The Company has not accepted any deposits. There is no amount which is deemed to be deposits. Accordingly, reporting under paragraph 3 (v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records by the Company under Section 148 (1) of the Companies Act, 2013. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.

(vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees’ state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of above were outstanding, as at 31.03.2022 for a period of more than six months from the date they became payable.

(b) According to the records of the company, there are no dues referred in (a) above which have not been deposited on account of any dispute.

(viii) According to information and explanations given to us and on the basis of our checking of records etc., there is no transaction which is not recorded in the books of account and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) The Company does have any loans or other borrowings from any lender. Accordingly, clauses(a)to (f) of paragraph 3 (ix) of the Order is not applicable to the Company.

(x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

(b) The Company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

Accordingly, paragraph 3 (x) of the Order is not applicable to the Company.

(xi) (a) According to the information and explanations given to us, no fraud by the company or on the Company has been noticed or reported during the year.

(b) In view of this, the reporting under clause 2 (xi) (b) is not applicable to the company.

(c) On the basis of our checking of records and information and explanations provided to us, no whistle-blower complaint has been received during the year by the Company

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) clauses (a) to (c) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are generally in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards

(xiv) (a) The Company is yet to commence operations and accordingly does not have any internal system in place, keeping in view the size and nature of its business.

(b) No report of Internal Auditors were considered by us as the Company has not carried out any internal audit during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3 (xvi) clauses (a) to (d) of the Order is not applicable to the Company.

(xvii) The Company has incurred cash losses of Rs. 1.16 lakhs in the financial year. There was no cash loss in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year

(xix) on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) On the basis of our checking of records, the provisions of section 135 of the Companies Act 2013 is not applicable to the Company. Accordingly, the reporting under clauses 2(a) and (b) of paragraph 3 (xx) are not applicable to the Company.

For **RAY & RAY**
Chartered Accountants
Firm's Registration no. 301072E

Anil P. Verma
Partner
Membership no. 090408
UDIN- 22090408AHMXVH5848

Place: New Delhi
Date: 20th April, 2022

Balance Sheet

as at 31st March, 2022

₹ in Lakh

	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	5	203.31	203.31
Total non-current assets		**203.31**	**203.31**
Current assets			
(a) Financial assets			
(i) Trade receivables	6	2.22	0.24
(ii) Cash and cash equivalents	7	2.89	2.88
(iii) Other financial assets	8	20.92	20.72
(b) Current tax assets (net)	9	0.43	0.57
(c) Other current assets	10	0.12	0.04
Total current assets		**26.58**	**24.45**
Total Assets		**229.89**	**227.76**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	272.00	272.00
(b) Other equity	12	(81.78)	(80.41)
Total Equity		**190.22**	**191.59**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
Other Non Current Financial Liabilities	13	14.04	12.65
(b) Deferred Tax Liabilities (Net)	14	0.16	0.27
(c) Other Non Current Liabilities	15	0.26	1.34
Total non-current liabilities		**14.46**	**14.26**
Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	16	4.82	1.79
(ii) Other Financial Liabilities	17	19.08	18.88
(b) Other Current Liabilities	18	1.31	1.24
Total current liabilities		**25.21**	**21.91**
Total Equity and Liabilities		**229.89**	**227.76**

The accompanying notes form an integral part of the financial statements

For **RAY & RAY**
Chartered Accountants

Anil P. Verma
Partner
Membership Number 090408
Firm's Registration Number 301072E

Place: New Delhi
Date: 20th April 2022

For and on behalf of the Board

Vikramjit Singh Oberoi
Director

T.K. Sibal
Director

Kallol Kundu
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary

Statement of Profit and Loss

for the Year ended 31st March, 2022

₹ in Lakh

	Note	Year ended March 31, 2022	Year ended March 31, 2021
Other income	19	9.03	8.66
Total Income		**9.03**	**8.66**
Expenses			
Finance costs	20	1.39	1.25
Other expenses	21	7.92	5.85
Total Expenses		**9.31**	**7.10**
Profit / (Loss) before Tax		**(0.28)**	**1.56**
Tax Expense			
Current tax	22	1.20	1.20
Deferred tax	22	(0.11)	(0.02)
Profit / (Loss) for the period		**(1.37)**	**0.38**
Other Comprehensive Income		-	-
Total other comprehensive income for the period, net of tax		-	-
Total comprehensive income / (loss) for the period		**(1.37)**	**0.38**
EARNINGS PER EQUITY SHARE (In INR) FACE VALUE INR 10			
(l) BASIC		**(0.050)**	**0.014**
(2)DILUTED		**(0.050)**	**0.014**

The accompanying notes form an integral part of the financial statements

For RAY & RAY
Chartered Accountants

Anil P. Verma
Partner
Membership Number 090408
Firm's Registration Number 301072E

Place: New Delhi
Date: 20th April, 2022

For and on behalf of the Board

Vikramjit Singh Oberoi
Director

T.K. Sibal
Director

Kallol Kundu
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary

Statement of Cash Flows

for the Year ended 31st March, 2022

₹ in Lakh

	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Profit / (Loss) before Tax	(0.28)	1.56
Adjustments for		
Rent Received	(7.96)	(7.59)
Finance costs	1.39	1.25
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	(1.98)	(0.01)
Increase/(decrease) in trade payables	3.03	0.42
(Increase)/decrease in other current assets	(0.08)	0.28
(Increase/(decrease) in other non current liabilities	(1.08)	(1.07)
lncrease/(decrease) in other non current liabilities	0.07	(1.33)
Cash generated from operations	**(6.89)**	**(6.49)**
Income taxes paid (net of refund)	(1.06)	(1.21)
Net cash used in operating activities	**(7.95)**	**(7.70)**
Cash flows from investing activities		
Rent Received	7.96	7.59
Net cash outflow from investing activities	**7.96**	**7.59**
Cash flows from financing activities		
Interest paid	-	-
Net cash used in financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	0.01	(0.11)
Cash and cash equivalents at the beginning of the year	2.88	2.99
Cash and cash equivalents at the end of the year	**2.89**	**2.88**

Note:

The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in Ind AS - 7 “Statements of Cash Flow”.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For RAY & RAY
Chartered Accountants

Anil P. Verma
Partner
Membership Number 090408
Firm’s Registration Number 301072E

Place: New Delhi
Date: 20th April 2022

For and on behalf of the Board

Vikramjit Singh Oberoi
Director

T.K. Sibal
Director

Kallol Kundu
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary

Statement of changes in equity

for the Year ended 31st March, 2022

	₹ in Lakh
A. Equity share capital	
Balance at April 1, 2020	**272.00**
Add/(Less): Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 1, 2020	**272.00**
Changes in equity share capital during the year	-
Balance at March 31, 2021	**272.00**
Add/(Less): Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 1, 2021	**272.00**
Changes in equity share capital during the year	-
Balance at March 31, 2022	**272.00**

B. Other equity	
	Retained Earnings
Balance at April 1, 2020	**(80.79)**
Add/(Less): Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 1, 2020	(80.79)
Profit for the year	0.38
Other comprehensive income/(loss) for the year, net of tax	
Total comprehensive income for the year	0.38
Balance at March 31, 2021	(80.41)
Balance at April 1, 2021	(80.41)
Add/(Less): Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 1, 2021	**(80.41)**
Profit for the year	(1.37)
Other comprehensive income/(loss) for the year, net of tax	-
Total comprehensive income for the year	**(1.37)**
Balance at March 31, 2022	**(81.78)**

The accompanying notes form an integral part of the financial statements

For RAY & RAY
Chartered Accountants

Anil P. Verma
Partner
Membership Number 090408
Firm's Registration Number 301072E

Place: New Delhi
Date: 20th April 2022

For and on behalf of the Board

Vikramjit Singh Oberoi
Director

T.K. Sibal
Director

Kallol Kundu
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary

Notes to Financial Statements

Note 1: General Information

OBEROI KERALA HOTELS AND RESORTS LIMITED is a company limited by shares, incorporated and domiciled in India consequent upon a joint venture between EIH Limited and Kerala Tourism Infrastructure Limited [formerly known as Tourist Resorts (Kerala) Limited] **having its registered office at C-46-452(H), Bristow Road, Willingdon Island, Cochin 682 003, Kerala.** The company is primarily engaged in the development of tourism related projects in Kerala by way of establishing premium luxury hotels. The Company is yet to commence any construction / operation of the hotel.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements of Oberoi Kerala Hotels and Resorts Limited. These policies have been consistently applied to all the period presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Indian Accounting Standard (Ind AS).

The financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standard) Rules, 2015 as amended and other accounting principles generally accepted in India, as a going concern on an accrual basis.

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

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis

(iii) Use of estimates

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and the amount of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision of such estimates is recognized in the period the same is determined.

b) Revenue recognition

(i) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes, Goods and Service Tax and amounts collected on behalf of third parties.

(ii) Revenue from interest is recognized on accrual basis and determined by contractual rate of interest.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

c) Income tax

Current income tax is recognized based on the taxable profit for the year, using tax rates and tax laws that have been enacted or made applicable on the date of balance sheet.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Effective April 1, 2019, the Company has adopted Appendix C to Ind AS 12 – Income taxes, which clarifies how to apply the recognition and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments

d) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements, using tax rates and tax laws that have been enacted or prescribed on the date of balance sheet.

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

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally

Notes to Financial Statements

enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case, the taxes are also recognised in other comprehensive income or directly in equity respectively.

e) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method.

The Company as a lessee:

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and estimated restoration costs of the underlying asset where applicable. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company applies the practical expedient by the standard allowing not to separate the lease component from other service components included in its lease agreements. Accordingly, all fixed payments provided for in the lease agreement, whatever their nature, are included in the lease liability.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately.

The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

f) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

g) Cash and cash equivalents

Cash Flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non cash nature. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand and cash at bank.

h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

i) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 24 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income: Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

j) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical Cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use on the reporting date and materials at site.

Transition to Ind AS

Effective 1 April, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with 1 April, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

On transition to Ind AS, the company has decided to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2015 measured under previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on fixed assets is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013. Freehold land is not amortised.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

k) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

l) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

m) Foreign currencies

Effective 1st April, 2018, the Company has adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. There is no impact of adoption of the standard on the financial statement.

n) Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the company are not recognised but disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

o) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit for the year attributable to equity shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year,

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

p) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to rupees in lakhs with two decimals as per the requirement of Schedule III, unless otherwise stated.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 notifies new standard or amendments to the standards. There is no such new notification which would be applicable from April 1, 2022

4 Significant Estimates & Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included hereunder together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Notes to Financial Statements

(i) COVID-19 is a global pandemic which has engulfed the entire globe. The company's operations, however, are restricted to taking a boat jetty on lease from the Government of Kerala and giving it on lease to its Parent / Holding company. The Parent / Holding company, a hotel conglomerate having hotels spread across locations in India and overseas, has not expressed any intention to terminate the lease upto the date of signing of these financial statements. Similarly, the Government of Kerala has also not expressed any intention to terminate the lease till the signing of these accounts. Therefore, the company does not foresee any impact of the COVID-19 situation on its financials.

(ii) The company has not commenced any construction / operation of the hotel on the freehold land at Thekkady having a cost of Rs. 171.80 lakhs. The fair value of the land, as determined by an independent valuer on 10th March 2022, which is admissible under Ind AS, being a date close to the balance sheet date, was far in excess of the carrying value. The financial statements have been prepared on a going concern basis.

(iii) EIH Limited (EIH), one of the shareholders had, during one the previous years, written to Kerala Tourism Infrastructure Limited (KTIL), the other shareholder, with a request to either (a) get the approval from the Government of Kerala for sale of land expedited; or (b) consider a discontinuance of the Joint Venture arrangement by either of the Joint Venture partners taking over the shares of the other Joint Venture partner based on a valuation of the company's assets by an expert. During the current year, i.e., 2021-22, the Company received a letter from KTIL informing that the Government of Kerala has accorded in-principle approval to KTIL for purchasing the shares held by EIH in the Company at a price based on the valuation of those shares by an independent valuer. Further steps for completion of the aforementioned transaction are currently in process.

5 PROPERTY, PLANT AND EQUIPMENT

₹ in Lakh

	Gross carrying amount				Accumulated Depreciation				
	Balance as at 1 April 2020	Additions during the period	Sales/ adjustment during the period	Balance as on 31 March, 2021	As at 1 April 2020	For the period	Less: Sales/ Adjustments	Balance as on 31 March, 2021	Carrying Value As at 31 March, 2021
Freehold Land	31.51	-	-	31.51	-	-		-	31.51
Freehold Land *	171.80	-	-	171.80	-	-		-	171.80
Total Property, plant & equipment	**203.31**	**-**	**-**	**203.31**	**-**	**-**	**-**	**-**	**203.31**

₹ in Lakh

	Gross carrying amount				Accumulated Depreciation				
	Balance as at 1 April 2021	Additions during the period	Sales/ adjustment during the period	Balance as on 31 March, 2022	As at 1 April 2021	For the period	Less: Sales/ Adjustments	Balance as on 31 March, 2022	Carrying Value As at 31 March, 2022
Freehold Land	31.51	-	-	31.51	-	-		-	31.51
Freehold Land *	171.80	-	-	171.80	-	-		-	171.80
Total Property, plant & equipment	**203.31**	**-**	**-**	**203.31**	**-**	**-**	**-**	**-**	**203.31**

Note: The Company has not revalued its Property, Plant and Equipment/Right-of Use Assets/Intangible Assets, if any, during the year ending 31st March, 2021 and 31st March, 2022

Note:

Contractual obligations

Contractual commitments in respect of acquisition of property, plant and equipment - ₹ Nil (2021- ₹ Nil)

* Refer para (ii) in Note 4

Notes to Financial Statements

6
Trade receivables

₹ in Lakh

	As at March 31, 2022	As at March 31, 2021
(Unsecured, Considered Good)		
Receivable from related parties [EIH Limited - The Holding Company]	2.22	0.24
	2.22	**0.24**

As at March 31, 2022							
Particulars	**Not Due**	**Less Than 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(a) Undisputed Trade receivables – considered good	2.22	-	-	-	-	-	2.22
(b) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(d) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(e) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(f) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**2.22**	-	-	-	-	-	2.22
Unbilled Dues		-	-	-	-	-	
As at March 31, 2021	**Not Due**	**Less Than 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(a) Undisputed Trade receivables – considered good	0.24	-	-	-	-	-	0.24
(b) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(c) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(d) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(e) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(f) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**0.24**	-	-	-	-	-	0.24
Unbilled Dues		-	-	-	-	-	
TOTAL	-	-	-	-	-	-	-

	As at March 31, 2022	As at March 31, 2021
7		
Cash and cash equivalents		
Balances with banks		
Current account	2.89	2.88
	2.89	**2.88**
8		
Other financial assets		
(Unsecured, Considered Good)		
Security Deposits	20.92	20.72
	20.92	**20.72**
9		
Current Tax Assets (net)		
Opening balance	0.57	0.56
Less : Current tax payable for the year	1.20	1.20
Less : Refund received for prior periods	0.17	-
Add : Taxes paid for the current year	1.23	1.21
	0.43	**0.57**
10		
Other current assets		
(Unsecured, Considered Good)		
Goods & Service Tax Adjustable	-	0.04
Other Advances	0.12	-
	0.12	**0.04**

Notes to Financial Statements

11
Equity share capital

₹ in Lakh

	As at March 31, 2022	As at March 31, 2021
AUTHORISED		
10,000,000 (2021 - 10,000,000) Equity Shares of Rs. 10 each	1,000.00	1,000.00
	1,000.00	1,000.00
ISSUED, SUBSCRIBED AND FULLY PAID		
2,720,007 (2021 - 2,720,007) Equity Shares of Rs. 10 each fully paid	272.00	272.00
	272.00	272.00

(i) The reconciliation of the number of shares outstanding and the amount of share capital is set out below

₹ in Lakh

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Number of shares at the beginning of the year	2,720,007	272.00	2,720,007	272.00
Add/Less: Movement during the period	-	-	-	
Number of shares at the end of the period	2,720,007	272.00	2,720,007	272.00

(ii) Details of shareholders holding more than 5 percent shares in the Company:

₹ in Lakh

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
EIH Limited - the Holding Company	2,176,000	80.00%	2,176,000	80.00%
Kerala Tourism Infrastructure Limited	544,000	20.00%	544,000	20.00%

(iii) Shares of the company held by holding company:

Number of shares

	As at March 31, 2022	As at March 31, 2021
EIH Limited	2,176,000	2,176,000

Details of shareholding of all promoters*:

Shares held by promoter at the end of the year		As at March 31, 2022		% Change during the year
Sl. No.	Promoter Name	Number of shares	% of total shares	
1	EIH Limited - the Holding Company	21,76,000	80.00%	-
2	Kerala Tourism Infrastructure Limited	5,44,000	20.00%	-

Shares held by promoter at the end of the year		As at March 31, 2022		% Change during the year
Sl. No.	Promoter Name	Number of shares	% of total shares	
1	EIH Limited - the Holding Company	2176000	80%	-
2	Kerala Tourism Infrastructure Limited	544000	20%	-

12
Other equity

₹ in Lakh

	As at March 31, 2022	As at March 31, 2021
Reserves And Surplus		
Retained Earnings *	(81.78)	(80.41)
	(81.78)	**(80.41)**
***Retained Earnings**		
Opening Balance	(80.41)	(80.79)
Add; Profit/(Loss) for the year as per Statement of Profit & Loss	(1.37)	0.38
Add: Other comprehensive income	-	-
	(81.78)	**(80.41)**

Nature and purpose of Reserves

Retained Earnings in the statement of profit and loss

Retained Earnings represents net loss remaining after adjustment of all allocations/ profit

Notes to Financial Statements

13
Other Non Current Financial Liabilities

₹ in Lakh

	As at March 31, 2022	As at March 31, 2021
Security Deposits (From EIH Limited - The Holding Company)	14.04	12.65
	14.04	**12.65**

14
Deferred tax liabilities (net)

₹ in Lakh

	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets on account of :		
Unabsorbed depreciation	-	-
Unabsorbed business Loss	-	-
Total deferred tax assets (A)	-	-
	-	-
Deferred Tax Liabilities on account of:		
Security Deposits measured at fair value	0.16	0.27
Total deferred tax liabilities (B)	**0.16**	**0.27**
Deferred tax liabilities (net) (B-A)	**0.16**	**0.27**

Movement in deferred tax liabilities	₹ in Lakh
As at 31 March, 2020	0.29
(Charged)/Credited to profit and loss	0.02
As at 31 March, 2021	0.27
Deferred tax for earlier year	0.03
(Charged)/Credited to profit and loss	0.08
As at 31 March, 2022	**0.16**

15
Other Non Current Liabilities

₹ in Lakh

	As at March 31, 2022	As at March 31, 2021
Deferred Rent Income - Security Deposit Liability	0.26	1.34
	0.26	**1.34**

16
Trade payables

₹ in Lakh

	As at March 31, 2022	As at March 31, 2021
Trade payables	4.82	1.79
	4.82	**1.79**

Classification as required by Micro, Small and Medium Enterprises Development Act, 2006		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	4.82	1.79
	4.82	**1.79**

Notes to Financial Statements

As at March 31, 2022							
Particulars	**Not Due**	**Less than 6 month**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(a) MSME	-	-	-	-	-	-	-
(b) Others	4.82	-	-	-	-	-	4.82
(c) Disputed - MSME	-	-	-	-	-	-	-
(d) Disputer - Others	-	-	-	-	-	-	-
Total	**4.82**	-	-	-	-	-	**4.82**
Not due	-	-	-	-	-		-
Unbilled Dues	-	-	-	-	-		-
	4.82	-	-	-	-		**4.82**

As at March 31, 2021							
Particulars	**Not Due**	**Less Than 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(a) MSME	-	-	-	-	-	-	-
(b) Others	1.79	-	-	-	-	-	1.79
(c) Disputed - MSME	-	-	-	-	-	-	-
(d) Disputed - Others	-	-	-	-	-	-	-
Total	**1.79**	-	-	-	-	-	**1.79**
Not due	-	-	-	-	-		-
Unbilled Dues	-	-	-	-	-		-

17
Other Financial Liabilities

₹ in Lakh

	As at March 31, 2022	As at March 31, 2021
Security Deposits (From EIH Limited - The Holding Company)	19.08	18.88
	19.08	**18.88**

18
Other Current Liabilities

₹ in Lakh

	As at March 31, 2022	As at March 31, 2021
Deferred Rent Income - Security Deposit Liability	1.07	1.07
Statutory Liabilities	0.24	0.17
Advance Rent	-	-
	1.31	**1.24**

19
Other income

₹ in Lakh

	Year Ended 31 March, 2022	Year Ended 31 March, 2021
Rental Income [From related party - The Holding Company]	7.96	7.59
Rental Income on Security Deposit	1.07	1.07
	9.03	**8.66**

20
Finance costs

₹ in Lakh

	Year Ended 31 March, 2022	Year Ended 31 March, 2021
Interest Expense	1.39	1.25
	1.39	**1.25**

Notes to Financial Statements

21
Other expenses

₹ in Lakh

	Year Ended 31 March, 2022	Year Ended 31 March, 2021
Electricity & Water	0.01	0.01
Lease Rental	2.06	2.08
Legal & Professional	0.71	0.33
Rates & Taxes	1.91	0.21
Expenses for contractual services	2.79	2.80
Auditors' Remuneration (Refer Note below)	0.25	0.30
Miscellaneous Expenses	0.19	0.12
	7.92	**5.85**

22
Tax Expense

₹ in Lakh

	Year Ended 31 March, 2022	Year Ended 31 March, 2021
(a) Tax expense		
Current tax		
Current tax on profits for the year	1.20	1.20
Total current tax expense	**1.20**	**1.20**
Deferred tax		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	(0.11)	(0.02)
Total deferred tax expense	**(0.11)**	**(0.02)**
Total tax expense	**1.09**	**0.18**
(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:		
Profit before tax expense	**(0.28)**	**1.56**
Tax at the rate of 25.168% (F.Y. 2020-21 – 25.168%)	(0.07)	0.39
Tax effect of amounts which arc not deductible in calculating taxable income:		
Others (Disallowed Expenses)	1.19	0.76
Rate change considered for deferred tax		
Rate change on movement during the year	-	(0.03)
Other differences		
Deferred tax for earlier year	(0.03)	-
Tax for earlier year charged to statement of Profit & Loss		
MAT Credit adjustment for earlier years		
Tax expense as per Income Tax	**1.09**	**1.18**

23
FAIR VALUE MEASUREMENTS
Financial instruments by category

₹ in Lakh

	As at March 31, 2022	As at March 31, 2021
	Amortised cost	Amortised cost
Financial assets		
Trade Receivables (receivable from related parties)	2.22	0.24
Cash and cash equivalents	2.89	2.88
Security deposits - other financial assets	20.92	20.72
Total financial assets)	**26.03**	**23.84**

	Amortised cost	Amortised cost
Financial liabilities		
Other Non Current Financial Liabilities - Security Deposits (From EIH Ltd - The Holding Company)	14.04	12.65
Trade payables	4.82	1.79
Other Financial Liabilities - Security Deposits (From EIH Ltd - The Holding Company)	19.08	18.88
Total financial liabilities	**37.94**	**33.32**

Fair value hierarchy

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e.) derived from prices)

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). However, the company does not have any financial asset/liability which is measured at fair value on the reporting date

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

1) The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

2) Security deposit have been amortised using the assumption that market participants would use when pricing the cost of liability, assuming that market participants act in their economic best interest. The amortisation has been done in accordance with market rate.

24
Financial risk management

The company's activities expose it to market risk, liquidity risk and credit risk*.

This note explains the sources of risk the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Trade Receivables - Follow up with the Holding Company Financial Assets - Periodic ageing review by the management
Liquidity risk	Other liabilities	Rolling cash flow forecasts	Availability of sufficient liquid funds (Cash and Bank Balance)
Market risk - security prices	Company does not have investment in market quoted securities. Therefore company is not exposed to market price risk		

Company's risk management is carrried out by senior management team. The risk management includes identification, evaluation and identifying the best possible option to reduce such risk.

(A) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks as well as credit exposures to outstanding receivables.

Credit risk management

Credit risk is managed on a company basis.

For financial assets, the company does not have a history of significant credit loss. Accordingly, company identifies and evaluate credit risk on case to case basis. On the basis of past experience, if the company believes there are chances of expected default, then company specifically provides for such expected losses.

For trade receivables company has decided to provide loss allowance for lifetime credit loss on the basis of expected credit loss model. However, as per company's past collection history, credit risk (default risk and delay risk) are insignificant. As per the past practice, company's trade receivables are generally collected within the acceptable credit period. In some instances, there is a practice of delay in receipt of payment, however the quantum of same is insignificant in comparison to the total trade receivables. Therefore, no loss allowance has been provided by the company on trade receivables under Ind AS.

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. However, the company has a past practice of maintaining sufficient liquidity (Cash and Bank Balance) to meet its obligation. Further, the company does not have significant debt liability outstanding. Therefore, company does not maintain any committed credit facilities or borrowing to mitigate liquidity risk as the same is insignificant as per the company's current capital structure.

Maturities of financial liabilities

The tables below analyse the company's financial liabilities in terms of relevant maturity based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months is equal to their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

₹ in Lakh

	Not later than 1 year	Between 1 and 5 year	Later than 5 years	Total
March 31, 2022				
Non-derivatives				
Security Deposits (from EIH Ltd - the Holding Company)	19.08	16.00	-	35.08
-Current	4.82			
Trade payables		Nil	Nil	4.82
Total non-derivative liabilities	**23.90**	**16.00**	**-**	**39.90**
March 31, 2021				
Non-derivatives				
Security Deposits (from EIH Ltd - the Holding Company)	18.88	16.00	Nil	34.88
Trade payables	1.79	Nil	Nil	1.79
Total non-derivative liabilities	**20.67**	**16.00**	**-**	**36.67**

(C) Liquidity risk

Company does not have investment in market quoted securities. Therefore company is not exposed to market price risk

25

Capital management

(a) Risk management

The company manages its capital to ensure

- to continue as a going concern while maximising its return to stakeholders and
- an optimal capital structure to reduce the cost of capital.

The company's capital structure is determined by the management from time to time on the basis of factors such as profitability, liquidity, etc.

(b) Dividend

Company has not paid any dividend during the period covered by the financial statements

26
Related Party Disclosures
26.1 List of Related Parties

Key Management Personnel of the company and its Parent Company
Ms. Rani George - Director of the Company (upto 2nd August 2021)
Mr. K.G. Mohanlal - Director of the Company
Mr. P.R.S. Oberoi - Director of the Company
Mr. S.S. Mukherji - Director of the Company
Mr. T. K. Sibal - Director of the Company
Mr. Vikram Oberoi - Wholetime Director of the Parent Company
Mr. Arjun Oberoi - Wholetime Director of the Parent Company

Parent Company
EIH Limited

Fellow Subsidiaries of Parent Company
Mumtaz Hotels Limited
Mashobra Resort Limited
EIH International Ltd.
EIH Flight Services Limited
EIH Holdings Ltd.
EIH Management Services B.V. (Liquidated during 2019-20)
EIH Investments N.V. (Liquidated during 2020-21)
PT Widja Putra Karya
PT Waka Oberoi Indonesia
PT Astina Graha Ubud

Associates/ Joint Ventures of Parent Company
EIH Associated Hotels Limited
Mercury Car Rentals Private Limited
Usmart Education Limited
Oberoi Mauritius Ltd.
Island Resort Ltd.
La Roseraie De L'atlas

Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant influence with whom transactions have taken place during the current and previous year
No transactions during the current and previous year.

Joint Venture Partner
Kerala Tourism Infrastructure Limited

Notes to Financial Statements

26.2 The details of the related parties transactions entered into by the company during the year ended March 31, 2022 and March 31, 2021 are as follows :

₹ in Lakh

NATURE OF TRANSACTIONS	Parent Company		Fellow Subsidiaries		Associate/ Joint Venture of Parent Company	
	2022	2021	2022	2021	2022	2021
INCOME						
License Agreement						
EIH Limited	9.03	8.66	-	-	-	-
Total	**9.03**	**9.03**	**-**	**-**	**-**	**-**
PAYMENT REIMBURSEMENTS						
EIH Limited	1.18	0.64	-	-	-	-
EIH Associated Hotels	-	-			0.12	
Total	**1.18**	**0.64**	**-**	**-**	**0.12**	**-**
RECEIPTS						
Security Deposit						
EIH Limited	0.20	1.68	-	-	-	-
Total	**0.20**	**1.68**	**-**	**-**	**-**	**-**

26.3 The details of amounts due to or due from related parties (unamortised) as at March 31, 2022 and March 31, 2021 are as follows:

₹ in Lakh

NATURE OF TRANSACTIONS	Parent Company		Fellow Subsidiaries		Associate/ Joint Venture of Parent Company	
	2022	2021	2022	2021	2022	2021
PAYABLES						
Security Deposit						
EIH Limited	35.08	34.88				
Total	**35.08**	**34.88**	**-**	**-**	**-**	**-**
RECEIVABLES						
For Goods & Services						
EIH Limited	2.22	0.24	-	-	-	-
Total	**2.22**	**0.24**	**-**	**-**	**-**	**-**

26.4 There are no other transactions with Fellow Subsidiaries, Associates / Joint Ventures and Key Management personnel

27

Segment Reporting

The company is yet to commence operations. There is no reportable segment as per Ind AS 108.

28

Offsetting financial assets and financial liabilities

No offsetting has been done by the company.

29

Assets pledged as security

No asset has been pledged by the company.

30

Contingent Liabilities and Commitments

There are no contingent liabilities and capital commitments.

Notes to Financial Statements

31
Earnings per share

₹ in Lakh

	Year Ended March 31, 2022	Year Ended March 31, 2021
(a) Basic and diluted earnings per share attributable to the equity holders of the company	(0.050)	0.014
(b) Profit attributable to the equity holders of the company used in calculating basic and diluted earnings per share:	(1.37)	0.38
(c) Weighted average number of shares used as the denominator		

Number of Shares

	March 31, 2022 Number of shares	March 31, 2021 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,720,007	2,720,007
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	2,720,007	2,720,007

32
Leases

The Company as a lessee:

The Company has entered into lease arrangements with Irrigation Department, Government of Kerala for construction of a jetty. This lease is for a period of one year and is cancellable in nature and may generally be terminated by either party by serving a notice.

Amount recognised in Statement of Profit and Loss

The Statement of Profit and Loss shows the following amount relating to leases for the year ended March 31, 2022 and March 31, 2021:

₹ in Lakh

	Year Ended March 31, 2022	Year Ended March 31, 2021
Expense relating to short-term leases (included in other expenses)	2.06	2.08

The Company as a lessor

The Company has given 50 cents of land to EIH Ltd [Holding Company] and a facility for Jetty on operating lease arrangements. These leasing arrangements which are not non-cancellable are usually renewable on mutually agreeable terms. Lease income in respect of these are shown as Rental Income.

Sl. No.	Ratio	Numerator	Denominator	Year Ended March 31, 2022	Year Ended March 31, 2021
(a)	Current Ratio	Current Assets	Current Liabilities	1.05	1.12
(b)	Debt-Equity Ratio	Total Debt(Short term and Long term)	Shareholders Equity	-	-
(c)	Return on Equity Ratio	Net Profit after taxes	Average Shareholders Equity	(0.01)	0.00
(d)	Trade Receivables Turnover Ratio	Credit Sales = Revenue from operations - Cash sales	Average Trade Receivable	7.04	-
(e)	Trade Payables Turnover Ratio	Net Credit Purchases including Salaries and Wages, Staff Welfare Expenses and Other Expenses on credit	Average Trade Payables	1.82	3.57
(f)	Net Capital Turnover Ratio	Revenue from Operations	Working Capital= Current assets - current liabilities	6.57	3.41
(g)	Net Profit Ratio	PAT	Total Income	(0.15)	0.04
(h)	Return on Capital Employed	EBIT	Capital Employed=Tangible Net Worth+Total Debt+Deferred Tax Liability	0.01	0.01

Note:

1. Inventory turnover ratio is not applicable to the Company being into Hotel Industry.
2. Debt Servcie Coverage Ratio is not applicable as no borrowings exist as at 31st March, 2022 and 31st March, 2021

Notes to Financial Statements

33

The previous year's figures have been regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year Financial Statements and are to be read in relation to the accounts and other disclosures relating to the current year.

34

1. The Company was not holding any benami property and no proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. The Company did not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
3. The Company did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.
4. The Company has not traded or invested in Crypto currency or Virtual Currency during year ended 31 March, 2022.
5. The Company had not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
6. The Company had not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
7. The Company had not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
8. The Company did not have any transaction which had not been recorded in the books of account that had been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
9. The Company had not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
10. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

35

The Financial Statements were approved for issue by the Board on 20th April, 2022.

For and on behalf of the Board

Vikramjit Singh Oberoi **Director**	T.K. Sibal **Director**
Kallol Kundu **Chief Financial Officer**	S.N. Sridhar **Company Secretary**

Place: New Delhi
Date: 20th April 2022

EIH FLIGHT SERVICES LTD

BOARD OF DIRECTORS

Mr. Prithviraj Sing Oberoi
Mr. Shib Sankar Mukherji
Mr. Zafar Siamwala
Ms. Risha Ranlaul Sookun

SECRETARY

Ocorian Corporate Administrators Limited
6th Floor, Tower A
1, Cyber City
Ebène
Mauritius

AUDITORS

PricewaterhouseCoopers
PwC Centre, Avenue de Telfair,
Telfair 80829, Moka,
Republic of Mauritius

REGISTERED OFFICE

The Oberoi Mauritius
Baie aux Tortues
Pointe aux Piments
Mauritius

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Company for the year ended 31 March 2022.

Principal Activites

The principal activity of the Company is the provision of catering services to airlines.

Review of the Business

The Company's loss for the year is **Rs 69,543,781** (2021: Rs 71,835,894). The total comprehensive income amounts to **Rs 70,562,781** (2021: Rs 71,419,894).

The Directors do not recommend the payment of a dividend for the year under review (2021: Rs Nil).

Financial Statements and Auditor's Report

The financial statements of the Company for the year ended 31 March 2022 are set out on pages 15 to 55. The independent auditor's report on these financial statements is on pages 11 to 14.

Statement of Directors' Responsibilities in Respect of The Financial Statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

Auditor

The fees paid to the auditor, PricewaterhouseCoopers, for audit and tax compliance services were:

	2022 **Rs**	**2021** **Rs**
Statutory audit fee	600,000	480,000
Tax compliance services	114,600	112,000
Other certification services	255,000	247,000
	969,600	**839,000**

The auditor, PricewaterhouseCoopers, has indicated its willingness to continue in office and will be automatically reappointed at the Annual Meeting.

Authorised by the Board of directors on 14 April, 2022

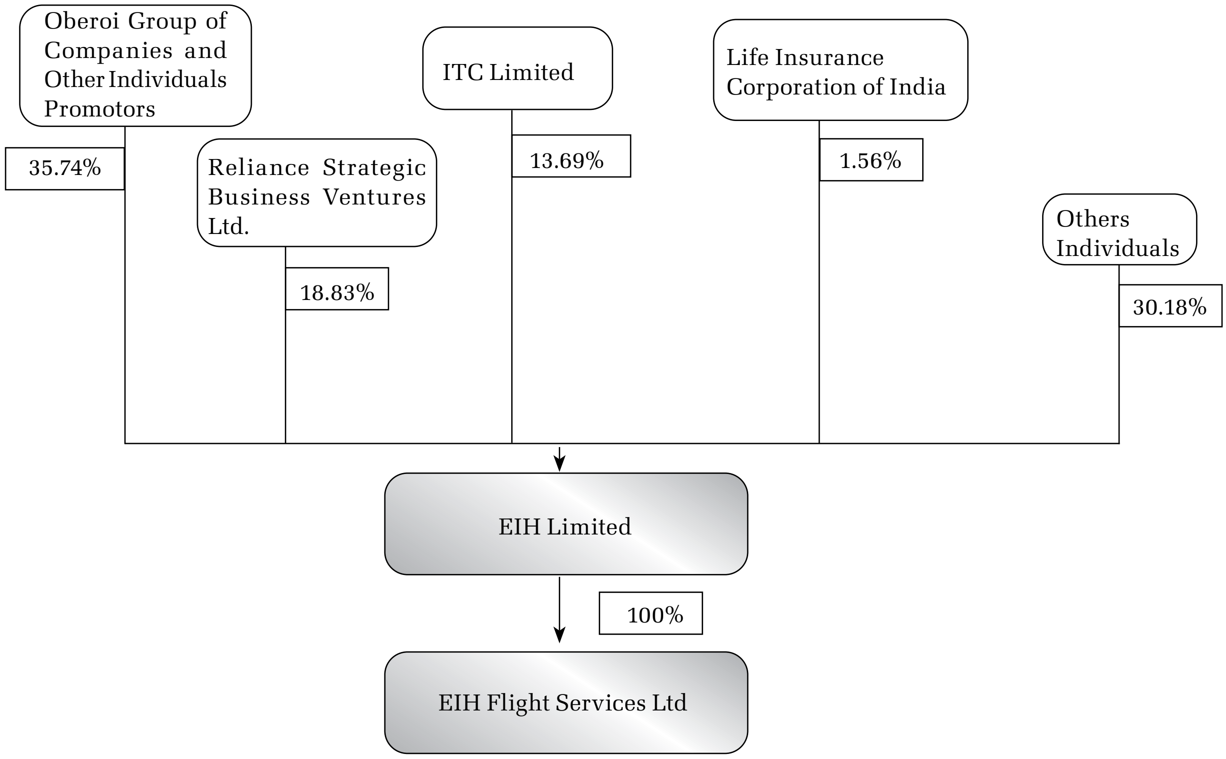
and signed on its behalf by:

Zafar Siamwala
Ms. Risha Ranlaul Sookun] *Directors*

Corporate Governance Report

HOLDING STRUCTURE AND COMMON DIRECTORS

The Company is held by EIH Limited (100%), a public listed company in India.



The list of common Directors at the cascading holding structure level is disclosed as follows:

Directors / Companies	Mr. Prithiviraj Singh Oberoi	Mr. Shib Sanker Mukherji	Mr. Zafar Siamwala	Mrs. Risha Ranlaul-Sookun
EIH Limited	✓	✓		
Oberoi Hotels Private Limited	✓			
Oberoi Holdings Private Limited	✓			
Oberoi Investments Private Limited	✓	✓		

Mr Prithiviraj Singh Oberoi is also a Director of other Oberoi companies.

SHAREHOLDERS HOLDING MORE THAN 5% OF THE COMPANY

EIH Limited held 100% of the Company's shares as at March 31, 2022.

Dividend Policy

There is no formal dividend policy in place as the Company never had distributable reserves since the start of its operations. A formal dividend policy will be considered when distributable reserves are available.

Board of Directors

The Board is comprised of four Directors.

The following Directors held office during the year ended 31 March 2022 and at the date of this report:

Mr Prithviraj Singh Oberoi
Mr Shib Sanker Mukherji
Mr Zafar Siamwala (Chairperson)
Mr Zafar Siamwala (Alternate to Mr Prithviraj Singh Oberoi)
Mrs Risha Ranlaul-Sookun

Directors' Profile

Mr. P. R. S. Oberoi (appointed on 29 June 2007)

Mr. P.R.S. Oberoi is the Executive Chairman of The Oberoi Group. He was educated in India, the United Kingdom and Switzerland. Mr. Oberoi graduated with a degree in Hospitality from the University of Lausanne, Switzerland.

Mr. Oberoi has been instrumental in pioneering the development of the new Oberoi hotels and resorts. The "Oberoi" brand has come to represent fine luxury hotels.

Mr. Oberoi was awarded the 'Padma Vibhushan', India's second highest civilian honour, in recognition of his exceptional service to the country in 2008.

In September 2009, Mr. Oberoi received the Lifetime Achievement Award at the first Economic Times TAAI Travel Awards 2009.

Mr. Oberoi was presented with the '2010 Corporate Hotelier of the World' award by HOTELS magazine in November 2010. Mr. Oberoi has over 60 years' experience in the hospitality industry.

Mr Shib Sanker Mukherji (appointed on 29 June 2007)

Mr Shib Sankar Mukherji is a member of the Institute of Chartered Accountants of India and has completed an Advanced Management Programme from Harvard University in the United States. He has over 50 years of working experience in the hospitality industry. He was appointed as Deputy Managing Director in 1998, then promoted as Managing Director of EIH Limited. He was Vice Chairman and CEO of EIH Limited from 2013 to March 2015. Mr. Mukherji is now the Executive Vice Chairman of EIH Limited since 1 April 2015.

Mr Zafar Siamwala (appointed on 19 March 2007)

Mr Zafar Siamwala is a qualified Chartered Accountant. He has completed a Hospitality Management course from Ecole Hoteliere de Lausanne in 2001. Mr Siamwala has over 32 years of working experience with the Oberoi Group. He was initially in the finance department and has moved to the operations department since 1995.

Mrs Risha Ranlaul-Sookun (appointed on 19 August 2020)

Mrs Risha Ranlaul-Sookun is a Client Service Manager at Ocorian Corporate Services (Mauritius) Limited (OCORIAN). She is an Associate member of the Institute of Chartered Secretaries and Administrators (ACIS) and she has over 12 years' of professional experience in corporate structuring, company administration, company secretarial and client relationship for a number of international companies registered in Mauritius with a wide range of industries including domestic companies.

Meetings Held in 2021-2022

The Board met eight times during the year 2021-2022

The Directors do not have other directorships in listed companies in Mauritius.

Mr Prithviraj Singh Oberoi indirectly holds 0.05% shareholding in the Company via EIH Limited.

Mr Shib Sanker Mukherji indirectly holds 1.45% shareholding in the Company via EIH Limited.

Directors' Remuneration

The Directors, being the representatives of the holding company, are not entitled to remuneration as the Company does not have a remuneration policy in place for its Directors.

Statement of Remuneration Philosophy

For remuneration paid to employees of the Company, the Company ensures that the employees at all levels are paid in line with the market rate. The Company believes in recruiting and retaining the best talent in the industry.

The Board – Composition, Committees and Appraisal

The new Code of Corporate Governance (the 'Code') came into force on 1 July 2017, repealing the previous one from 2003.

With the new definition of Public Interest Entities ('PIEs'), the Company is no longer classified as a PIE under the new Code.

However, the Company shall continue to follow the principles of good governance in appraising its Board and also continue to follow the principles of good governance as the Board deems appropriate.

Profile of Senior Management Team

Mr Samar Kumar - Chief Accountant (appointed on 01 March 2017)

Mr Samar Kumar is the Chief Accountant of the Company. He has an experience of more than 35 years in the hospitality industry. He holds a B.Com (Hons.) Chartered Accountancy Intermediate. He joined the Oberoi Group as an Accounts Executive in February 1987 and has been a Chief Accountant in the Oberoi Group since October 2000. Mr Samar has been transferred to EIH office in Calcutta, India as from April 2022 and he has been appointed as Chief Accountant.

Mr Karthik Sukumar – General Manager (appointed on 01 September 2018)

Mr Karthik Sukumar is the General Manager of the Company. He has more than 25 years' experience in hospitality industry (Flight Catering). He is a graduate in hotel management and has been working with the Company since 1996.

Related Party Transactions

Details of related party transactions have been disclosed in Note 23 to the financial statements.

Material Clauses of The Company's Constitution

There are no material clauses to the Constitution of the Company.

Material Clauses of The Shareholders' Agreement

The Company does not have a Shareholders' Agreement in place, as it is wholly owned by only one shareholder, namely EIH Limited.

Risk Management

The Company's activities expose it to a variety of financial risks, namely market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focusses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Company does not hedge any of its risk exposures.

Risk management is carried out by the Company under policies approved by senior management. The holding company has various group policies in place which are also applicable at the level of the Company.

Compliance risk with local laws and regulations

Compliance risk is being monitored by Ocorian Corporate Administrators Limited (Ocorian) pursuant to a Service Agreement between ABAX (now known as Ocorian) and the Company.

Details of risk management and more details on the various types of risks faced by the Company have been disclosed in Note 4 of the financial statements.

Share Option Plan

The Company does not have any employee share option plan.

Charitable Donations

The Company did not make any charitable donations during the year ended 31 March 2022 (2021 - Nil).

Political Donations

The Company did not make any political donations during the year ended 31 March 2022 (2021 – Nil).

Social, Ethical, Safety, Health and Environmental Issues

The Company has the following policies in place:

1. **Occupational Health and Safety Policy**

   The objective of the Occupational Health and Safety Policy is to give practical advice on how to reduce health and safety risks associated with Operation work. It summarises employers' responsibilities and provides a checklist for employers and staff themselves.

2. **Food Safety Policy**

   The Company is committed to deliver Quality Food that is tasty, appealing, and safe and of the highest hygiene standards to its clients on time. The Company continuously strives to improve its Supply Chain Management, Food Safety Management System and HACCP System by adopting the latest Technology and respecting the International Standards.

   The Company improves the skills and competency of its employees by training and developing its team members.

3. **Environment Policy**

   The Oberoi Group sees itself as an organisation which is committed to the environment by using natural products and recycled items thus ensuring proper use of diminishing natural resources.

   The Company is committed to continually improve the environment by:

   (a) Optimising the usage of resources such as energy, effluent treatment of water.

   (b) Enhancing the practice of awareness amongst its suppliers and employees and minimising its carbon foot print.

   (c) Providing a hygienic and safe working environment within its premises and also maintaining and increasing the greenery within and around its premises.

   (d) Implementing Rain Water Harvesting Technology and using Solar energy in its premises.

   (e) Minimising adverse impact on the environment by constantly adopting improvements in available technology.

Corporate Governance Report (Contd.)

4. Health and Safety Policy

The Company ensures that Health and Safety of its employees are always given priority and all measures are taken to safeguard it.

INTERNAL CONTROL AND AUDIT

The Company has internal controls in place which are in line with the EIH Group Policy and Standards. The internal controls in place are commensurate to the size and nature of the business of the Company. These controls are strictly monitored by the management by regular checks and are also reviewed on continuous basis to further strengthen them.

Important Events

The Calendar for the year ending 31 March, 2023 is as follows:

	Events	Dates
1.	Quarterly Board meetings	April 2022 July 2022 October 2022 January 2023
2.	Annual Meeting	May, 2022

Authorised for issue by the Board of Directors on 14 April 2022 and signed on its behalf by:

Zafar Siamwala
Ms. Risha Ranlaul Sookun

Directors

SECRETARY'S CERTIFICATE

TO THE MEMBER OF EIH FLIGHT SERVICES LTD

Under Section 166 (D) of The Companies Act 2001

We confirm, as Secretary of the Company, that based on the records and information made available to us by the Directors and Shareholder of the Company, we have filed all such returns for the year ended 31 March 2022 with the Registrar of Companies, as required under the Companies Act 2001.

Dated 14 April, 2022

Ocorian Corporate Administrators Limited
Corporate secretary

Independent Auditor's Report

To the Shareholder of EIH Flight Services Ltd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the financial statements give a true and fair view of the financial position of EIH Flight Services Ltd (the "Company") as at 31 March 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001.

What we have audited

The financial statements of EIH Flight Services Ltd set out on pages 15 to 55 comprise:

- the statement of financial position as at 31 March 2022;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other Information

The directors are responsible for the other information. The other information comprises the directors' report, the corporate governance report and the secretary's certificate but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error..

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

The directors are responsible for overseeing the 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 ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

Independent Auditor's Report (Contd.)

may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 the directors 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.

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

(a) we have no relationship with or interests in the Company other than in our capacity as auditor and tax advisor;

(b) we have obtained all the information and explanations we have required; and

(c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's shareholder in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers

Harrykrishna Veerapen, licensed by FRC

14 April, 2022

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March, 2022

	Year ended March 31, 2022 Rs	Year ended March 31, 2021 Rs
Revenue from contracts with customers (Note 5)	69,663,558	19,114,433
Cost of sales	(61,111,687)	(29,914,066)
Gross profit	**8,551,871**	**(10,799,633)**
Other income	20,911,814	23,707,199
Administrative expenses	(76,662,898)	(60,588,602)
Operating loss (Note 6)	**(47,199,213)**	**(47,681,036)**
Finance income	358,658	579,905
Finance cost	(22,703,226)	(23,041,659)
Finance costs - Net (Note 8)	(22,344,568)	(22,461,754)
Loss before income tax	**(69,543,781)**	**(70,142,790)**
Income tax expense (Note 9)	-	(1,693,104)
Loss for the year	**(69,543,781)**	**(71,835,894)**
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurement of post-employment benefits obligations (Note 20 (e))	(1,019,000)	416,000
Total other comprehensive income for the year	**(1,019,000)**	**416,000**
Total comprehensive income for the year	**(70,562,781)**	**(71,419,894)**

The notes on pages 159 to 180 are an integral part of these financial statements.

Statement of Financial Position

as at 31 March, 2022

	As at March 31, 2022 Rs	As at March 31, 2021 Rs
ASSETS		
Non-current assets		
Property, plant and equipment (Note 11)	267,215,575	285,504,083
Deferred income tax asset (Note 10)	19,606,855	19,606,855
Right-of-use assets (Note 12)	145,853,005	151,700,583
	432,675,435	**456,811,521**
Current assets		
Inventories (Note 13)	3,519,619	4,244,192
Trade and other receivables (Note 14)	14,722,930	14,505,609
Cash in hand and at bank (Note 15)	314,759	64,946
	18,557,308	**18,814,747**
Total assets	**451,232,743**	**475,626,268**
EQUITY AND LIABILITIES		
Equity attributable to owners		
Share Capital (Note 16)	790,440,060	690,440,060
Accumulated losses	(849,407,267)	(779,863,486)
Other reserves (Note 17)	246,000	1,265,000
Shareholders' deficit	**(58,721,207)**	**(88,158,426)**
Liabilities		
Non-current liabilities		
Borrowings (Note 19)	338,115,037	390,387,272
Retirement benefits obligations (Note 20)	6,112,000	4,369,000
	344,227,037	**394,756,272**
Current liabilities		
Trade and othe payables (Note 18)	47,214,249	33,662,199
Borrowings (Note 19)	85,839,589	106,066,947
Bank Overdraft (Note 15)	32,673,075	29,299,276
	165,726,913	**169,028,422**
Total liabilities	**509,953,950**	**563,784,694**
Total equity and liabilities	**451,232,743**	**475,626,268**

Authorised for issue by the Board of directors on 14 April, 2022
and signed on its behalf by:

Zafar Siamwala
Ms. Risha Ranlaul Sookun } Directors

The notes on pages 159 to 180 are an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 31 March, 2022

	Share capital Rs	Accumulated losses Rs	Other reserves Rs	Total Rs
At 01 April 2020	**690,440,060**	**(708,027,592)**	**849,000**	**(16,738,532)**
Loss for the year	-	(71,835,894)	-	(71,835,894)
Other comprehensive income for the year	-	-	416,000	416,000
Total comprehensive income for the year	-	(71,835,894)	416,000	(71,419,894)
At 31 March 2021	**690,440,060**	**(779,863,486)**	**1,265,000**	**(88,158,426)**
Transaction with owners of the Company:				
Issue of shares	**100,000,000**	-	-	**100,000,000**
Loss for the year	-	**(69,543,781)**	**-**	**(69,543,781)**
Other comprehensive income for the year	-	**-**	**(1,019,000)**	**(1,019,000)**
Total comprehensive income for the year	-	**(69,543,781)**	**(1,019,000)**	**(70,562,781)**
At 31 March 2022	**790,440,060**	**(849,407,267)**	**246,000**	**(58,721,207)**

The notes on pages 159 to 180 are an integral part of these financial statements.

Statement of Cash Flows

For the year ended March 31, 2022

	Year ended March 31, 2022 Rs	Year ended March 31, 2021 Rs
Cash flow from operating activities		
Loss before income tax	(69,543,781)	(70,142,790)
Adjustments for non-cash items:		
Depreciation on Property, Plant and Equipment (Note 11)	18,288,508	18,921,687
Depreciation on Right-of-use assets (Note 12)	5,847,578	5,847,578
Interest expense (Note 8)	22,415,529	22,850,090
Increase in retirement benefits obligations (Note 20(d))	937,000	1,130,000
Profit on disposal	-	(264,833)
Operating loss before working capital changes	**(22,055,166)**	**(21,658,268)**
Decrease in inventories	724,573	1,590,206
(Increase)/ decrease in trade and other receivables	(217,321)	19,471,245
Increase/ (decrease) in trade and other payables	13,552,050	(19,318,279)
Employer contribution for retirement benefits obligations (Note 20(a))	(213,000)	-
Cash from/ (used in) operating activities	**(8,208,864)**	(19,915,096)
Interest paid on bank borrowings and bank overdraft (Note 25)	(10,041,254)	(11,254,301)
Net cash used in operating activities	**(18,250,118)**	**(31,169,397)**
Cash flows from investing activities		
Proceeds from disposal	-	432,650
Net cash used in investing activities	-	432,650
Cash flow from financing activities		
Payment on lease liabilities (Note 25)	(523,868)	(1,747,282)
Repayment of bank borrowings (Note 25)	(84,350,000)	-
Loan received (Note 25)	-	7,600,000
Issue of shares (Note 16)	100,000,000	-
Net cash from financing activities	**15,126,132**	**5,852,718**
Net decrease in cash and cash equivalents	**(3,123,986)**	**(24,884,029)**
Cash and cash equivalents at beginning of year	**(29,234,330)**	**(4,350,301),**
Cash and cash equivalents at end of year (Note 15)	**(32,358,316)**	**(29,234,330),**

Refer to Note 25 for Notes to Statement of cash flows.

The notes on pages 159 to 180 are an integral part of these financial statements.

Notes to the Financial Statements

For the year ended March 31, 2022

1 GENERAL INFORMATION

EIH Flight Services Ltd (the ''Company'') is a private company incorporated on 03 January 2007 and domiciled in Mauritius. The address of its principal place of business is opposite Airport Police Station, Plaine Magnien, Mauritius. Under the new Code of Corporate Governance which came into force on 01 July 2017, repealing the previous one from 2003, the Company is no longer classified as a Public Interest Entity and therefore, has no obligation to disclose a full compliant corporate governance report. However, for good governance purposes, a concised version of a corporate governance report has been prepared and disclosed.

The principal activity of the Company is the provision of catering and ancillary services to airlines.

These financial statements have been submitted for consideration and approval at the meeting of Directors and thereafter will be submitted for consideration and adoption at the forthcoming Annual Meeting of the shareholder of the Company.

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Going concern

As at 31 March 2022, the Company was in a shareholder's deficit position of **Rs 58,721,207** (2021 – Rs 88,158,426), in a net current liability position of **Rs 147,169,605** (2021 - Rs 150,213,675) and for the year ended 31 March 2022, the Company has incurred a loss of **Rs 69,543,781** (2021 – Rs 71,835,894).

During the year ended 31 March 2022, the Company incurred net cash outflows of **Rs 18,250,118** (2021 - Rs 31,169,397) from its operations and has a bank overdraft facility of **Rs 32,500,000** (2021 – Rs 32,500,000) to meet its day-to-day working capital requirements. At 31 March 2022, the net overdraft balance was **Rs 32,358,316** (2021 – Rs 29,234,330).

The above financial performance is due to the impact of the global outbreak of the coronavirus ("COVID-19") and the measures put in place by governments worldwide to restrict international travel during 2021.

The Directors are of the opinion that the financial statements can be prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future, due to the following reasons:

1. Projections

Revenue

a. For the year ending on 31 March 2023, the directors have projected revenue to increase to Rs 275,500,000. This is made up of Rs 256,400,000 revenue from airline catering services and Rs 19,100,000 revenue from outdoor catering services.

(i) The travel restrictions to Mauritius has been relaxed in a phased manner in the 3rd quarter of FY 21-22 paving the way for reopening of the airport operations for commercial flights after a period of around 18 months. Further relaxations in the sanitary protocols are expected in the coming weeks, this will further facilitate the ease of travelling and encourage more tourists to visit the island. We are noticing a general trend with increased frequencies in the second half of FY 22-23 onwards indicating a positive development towards business and tourism based travelling returning to pre-covid levels. The assumptions are as follows:

	Q1' 2022	Q 2 '2022	Q3' 2022	Q4' 2023
Revenue (thousand meals)	355	517	702	655
Revenue (Rs'm)	42	62	88	83

(ii) As for outdoor catering services, since FY 2022, the Company has entered into a few contracts with clients to cater for special events, to provide meals for sale in retail stores, or for the institutional catering of a business school's meals.

(iii) The Directors continue to negotiate with other potential customers and seek for new opportunities, including frozen meals.

Costs

a. For the year ending on 31 March 2023, the Directors have projected food costs of Rs 110,300,000 to cater for the projected revenue, and other costs of Rs 176,000,000. For other operating costs, cost savings initiatives were effectively undertaken by the Directors as from FY 2021, such as the termination of contracts with subcontractors for the employment of casual workers and the bulk buying of certain products as part of the Oberoi Group.

b. The Company obtained Rs 18,967,196 from the government wage assistance scheme during FY 2022 up to 31 December 2021.

c. The Company is also continually seeking ways to eliminate waste at each level with micro analysis by a dedicated core team comprising the department heads.

Liquidity

a. During the year ended 31 March 2022, the Company negotiated for extension of its overdraft facility from Rs 25,000,000 to Rs 32,500,000 and has finished the year with a net overdraft balance of Rs 32,358,316.

b. Based on the revenue and costs projections detailed above, the Company has reassessed its cash flow forecasts on a monthly basis for the forthcoming financial year and predicts that it will close FY 2023 with repayment of entire term loan balance and overdraft balance in April 2022, on the assumption that both the debtors' and creditors' payment days are 30 to 45 days, and that it obtains continual financial support from its parent of around Rs 287,200,000 during the year 2022-23.

c. As per note 19 of the financial statements, the Company will need to pay Rs 234,365,604 of its bank borrowings by 31 March 2023. As part of its arrangement with the lender, EIH Limited, the parent company, has provided a repayment undertaking as follows:

   (i) To inject an amount of Rs 287,200,000 as shareholder's equity by April 2022 to repay its entire outstanding term loan balance and overdraft balance by 31 March 2023;

2. Financial support from EIH Limited

a. The Company is a subsidiary of EIH Limited, which is part of the wider Oberoi Group, and continual financial support has been provided by its parent to the Company, whenever required, since the start of operations. The parent company has provided a letter of support to confirm that financial support will still be provided for the foreseeable future and over the next twelve months.

b. The ability of the parent company to provide support has considered the potential adverse impact of the COVID-19 pandemic.

While the Directors acknowledge that there is a certain degree of uncertainty surrounding COVID-19, the Directors are comfortable that the Company will continue into operations for at least the next twelve months and as such, the financial statements have been prepared on the going concern basis.

(ii) Changes in accounting policy and disclosures

New standards, amendments to existing standards and interpretations issued and effective for the first time for the financial year beginning 01 April 2021

There has been amendments to existing standards and interpretations that have become effective for the current year. The Company has adopted the following new interpretation during the year:

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company as the latter has not entered into any loan arrangement containing IBOR.

Covid-19-Related Rent Concessions beyond 30 June 2021 Amendments to IFRS 16

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022.The amendment applies to annual reporting periods beginning on or after 01 April 2021.

The Company has not received Covid-19-related rent concessions and therefore the amendment to IFRS 16 has no impact on the financial statements.

New standards, amendments to existing standards and interpretations issued but effective for financial period beginning after 01 April 2021 and not early adopted by the Company

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 01 January 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing agreements may require renegotiation.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 01 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The directors have assessed the impact of this amendment and concluded that it will have no impact on the financial performance of the Company as there was no disposal of property, plant and equipment during the year.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 01 January 2022 with earlier adoption permitted.

The directors have assessed the impact of this amendment and concluded that it will have no impact on the Company's financial performance as the Company has not modified any terms for its financial liabilities during the year under review.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 01 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Company is currently assessing the impact of the above amendments on the financial statements and they are not expected to have a significant impact.

(iii) Summary of significant accounting policies

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Mauritian rupees ("Rs"), which is the Company's functional and presentation currency. The Mauritian rupee is the currency that most faithfully reflects the underlying transactions, events and conditions that are relevant to the Company.

(b) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses are presented in profit or loss within 'Finance costs - Net'.

Taxation

The tax expense for the year comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss in the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

The annual rates used are:

Buildings on leasehold land	3.33%
Furniture, fittings and other equipment	3.00% to 10.00%
Office equipment	33.00%
Motor vehicles	20.00%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in profit or loss within 'other income'.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the Weighted Average Cost (AVCO) Method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

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

(a) Classification and initial measurement

The Company classifies its financial assets in the following measurement categories, as set out in IFRS 9:

- those to be measured subsequently at fair value (either through Other Comprehensive Income ('OCI') or through profit or loss), and;
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed to profit or loss.

(b) Subsequent measurement

Debt instruments

The Company classifies its debt instruments as follows:

- *Financial assets at amortised cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method ('EIR'). Any gain or loss arising on derecognition is recognised directly in profit or loss and presented under net finance cost, together with foreign exchange gains and losses. Impairment losses are presented as separate line item in profit or loss.

The Company's financial assets at amortised cost includes trade and other receivables (excluding prepayments and tax receivable) and cash and cash equivalents:

Trade and other receivables

Trade and other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected within one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for expected credit losses.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The Company's cash and cash equivalents include cash in hand and at bank, net of bank overdrafts. Bank overdrafts are shown under current liabilities on the statement of financial position

(c) Impairment

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The financial assets of the Company that are subject to the expected credit loss model are trade receivables arising from provision of catering services.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For further details on impairment of financial assets, see note 4(b).

(d) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) 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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

(a) Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables (excluding social securities and other taxes), bank overdraft and borrowings.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Borrowings

Borrowings are recognised initially at fair value, net of transaction cost incurred. 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. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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 profit or loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(ii) Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(c) 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 liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of non-financial assets

The carrying amount of assets is assessed at each reporting date to determine whether there are any indications of impairment. If any such indication exists, the Company estimates the recoverable amount of the asset being the higher of the asset's value in use and its fair value less costs to sell, in order to determine the extent of the impairment loss (if any). An impairment loss is recognised for any excess of the asset's carrying amount over its recoverable amount and is taken directly to profit or loss.

Leases

Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Retirement benefit obligations

The retirement benefit obligation is recognised for obligations to provide post-employment benefits. Post-employment benefits are employee benefits (other than termination and short term employee benefits) that are payable after the completion of employment. Post-employment benefit plans are classified as either defined benefit plans or defined contribution plans, depending on the substance of the plan as derived from its principal terms and conditions.

Under defined contribution plans, the entity's legal or constructive obligation is limited to the amount it agrees to contribute to a fund.

Under defined benefit plans:

- The entity's obligation is to provide the agreed benefits to current and former employees; and
- Actuarial risk (that benefits will cost more than expected) and investment risk fall, in substance, on the entity. If actuarial or investment experience are worse than expected, the entity's obligations may be increased.

The defined benefit plan may be unfunded or they may be wholly or partly funded by contributions by an entity, and sometimes its employees, into a fund from which the employee benefits are paid.

The Company is subject to an unfunded defined benefit plan for the employees and has recognised a net defined benefit liability in respect of any retirement gratuities that are expected to be paid out of the Company's cash flow to its employees under the Worker's Right Act 2019.

The liability recognised in the balance sheet in respect of the defined benefit pensions plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation and the current service cost is determined by discounting the estimated future cash flows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and have terms approximating to terms of the related obligation.

The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other reserves in the statement of financial position.

Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

Defined contribution plan

Defined pension contribution and contributions to Contribution Sociale Generalisée are expensed in profit or loss in the period in which they fall due.

Share capital

Share capital is determined using the nominal values of shares that have been issued and classified as equity. Ordinary shares are classified as 'share capital' within equity.

Revenue recognition

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those.

Sale of goods

For sales of goods, revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the customers (delivery), net of value added tax and discounts. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional.

Expenses recognition

Expenses are accounted for in profit or loss on the accrual basis.

Government grants

Government grant are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government Wage Assistance Scheme (GWAS) was introduced in March 2020 and was given during the months of lockdown. Grant obtained under the GWAS are accounted for in other income in the period to which the wage/salaries relate. Repayment of grant (Covid-19 levy) is contingent on the chargeable income of the entity and is recognised as a levy repayable to the tax authorities. The grant is shown net of the Covid-19 levy.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Company makes estimates and assumptions concerning the future that affect the reported amounts of assets and liabilities within the next year. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Retirement benefits obligations
The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 20.

Recognition of deferred tax asset
Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

A five years' projections have been prepared whereby the Company is expected to have taxable profits throughout the next five financial years. In line with same, the Company has reviewed its temporary differences, unused tax losses and unused tax credits and determine that it is probable that taxable profits will be available against which part of these can be utilised.

As a consequence, as at 31 March 2022, a deferred tax asset of **Rs 19,606,855** (2021 – Rs 19,606,855) has been recognised, and the unrecognised deferred tax asset amounted to **Rs 77,947,798** (2021 – Rs 68,124,724) (Refer to Note 10 for details).

Going concern
The directors of the Company have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis. Refer to Note 2(i) for further details.

Provision for expected credit losses of trade receivables
The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groups of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating).

The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 4(b).

Impairment of non-financial assets
The carrying amount of assets is assessed at each reporting date to determine whether there are any indications of impairment. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As at 31 March 2022, the directors have determined that the right-of-use of asset ("ROUA") and property, plant and equipment ("PPE") does not require any impairment given that the majority of its ROUA and PPE is made up of buildings on leasehold land, the value of which is not expected to decrease significantly due to continual maintenance of the property and that the plant and machinery used by the Company are in good working conditions. Even though this is not a priority of management, any of the plant and machinery could easily be transferred to other companies within the group with minimal costs/losses being incurred by the Company.

4 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks, namely, market risk (including interest rate risk, foreign exchange risk and price risk), credit risk and liquidity risk. This note presents information about the Company's exposure to each of the said risks, the Company's objectives, policies and processes for measuring and managing the risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Company does not hedge any of its risk exposures. Risk management is carried out by the Company under policies approved by senior management.

The Company's exposure to the various types of risks associates to its activity and financial instruments is detailed below.

(a) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange risks will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company's income and operating cash flows are to some extent dependent on changes in interest rates. The only significant interest bearing financial assets and liabilities held by the Company are borrowings and cash and cash equivalents.

Interest prevailing on the bank borrowings varies as per the SBM Prime Lending Rate which has remained unchanged and interest on leases is fixed.

The Company's interest rate risk arises from bank overdraft. At 31 March 2022, the interest rate on the bank overdraft was **6.50%** (2021: 6.5%). Based on simulations performed, the impact on pre-tax loss and net liabilities of a 1% shift in interest rates would be an increase/(decrease) of **Rs 326,731** (2021 – Rs 292,993).

(ii) Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has assets and liabilities denominated in foreign currency, namely Euro ("EUR"). Consequently, the Company is exposed to the risk that the exchange rate of the Mauritian rupee relative to the foreign currency may change in a manner, which has a material effect on the reported values of the Company's assets and liabilities which are denominated in foreign currencies.

Currency profile

As at 31 March 2022, if EUR had weakened/strengthened by 10% against the Mauritian rupee with all other variables held constant, the loss for the year would have been higher/lower by **Rs 118,059** (2021 - Rs 2,364).

The currency profile of the Company's financial assets and liabilities is summarised as follows:

(Expressed in Rupees)

	Financial Assets 2022	Financial Liabilities 2022	Financial Assets 2021	Financial Liabilities 2021
Mauritian rupee	11,140,469	503,505,887	12,031,784	559,415,694
Euro	1,180,591	-	23,637	-
	12,321,060	**503,505,887**	**12,055,421**	**559,415,694**

Prepayments amounting to **Rs 572,547** (2021: Rs 562,543) and indirect taxes of **Rs 2,144,082** (2021: Rs 1,952,591) have not been included in financial assets. Retirement benefits obligation of **Rs 6,112,000** (2021: Rs 4,369,000) and social securities and other taxes of **Rs 336,063** (2021: Rs Nil) have not been included in financial liabilities.

(iii) Price risk

Equity price risk is the risk of unfavourable changes in fair value of equities as the result of changes in the value of individual shares. The Company has no exposure to price risk at year end since the Company does not have any financial assets or liabilities, where values are linked to the price of equities/shares.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financial activities including cash and cash equivalents..

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the directors consider that the ECL is not material as the Company deals with highly reputable financial institutions in the country.

Trade receivables

The Company has trade receivables from different debtors in the airline industry and other industry (the ''Debtors") amounting to **Rs 8,912,524** at 31 March 2022 (2021 - Rs 8,513,300), which are unsecured, interest free and repayable between 30 to 60 days in the ordinary course of business (the ''Receivable'').

The Company has policies in place to ensure that sales of goods and services are made to customers with an appropriate credit history. Credit facilities are based on the recommendation of sales offices of the Oberoi Group abroad, after performing a credit worthiness check on these customers.

IFRS 9 establishes a simplified impairment approach for qualifying trade receivables that do not contain a significant financing component. This simplification eliminates the need to calculate 12-month ECL and to assess when a significant increase in credit risk has occurred.

The assessment include the following:

- Develop a provision matrix for the Receivable based on each category of Debtors.
- Estimate the payment profiles of each category of Debtors and obtain net exposure at each reporting date based on subsequent payments.
- Consider forward-looking information of each category/ material of Debtors.
- Consider micro and macro-economic environment of each category/material of Debtors.
- Estimate potential losses on the Receivables in an event of default.

In addition, a high level assessment of the impact of Covid-19 on the industry and potential debtors have been carried out.

The Company has adopted a residual risk approach based on analysis of the remaining exposure after accounting for subsequent receipts rather on historical default rates since no debts have been incurred in relation to the sales for the past 3 years.

The receivables balances at 31 March 2022 and 2021 are as follows:

(Expressed in Rupees)

31 March 2022	30 days Rs	60 days Rs	90 days Rs	120 days Rs	Total Rs
Trade receivables	**7,788,894**	**1,059,381**	-	**64,249**	**8,912,524**
31 March 2021					
Trade receivables	2,174,434	-	-	6,338,866	8,513,300

Taking into account the profile of trade receivables (partial state ownership for many) and their history of payments over the last three years, it is of the view that the trade receivables represent a low risk of default, although there is likely to be delays in repayment depending on duration of lockdowns and return to air travels.

Based on the ''World Economic Outlook January 2022'' analysis by the IMF, the impact of the global economy is expected to grow at 4.4% in 2022, following new variants of Covid-19. Their baseline scenario is that the global economy in 2022 is weaker than previously expected. Energy prices are rising and supply disruptions have resulted in higher inflation. The forecast is subject to adverse health outcomes falling to low levels in most countries by end of 2022, assuming that vaccination rates improve worldwide.

However, the emergence of new variants could prolong the pandemic and create additional economic disruptions.

The current war between Russia and Ukraine has impacted the aviation industry to a certain extent. Closure of the Ukrainian airspace has halted the air movement of approximately 0.8% of total traffic globally as compared to 2021. Several countries have also closed their air space to Russian airlines. Air travel to, from and within Russia has been affected through rising ticket prices and has led to a large decrease in international bookings since February 2022. This is not expected to have a material effect on the Company for the year under review.

Following travel restrictions since March 2020 due to the outbreak of Covid-19, the global air travel has been recovering in 2021. The impact as per the International Air Transport Association (IATA) is as follows:

- The Revenue Passenger Kilometers (RPKs) increased by 34.2% year-on-year in 2021
- Progress on vaccination and improved testing efficiency helped lift domestic lockdowns and reopen some international markets. This pushed global RPKs to 41.6% of 2019 levels in 2021; and
- Global air travel was disrupted at the start of 2022 by new variants of Covid-19 but was significantly better than at the beginning of 2021. Industry-wide RPKs rose by 82.3% year-on-year in January 2022. Improving pandemic developments are expected to result in the further recovery of air travel, though rising inflationary pressures will negatively impact some markets.

The recent credit ratings by Bloomberg in 2022 were analysed and it was noted that the credit ratings range from Baa 2- to Baa3 as compared to a range of BBB - to B+ last year and the default rates associated for the above ratings would theoretically be approximately 0.16% (based on the Global Corporate Average Cumulative Default rates as estimated by S&P Global Ratings).

Based on the above analysis and taking into the consideration the payment history of trade receivables over the last 3 years and the industry outlook, management is of the view that the credit risk on the trade receivables as at 31 March 2022 is very low and hence any expected credit loss would not have a significant impact on the financial statements.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Company aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Expressed in Rupees)

	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years
At 31 March 2022				
Trade and other payables	46,878,186	-	-	-
Bank loans	75,268,253	59,694,024	114,031,670	-
Lease liability	25,238,249	9,816,220	30,427,806	375,232,041
Bank Overdraft	32,673,075	-	-	-
	180,057,763	**69,510,244**	**144,459,476**	**375,232,041**
At 31 March 2021				
Trade and other payables	33,662,199	-	-	-
Bank loans	109,178,438	61,479,688	173,714,063	-
Lease liability	17,136,067	9,352,565	29,595,876	385,971,267
Bank Overdraft	29,299,276	-	-	-
	189,275,980	**70,832,253**	**203,309,939**	**385,971,267**

Social securities and other taxes of **Rs 336,063** (2021: Nil) have been excluded from trade and other payables. The Company has trade and other receivables of **Rs 12,006,301** (2021 – Rs 11,990,475) that are expected to be received within one year and cash in hand and at bank of **Rs 314,759** (2021 – Rs 64,946). These will be used to partly finance the liabilities for less than one year. The Company would also have recourse to its parent to finance for any shortage of fund.

Financial instruments

(a) Categories of financial instruments

(Expressed in Mauritian Rupees)

	2022	2021
Financial assets at amortised cost:		
Financial assets		
Cash in hand and at bank	314,759	64,946
Trade and other receivables	12,006,301	11,990,475
Total assets	**12,321,060**	**12,055,421**

(Expressed in Mauritian Rupees)

	2022	2021
Financial assets at amortised cost:		
Financial liabilities		
Borrowings	423,954,626	496,454,219
Trade and other payables	46,878,186	33,662,199
Bank overdraft	32,673,075	29,299,276
Total liabilities	**503,505,887**	**559,415,694**

Prepayments amounting to **Rs 572,547** (2021: Rs 562,543) and indirect taxes of **Rs 2,144,082** (2021: Rs 1,952,591) have not been included in financial assets. Retirement benefits obligation of **Rs 6,112,000** (2021: Rs 4,369,000) and social securities and other taxes of **Rs 336,063** (2021: Rs Nil) have not been included in financial liabilities.

(b) Fair values of financial instruments

The management assessed that the fair values of trade and other receivables, cash and cash equivalents and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The carrying value of the leases, which bears interest at a fixed rate, is not significantly different from its fair value.

The carrying amount and the fair value of the Company's bank borrowings are given below:

(Expressed in Rupees)

	31 March 2022 Carrying value	31 March 2022 Fair value	31 March 2021 Carrying value	31 March 2021 Fair value
Bank borrowings	234,365,604	223,531,872	318,100,000	284,216,739

The fair value of the loan are determined by using the DCF method using a discount rate of 3.85% (2021: 3.25%) that reflect the issuer's borrowing rate as at end of the reporting period.

At 31 March 2022, the Company did not have any assets or liabilities that were carried at fair value or were subject to revaluation.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal structure to reduce cost of capital.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust dividend payments to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt.

The Company monitors its capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' shown in the statement of financial position plus net debt. The gearing ratios at 31 March 2022 and 2021 were as follows:

(Expressed in Rupees)

	2022	2021
Total borrowings	423,954,626	496,454,219
Less: Cash in hand and at bank	(314,759)	(64,946)
Add: Bank overdraft	32,673,075	29,299,276
Net debt	456,312,942	525,688,549
Total Equity	(58,721,207)	(88,158,426)
Total Capital	397,591,735	437,530,123
Gearing ratio	115%	120%

The decrease in the gearing ratio is mainly attributable to repayment of borrowings which has been partly mitigated by an increase in bank overdraft. As per the agreement with the bank, the debt/equity ratio of the Company should be maintained to at most 2:1.

5 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is based on the invoiced value net of Value Added Tax and discounts and recognised at a point in time when control of the goods are transferred to the customer.

Notes to the Financial Statements

For the year ended March 31, 2021

(Expressed in Rupees)

	2022	2021
Revenue from customers:		
Flight catering	62,499,000	12,218,433
Outdoor catering	7,164,558	6,832,000
Lounge	-	64,000
	69,663,558	19,114,433

6 OPERATING LOSS

(Expressed in Rupees)

	2022	2021
The following items have been charged in arriving at the operating profit:		
Wage assistance scheme	(18,967,196)	(23,442,366)
Profit on disposal	-	(264,833)
Depreciation of property, plant and equipment (Note 11)		
- Owned assets	18,288,508	18,412,701
- Leased assets	-	508,986
Depreciation of right-of-use assets (Note 12)	5,847,578	5,847,578
Audit fees and fees for tax compliance services	969,600	839,000
Cost of inventories expensed (Note 13)	43,763,439	15,628,870
Staff costs (Note 7)	43,892,717	34,946,356
Transportation costs	2,356,298	1,811,690
Utilities	7,445,694	3,536,157
Repairs and maintenance	6,123,100	4,440,121
Consultancy fees	2,644,462	1,941,169
Bad debts written off	3,169,433	-

7 STAFF COSTS

(Expressed in Rupees)

	2022	2021
Wages and salaries	41,033,383	31,640,921
Social security costs	1,922,334	2,175,435
Retirement benefit expenses	937,000	1,130,000
	43,892,717	34,946,3560
	Number	Number
Average number of employees	155	140

8 FINANCE COSTS

(Expressed in Rupees)

	2022	2021
(i) Income:		
Foreign exchange gains	358,658	579,905
	358,658	**579,905**
(ii) Costs:		
Interest on bank borrowings and bank overdraft	(10,656,858)	(11,254,301)
Interest and finance charges for lease liabilities (Note 19(b))	(11,758,671)	(11,595,789)
Foreign exchange losses	(287,697)	(191,569)
	(22,703,226)	**(23,041,659)**
Finance costs - Net	**(22,344,568)**	**(22,461,754)**

9 TAXATION

The Company is liable to income tax at **15%** (2021 - **15%**) and Corporate Social Responsibility tax of **2%** (2021 - 2%) on its chargeable income. At 31 March 2022, the Company had accumulated tax losses of **Rs 297,697,783** (2021 - Rs 137,389,908) and was therefore not liable to income tax.

A reconciliation between the actual tax charge of the Company and the theoretical amount that would arise using the applicable income tax rate of **17%** (2021 - 17%) follows:

(Expressed in Rupees)

	2022	2021
Loss before income tax	(69,543,781)	(70,142,790)
Tax at **17%** (2020- 17%)	(11,822,443)	(11,924,274)
Impact of:		
Deferred tax asset not recognised	11,992,327	4,941,018
Expenses not deductible for tax	540,997	-
Under provision in prior year	(710,881)	-
Tax loss utilised	-	6,983,256
Deferred tax assets recognised	-	1,693,104
Actual tax expense	**-**	**1,693,104**

The components of income tax for the years ended 31 March 2022 and 2021 are as follows:

Recognised in profit or loss

(Expressed in Rupees)

	2022	2021
Deferred tax expense (Note 10)	-	**1,693,104**

The tax losses are available for set off against future taxable profits as follows:

(Expressed in Rupees)

Up to year ending	Tax losses Rs 2022	Tax losses Rs 2021
31 March 2027	21,157,742	41,077,976
31 March 2028	29,742,691	-
Indefinite	246,797,350	96,311,932
Total	**297,697,783**	**137,389,908**

10 DEFERRED TAX

(Expressed in Rupees)

	2022	2021
At 01 April	(19,606,855)	(21,299,959)
Deferred tax expense recognised in profit or loss (Note 9)	-	1,693,104
At 31 March	**(19,606,855)**	**(19,606,855)**

At 31 March 2022, in accordance with the Company's accounting policy, a deferred tax asset of Rs 19,606,855 (2021 – Rs 19,606,855) has been recognised as there is probability that future taxable profits will be available to utilise these accumulated tax losses.

The recognised deferred tax balance relates to the following:

(Expressed in Rupees)

	Statement of financial position		Statement of comprehensive income	
	As at March 31, 2022	As at March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Tax loss utilised	19,606,855	19,606,855	-	1,168,944
Excess of depreciation over capital allowance	-	-	-	(2,862,048)
Deferred tax (expense)	**-**		**-**	**(1,693,104)**
Net deferred tax assets	**19,606,855**	**19,606,855**		

A deferred tax asset of **Rs 77,947,798** (2021 – Rs 68,124,724) has not been recognised as there is uncertainty that future taxable profits will be available to utilise these temporary differences.

The unrecognised deferred tax balance is attributable to the following:

(Expressed in Rupees)

	2022	2021
Tax loss unutilised	30,959,535	3,749,429
Exchange differences	147,424	147,424
Excess of depreciation over capital allowance	38,399,684	60,352,328
Retirement benefits costs	1,039,040	742,730
Lease liabilities	7,402,115	3,132,813
	77,947,798	**68,124,724**

The movement in unrecognised deferred tax assets is as follows:

(Expressed in Rupees)

	Tax loss unutilised	Exchange differences	Excess of depreciation over capital allowance	Retirement benefits costs	Lease liabilities	Total
At 01 April 2020	**-**	**147,424**	**54,326,205**	**621,350**	**1,548,167**	**56,643,146**
Credit to income statement	(1,168,944)	-	2,862,048	-	-	1,693,104
Movement during the year	4,918,373	-	3,164,075	121,380	1,584,646	9,788,474
At 31 March 2021	**3,749,429**	**147,424**	**60,352,328**	**742,730**	**3,132,813**	**68,124,724**
Movement during the year	27,210,106	-	(21,952,644)	296,310	4,269,302	9,823,074
At 31 March 2022	**30,959,535**	**147,424**	**38,399,684**	**1,039,040**	**7,402,115**	**77,947,798**

11 PROPERTY, PLANT AND EQUIPMENT

(Expressed in Rupees)

	Buildings on leasehold land	Furniture, fittings & other equipment	Office equipment	Motor vehicles	Total
Cost:					
At 01 April 2020	351,116,271	337,394,318	4,371,285	47,179,365	740,061,239
Disposal	-	-	-	(634,854)	(634,854)
At 31 March 2021	351,116,271	337,394,318	4,371,285	46,544,511	739,426,385
Additions	-	-	-	-	-
At 31 March 2022	**351,116,271**	**337,394,318**	**4,371,285**	**46,544,511**	**739,426,385**
Accumulated depreciation:					
At 01 April 2020	(112,320,164)	(272,437,563)	(4,327,828)	(46,382,097)	(435,467,652)
Charge for the year	(11,692,172)	(6,582,203)	(17,861)	(629,451)	(18,921,687)
Disposal	-	-	-	467,037	467,037
At 31 March 2021	(124,012,336)	(279,019,766)	(4,345,689)	(46,544,511)	(453,922,302)
Charge for the year	**(11,692,172)**	**(6,578,475)**	**(17,861)**	**-**	**(18,288,508)**
At 31 March 2022	**(135,704,508)**	**(285,598,241)**	**(4,363,550)**	**(46,544,511)**	**(472,210,810)**
Carrying value:					
At 31 March 2022	**215,411,763**	**51,796,077**	**7,735**	**-**	**267,215,575**
At 31 March 2021	227,103,935	58,374,552	25,596	-	285,504,083

The buildings on leasehold land have been secured with a fixed charge against the borrowings of Rs 234,365,604 (2021: Rs 310,500,000) contracted from the State Bank of Mauritius Ltd. Details on borrowings are disclosed in Note 19.

Leased vehicles

(Expressed in Rupees)

	2022	2021
Cost	-	10,429,743
Accumulated depreciation	-	(10,261,927)
Disposal at net book value	-	(167,816)
		-

Management has determined that the property, plant and equipment ("PPE") does not require any impairment given that the majority of its PPE is made up of buildings on leasehold land, the value of which is not expected to decrease significantly due to continual maintenance of the property and that the plant and machinery used by the Company are in good working conditions. Even though this is not a priority of management, any of the plant and machinery could easily be transferred to other companies within the group with minimal costs/losses being incurred by the Company.

12 RIGHT-OF-USE ASSETS

(Expressed in Rupees)

Leasehold land	2022	2021
Balance at 01 April	151,700,583	157,548,161
Depreciation charge for the year	(5,847,578)	(5,847,578)
Balance at 31 March	**145,853,005**	**151,700,583**

There were no additions to right-of-use assets during the year. The lease liability has been included under borrowings (Note 19).

Notes to the Financial Statements

For the year ended March 31, 2021

13 INVENTORIES

(Expressed in Rupees)

Leasehold land	2022	2021
Food and beverage, at cost	1,764,641	2,066,503
Other consumables, at cost	1,754,978	2,177,689
	3,519,619	**4,244,192**

The cost of inventories recognised as expense and included in cost of sales amounted to **Rs 43,763,439** (2021 - Rs 15,628,870).

14 TRADE AND OTHER RECEIVABLES

(Expressed in Rupees)

	2022	2021
Trade receivables	8,912,524	8,513,300
Prepayments	572,547	562,543
Taxes receivable	2,144,082	1,952,591
Other receivables	3,093,777	3,477,175
	14,722,930	**14,505,609**

During the year under review, trade receivables amounting to **Rs 3,169,433** were written off as bad debts (2021: Nil). The other classes within trade and other receivables do not contain impaired assets.

Impairment and risk exposure

Information about the impairment of trade receivables and the Company's exposure to credit risk and foreign currency risk can be found in note 4.

15 CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following balance sheet amounts:

(Expressed in Rupees)

	2022	2021
Cash in hand and at bank	314,759	64,946
Bank overdraft	(32,673,075)	(29,299,276)
	(32,358,316)	**(29,234,330)**

In 2016, the Company was granted an overdraft facility of Rs 25,000,000. The overdraft facility has been renewed until 30 June 2022, secured against the following:

- 1st rank floating charge for Rs 25,000,000 on all assets of the Company
- Corporate guarantee of Rs 25,000,000 given by the Company's shareholder.

During the year ended 31 March 2021, the overdraft facility was extended to Rs 32,500,000. As at reporting date, the bank overdraft bore interest of SBM PLR plus 2.25% per annum. The effective interest rate for the year under review was 6.50% (2021: 6.50%).

16 SHARE CAPITAL

	2022 Number	2021 Number	2022 Number	2021 Number
Issued and fully paid:				
At 01 April	69,044,006	69,044,006	690,440,060	690,440,060
Issue of shares	10,000,000	-	-	-
At 31 March	**79,044,006**	**69,044,006**	**790,440,060**	**690,440,060**

The ordinary shares have been issued at Rs 10 each.

Rights and restrictions attached to ordinary shares:

(a) Each ordinary share shall entitle its holder to receive notice of, to attend and vote at any meeting of the Company.

(b) Each ordinary share shall entitle its holder the right of an equal share in dividends as authorised by the board.

(c) Upon winding-up, each ordinary share shall entitle its holder the right to an equal share in the distribution of the surplus assets of the Company.

17 OTHER RESERVES

(Expressed in Rupees)

	2022	2021
At 01 April	1,265,000	849,000
Remeasurement of post-employment benefits obligations (Note 20(e))	(1,019,000)	416,000
At 31 March	**246,000**	**1,265,000**

Other reserves represent actuarial losses arising from the remeasurement of post-employment benefit obligations as at 31 March 2022, as disclosed in Note 20(e).

18 TRADE AND OTHER PAYABLES

(Expressed in Rupees)

	2022	2021
Trade payables	28,178,034	19,606,384
Accruals	18,700,152	14,055,815
Social security and other taxes	336,063	-
	47,214,249	**3,662,199**

19 BORROWINGS

(Expressed in Rupees)

	2022	2021
Non-current:		
Bank borrowings (Note 19(a))	165,000,000	220,000,000
Lease liabilities (Note 19(b))	173,115,037	170,387,272
	338,115,037	**390,387,272**

(Expressed in Rupees)

	2022	2021
Current:		
Bank borrowings (Note 19(a))	69,365,604	98,100,000
Lease liabilities (Note 19(b))	16,473,985	7,966,947
	85,839,589	**106,066,947**
Total borrowings	**423,954,626**	**496,454,219**

(a) Bank borrowings

(Expressed in Rupees)

	2022	2021
Less than one year	69,365,604	98,100,000
Later than 1 year and no later than 5 years	165,000,000	220,000,000
	234,365,604	**318,100,000**
Current	69,365,604	98,100,000
Non-current	165,000,000	220,000,000
	234,365,604	**318,100,000**

The principal amount of Rs 233,750,000 is repayable as follows:

- 17 quarterly instalments of Rs 13,750,000, with last instalment falling due on 31 March 2026.

Per the loan agreement, the Company is entitled to a principal amount of loan of Rs 310,500,000 and a short term loan equivalent to Rs 7,600,000 or accrued interest on the principal amount of the loan, for the period from 01 April 2020 to 31 December 2020, whichever is lower. At 31 March 2021, the Rs 7,600,000 was capitalised as part of the principal amount of the loan. During the year under review, the company repaid a total principal amount of Rs 84,350,000.

Interest is charged on daily balances at 1% below the SBM Prime Lending Rate of **4.85%** (2021 – 4.25%), with a minimum of 3.25% per annum.

Interest is payable on a monthly basis. During the year ended 31 March 2022, the Company incurred interest of **Rs 8,697,728** (2021 – Rs 10,246,500) on the bank borrowings.

The borrowings of **Rs 234,365,604** as at 31 March 2022 are secured as follows:

(a) Fixed charge on the building constructed on leasehold land.

(b) Floating charge on all assets of the Company.

(c) Assignment of the leasehold rights on the leasehold land.

(d) A corporate guarantee of **Rs 340,000,000** from EIH Limited.

(e) Letter of undertaking from EIH Limited to inject an amount of **Rs 287,200,000** as shareholder's equity by April 2022;

The fair value of borrowings is disclosed in note 4(b).

(b) Lease liabilities

(Expressed in Rupees)

	Leasehold land	Motor vehicles	Total
At 01 April 2020	166,655,023	1,850,689	168,505,712
Interest expense	11,542,413	53,376	11,595,789
Payments	(561,249)	(1,186,033)	(1,747,282)
At 31 March 2021	**177,636,187**	**718,032**	**178,354,219**
Interest expense	11,758,671	-	11,758,671
Payments	-	(523,868)	(523,868)
	189,394,858	**194,164**	**189,589,022**

(Expressed in Rupees)

	2022	2021
Current	16,473,985	7,966,947
Non-current	173,115,037	170,387,272
	189,589,022	**178,354,219**

Lease arrangements for leasehold land relate to a land area where the operations of the Company are carried out. The Lease agreement covers a period of 20 years and may be renewed for two additional periods of ten years, subject to terms and conditions which may be agreed between the Lessor and the Lessee. The rent charge at the start of the lease in April 2007 was Rs 27.11 per square metre per month, over a total surface of 14,000 square metres, and is subject to an increase of 10% every 2 years. The rent charge was revised to Rs 48.02 per square metre as at April 2019. The lease is non-cancellable from the standpoint of the lessee.

The statement of comprehensive income shows the following amounts relating to leases:

(Expressed in Rupees)

	2022	2021
Depreciation charge of right-of-use assets (included in administrative expenses) (Note 12)	5,847,578	5,847,578
Interest on lease liabilities (included in finance costs) (Note 8)	11,758,671	11,595,789

The statement of cash flows show the following amounts relating to leases:

(Expressed in Rupees)

	2022	2021
Total cash outflow for leases	523,868	1,747,282

20 RETIREMENT BENEFITS OBLIGATIONS

(Expressed in Rupees)

	2022	2021
Non-current:		
Retirement benefits obligations	6,112,000	4,369,000

The Company has recognised a net benefit liability of **Rs 6,112,000** (2021 - Rs 4,369,000) in its statement of financial position as at 31 March 2022 in respect of any retirement gratuities that are expected to be paid out of the Company's cash flow to its employees under the Worker's Right Act 2019.

The Company is subject to an unfunded defined benefit plan for the employees. The plan exposes the Company to normal risks described below:

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by a decrease in inflationary pressures on salary increases.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

There has been no plan amendment, curtailment or settlement during the year.

(a) *A reconciliation of net defined benefit liability follows:*

(Expressed in Rupees)

	2022	2021
At 01 April	4,369,000	3,655,000
Amount recognised in Profit or Loss	937,000	1,130,000
Amount recognised in Other Comprehensive Income	1,019,000	(416,000)
Employer contributions	(213,000)	-
At 31 March	**6,112,000**	**4,369,000**

(b) *A reconciliation of fair value of plan assets follows:*

(Expressed in Rupees)

	2022	2021
At 01 April	-	-
Employer contributions	213,000	-
Benefits paid	(7,000)	-
At 31 March	**206,000**	**-**

(c) *A reconciliation of present value of defined benefit obligation follows:*

(Expressed in Rupees)

	2022	2021
At 01 April	4,369,000	3,655,000
Current service cost	810,000	554,000
Interest expense	127,000	194,000
Past service cost	-	382,000
Other benefits paid	(7,000)	-
Liability experience loss/(gain)	292,000	(408,000)
Liability loss/(gain) due to change in financial assumptions	727,000	(8,000)
At March 31	**6,318,000**	**4,369,000**

(d) *Components of amount recognised in Profit or Loss:*

(Expressed in Rupees)

	2022	2021
Current service cost	810,000	554,000
Past service cost	-	382,000
	810,000	**936,000**
Net interest expense on net defined benefit liability	127,000	194,000
	937,000	**1,130,000**

(e) *Components of amount recognised in Other Comprehensive Income:*

(Expressed in Rupees)

	2022	2021
Liability experience loss/(gain)	292,000	(408,000)
Liability loss/(gain) due to change in financial assumptions	727,000	(8,000)
	1,019,000	**(416,000)**

Principal assumptions used at end of the year:

(Expressed in Rupees)

	2022	2021
Discount rate	4.5%	2.9%
Rate of salary increases	2.5%	0.2%
Average retirement age	65	65

Sensitivity analysis on defined benefits obligations at end of the reporting period:

Notes to the Financial Statements

For the year ended March 31, 2021

(Expressed in Rupees)

	2022	2021
Increase due to 1% decrease in discount rate	1,305,000	954,000
Decrease due to 1% increase in discount rate	1,045,000	755,000

The above sensitivity analysis has been carried out by recalculating the present value of the obligation at end of the period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

Future cash flows:

The funding policy is to pay benefits out of the reporting entity's cash flow as and when due.

(Expressed in Rupees)

	2022	2021
Expected employer contribution for the next year	1,347,000	-
Weighted average duration of the defined benefits obligations	19 years	20 years

21 CONTINGENT LIABILITIES

Bank guarantees

At 31 March 2022, there were contingent liabilities in respect of guarantees given in the ordinary course of business from which it is anticipated that no material liabilities will arise. At 31 March 2022, Expatriate Guarantee amounted to **Nil** (2021 - Nil), Govt Guarantee amounted to **Nil** (2021 – Nil) and Custom guarantee amounted to **Rs 5,000,000** (2021 – Rs 5,000,000).

22 INCORPORATION, REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

The Company is incorporated in Mauritius under the Companies Act 2001 on 03 January 2007 as a private company with limited liability. The Company's registered office is at The Oberoi Mauritius, Baie aux Tortues, Pointe aux Piments, Mauritius. Its main business operations are opposite Airport Police Station, Plaine Magnien, Mauritius.

23 RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of EIH Limited, a company incorporated in India. Oberoi Hotels Private Limited is a company in which key management personnel of immediate parent have significant influence.

The following transactions were carried out with related parties:

(a) Remuneration of key management personnel

(Expressed in Rupees)

	2022	2021
Salaries	1,450,000	1,586,592
Other short term employee benefits	384,000	520,000
	1,834,000	**2,106,592**

Key management personnel include the General Manager, Chief Accountant and Deputy Operations Manager.

(b) Fees paid to management entity of the Company

(Expressed in Rupees)

	2022	2021
Ocorian Corporate Administrators Limited		
Fees paid during the year	**1,278,854**	**687,309**

(c) Directors' fees

The Directors, being the representatives of the holding company, are not entitled to any fees as the Company does not have a remuneration policy in place for its Directors, except for Mrs Risha Ranlaul-Sookun who is a representative of Ocorian Corporate Administrators Limited ('Ocorian'). Ocorian is paid a fee for procurement of Director, company secretarial services and accounting services provided to the Company.

24 IMMEDIATE AND ULTIMATE PARENT

The directors consider EIH Limited, a company incorporated in India, as its immediate and ultimate parent.

Notes to the Financial Statements

For the year ended March 31, 2021

25 NOTES TO STATEMENT OF CASH FLOWS

Net debt reconciliation

The table below details changes in the Company's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

(Expressed in Rupees)

		Cash changes		Non-cash changes	
	April 1, 2021	**Cash flows**	**Interest paid**	**Interest expense**	**March 31, 2022**
Net bank overdraft	29,234,330	3,123,986	(1,959,130)	1,959,130	32,358,316
Liabilities arising from financing activities:					
Bank					
borrowings	318,100,000	(84,350,000)	(8,082,124)	8,697,728	234,365,604
Lease liability	178,354,219	(523,868)	-	11,758,671	189,589,022
	525,688,549	**(81,749,882)**	**(10,041,254)**	**22,415,529**	**456,312,942**

(Expressed in Rupees)

		Cash changes		Non-cash changes	
	April 1, 2020	**Cash flows**	**Interest paid**	**Interest expense**	**March 31, 2021**
Net bank overdraft	4,350,301	24,884,029	(1,007,801)	1,007,801	29,234,330
Liabilities arising from financing activities:					
Bank borrowings	310,500,000	7,600,000	(10,246,500)	10,246,500	318,100,000
Lease liability	168,505,712	(1,693,906)	(53,376)	11,595,789	178,354,219
	483,356,013	**30,790,123**	**(11,307,677)**	**22,850,090**	**525,688,549**

26 EVENTS AFTER REPORTING DATE

There are no material events after the reporting date which requires amendments to or additional disclosures in the financial statements for the year ended 31 March 2022.

EIH International Ltd

BOARD

Mr. Prithviraj Sing Oberoi
Mr. Deepak Madhok
Mr. Pathmanaban Selvadurai
Mr. Sudipto Sarkar

AUDITORS

Ernst & Young
Ernst & Young Building
121, King William Street
Adelaide SA 5000
Australia

REGISTERED OFFICE

Commerce House
Romasco Place, Wickhams Cay 1,
Road Town, Tortola,
British Virgin Islands

Directors' Report

DIRECTORS

The directors have pleasure in submitting the Statement of Financial Position of EIH International Ltd and its controlled entities (the 'Group') as at 31 March 2022, and the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended and report as follows:

The names of the directors in office at the date of this report are:

P R S Oberoi
Deepak Madhok
P Selvadurai
Sudipto Sarkar

PRINCIPAL ACTIVITY

The principal activity of the Group during the course of the year was investment and management. There were no significant changes in activities of the Group during the year.

RESULTS

The net loss for the year was $10,697,746 (2021: loss of $8,419,470) for the Group and a loss of $99,382 (2021: profit of $157,894) for the Company, after provision for income tax benefit of $170,156 (2021: Benefit of $38,753) for the Group and $nil (2021: $nil) for the Company.

EVENTS AFTER THE BALANCE DATE

No material matters or circumstances have arisen since the end of the year that requires disclosure in the financial statements.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Group's operations are not regulated by any significant environmental regulation.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There are no significant changes in state of affairs.

The results of the Company operations during the period have not, in the opinion of the Directors, been affected by any item, transaction or event of a material or unusual nature.

DIVIDENDS

During the year a dividend totalling $nil (2021: $nil) was declared and paid.

DIRECTORS' REMUNERATION

No director has received or become entitled to receive a benefit, other than benefits disclosed in the financial statements or the fixed salary of a full-time employee of the Group or a related body corporate, by reason of a contract made by the Group or a related body corporate with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

SHARE OPTIONS

No options over issued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the date of this report.

AUDITORS INDEPENDENCE

A copy of the auditor's independence declaration is attached to this financial report.

This report has been made in accordance with a resolution of directors.

Deepak Madhok
Director

Date: 25 April, 2022

Independent Auditor's Report

To the Directors of EIH International Ltd

Opinion

We have audited the financial report of EIH International Ltd (the Company) and its subsidiaries (collectively the Group), which comprises:

- the Group consolidated and Company statements of financial position as at 31 March 2022;
- the Group consolidated and Company statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended;
- notes to the financial statements, including a summary of significant accounting policies; and
- the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Company and the Group as at 31 March 2022, and their financial performance and their cash flows for the year then ended in accordance with International Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with International Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with International Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the International Auditing Standards 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 this financial report.

As part of an audit in accordance with the International Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 or Group'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 report 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 or the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

Ernst & Young
Adelaide

25 April, 2022

Statement of Comprehensive Income

For the year ended March 31, 2022

Expressed in United States Dollars ($)

	Note	Consolidated		Parent	
		Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Continuing Operations					
Turnover	3	2,287,584	1,087,230	-	256,826
Cost of sales		4,975	-	-	-
Gross profit		**2,282,609**	**1,087,230**	**-**	**256,826**
Operating Expenses					
Other operating expenses		144,720	152,609	-	-
Payroll and related expenses		1,627,696	1,676,669	-	-
Administration and general expenses		1,633,358	1,274,248	99,087	98,423
Marketing expenses		87,481	98,564	-	-
Upkeep and service cost		433,266	376,569	-	-
Project development expenses		-	8,389	-	-
Provision for furniture, fixture and equipment		2,305	-	-	-
Other expenses		34,387	31,534	295	509
Depreciation and amortisation		1,481,775	1,514,654	-	-
Total Operating Expenses		**5,444,988**	**5,133,236**	**99,382**	**98,932**
Other Income/(Expense)					
Interest expense		(133,479)	(127,611)	-	-
Share of profit/(loss) of investments accounted for using the equity method		(5,715,852)	(5,659,429)	-	-
Loan Forgiveness		-	-	-	-
Impairment of Investment/Receivables		(1,502,317)	-		
Other income/(expense)		(13,563)	1,374,823	-	-
Loss on disposal of fixed assets		-	-	-	-
Total Other Income/(Expense)		**(7,365,211)**	**(4,412,217)**	**-**	**-**
Profit/(loss) before taxation		**(10,527,590)**	**(8,458,223)**	**(99,382)**	**157,894**
Taxation (expense)/benefit	4	(170,156)	38,753	-	-
Profit/(loss) after taxation		**(10,697,746)**	**(8,419,470)**	**(99,382)**	**157,894**
Profit/(Loss) for the year is attributable to:					
Owners of the parent		(9,988,668)	(7,768,575)	(99,382)	157,894
Non-controlling interest		(709,078)	(650,895)	-	-
		(10,697,746)	**(8,419,470)**	**(99,382)**	**157,894**
Other comprehensive income/(loss)					
Profit/(loss) after taxation		**(10,697,746)**	**(8,419,470)**	**(99,382)**	**157,894**
Share of other comprehensive income/(loss) of Investments accounted for using the equity method		(26,932)	20,329	-	-
Re-measurement of employee benefits		50,233	8,806	-	-
Movement in foreign currency translation reserve		104,002	717,472	-	-
Total comprehensive income		**(10,570,453)**	**(7,672,863)**	**(99,382)**	**157,894**
Total comprehensive income/(loss) for the year is attributable to:					
Owners of the parent		(9,880,642)	(7,168,600)	(99,382)	157,894
Non-controlling interest		(689,811)	(504,263)	-	-
		(10,563,600)	**(7,672,863)**	**(99,382)**	**157,894**

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at March 31, 2022

Expressed in United States Dollars ($)

	Notes	Consolidated As at March 31, 2022	Consolidated As at March 31, 2021	Parent As at March 31, 2022	Parent As at March 31, 2021
Non-Current Assets					
Property, plant and equipment	7	13,842,900	14,225,876	-	-
Intangibles assets	8	57,128,758	58,038,758	-	-
Deferred tax assets	4	463,375	535,873	-	-
Financial					
Amount due from related parties		8,007,748	7,188,248	4,537,259	4,537,259
Other assets		253,824	8,690	-	-
Non-Financial					
Investments	6	16,565,778	23,810,879	94,675,214	94,675,214
Other assets		136,012	408,427	-	-
Total Non-Current Assets		**96,398,395**	**104,216,751**	**99,212,473**	**99,212,473**
Current Assets					
Inventories		230,013	245,967	-	-
Financial					
Cash and cash equivalents	10	1,323,022	4,761,416	880,564	3,479,946
Receivable	11	1,009,286	302,304	-	-
Amount due from related parties	9	179,178	32,945	2,500,000	-
Non-Financial					
Other assets		248,654	233,057	-	-
Total Current Assets		**2,990,153**	**5,575,689**	**3,380,564**	**3,479,946**
Total Assets		**99,388,548**	**109,792,440**	**102,593,037**	**102,692,412**
Current Liabilities					
Financial					
Trade and other payables	12	2,194,052	2,102,232	60,000	60,000
Lease Liability	14	504,773	299,037	-	-
Non-Financial					
Provision for taxation		27,496	25,007	-	-
Total Current Liabilities		**2,726,321**	**2,426,276**	**60,000**	**60,000**
Non-Current Liabilities					
Deferred tax liabilities		-	-	-	-
Employee benefits liabilities	13	755,347	805,784	-	-
Financial					
Amounts due to related parties		3,120,000	3,120,000	-	-
Long Term Lease Liability	14	2,437,731	2,520,778	-	-
Total Non-Current Liabilities		**6,313,078**	**6,446,562**	**-**	**-**
Total Liabilities		**9,039,399**	**8,872,838**	**60,000**	**60,000**
Net Assets		**90,349,149**	**100,919,602**	**102,533,037**	**102,632,419**
Equity					
Share Capital	15	106,607,800	106,607,800	106,607,800	106,607,800
Retained Earnings		(16,058,210)	(6,092,833)	(4,074,763)	(3,975,381)
Translation reserve		(1,085,640)	(1,170,375)	-	-
Minority Interest	16	885,199	1,575,010	-	-
Total Equity		**90,349,149**	**100,919,602**	**102,533,037**	**102,632,419**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended March 31, 2022

Expressed in United States Dollars ($)

		Consolidated				
	Note	Share Capital	Translation Reserve	Retained Earnings	Non-Controlling Interest	Total Equity
As at April 1, 2021	15	**106,607,800**	**(1,170,375)**	**(6,092,833)**	**1,575,010**	**100,919,602**
Issued during the year		-	-	-	-	-
Translation reserve		-	84,735	-	19,267	104,002
Profit for year		-	-	(9,988,668)	(709,078)	(10,697,746)
Other Comprehensive income		-	-	23,291	-	23,291
Dividend paid		-	-	-	-	-
As at March 31, 2022	15	**106,607,800**	**(1,085,640)**	**(16,058,210)**	**885,199**	**90,349,149**

		Consolidated				
	Note	Share Capital	Translation Reserve	Retained Earnings	Non-Controlling Interest	Total Equity
As at 1 April 2020	15	**106,607,800**	**(1,741,215)**	**1,646,607**	**2,079,273**	**108,592,465**
Issued during the year		-	-	-	-	
Translation reserve		-	570,840	-	146,632	717,472
Profit for year		-	-	(7,768,575)	(650,895)	(8,419,470)
Other Comprehensive income		-	-	29,135	-	29,135
Minority Interest Adjustment		-	-	-	-	-
Dividend paid		-	-	-	-	-
As at 31 March 2021	15	**106,607,800**	**(1,170,375)**	**(6,092,833)**	**1,575,010**	**100,919,602**

		Parent		
	Note	Share Capital	Retained Earnings	Total Equity
As at 1 April 2021	15	**106,607,800**	**(3,975,381)**	**102,632,419**
Shares issued		-	-	-
Profit/(loss) for year		-	(99,382)	(99,382)
Other Comprehensive income		-	-	-
Dividend paid		-	-	-
As at 31 March 2022	15	**106,607,800**	**(4,074,763)**	**102,533,037**

		Parent		
	Note	Share Capital	Retained Earnings	Total Equity
As at 1 April 2020	15	**106,607,800**	**(4,133,275)**	**102,474,525**
Shares issued		-	-	-
Profit for year		-	157,894	157,894
Other Comprehensive income		-	-	-
Dividend paid		-	-	-
As at 31 March 2021	15	**106,607,800**	**(3,975,381)**	**102,632,419**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended March 31, 2022

Expressed in United States Dollars ($)

	Consolidated		Parent	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities				
Profit/(Loss) before taxation	(10,527,590)	(8,458,223)	(99,382)	157,894
Adjustment for:				
Depreciation	1,481,775	1,514,654	-	-
Share of associates net (profit) / loss	5,715,852	5,659,429	-	-
Impairment of investment	1,502,317	-	-	-
Interest income	-	(389,023)	-	(256,826)
Dividend received	-	-	-	-
Interest expense	133,479	127,611	-	-
Impact of foreign currency translation	13,788	2,064	-	-
(Increase)/Decrease in assets:				
Decrease/(Increase) in receivables	(867,003)	(40,260)	-	-
Decrease/(Increase) in inventories	15,954	(2,609)	-	-
Decrease/(Increase) in prepayments	(11,756)	124,803	-	-
(Decrease)/Increase in liabilities:				
(Decrease)/Increase in payables	150,116	(384,904)	-	-
(Decrease)/Increase in provision	(39,942)	(593,830)	-	-
Cash generated from/(used by) operations	**(2,433,010)**	**(2,440,288)**	**(99,382)**	**(98,932)**
Interest paid	-	-	-	-
Taxes paid	(173,271)	151,750	-	-
Net cash flows (used by)/from operating activities	**(2,259,739)**	**(2,592,038)**	**(99,382)**	**(98,932)**
Cash flows from investing activities				
Dividend received	-	-	-	-
Acquisition of fixed assets	(59,031)	(114,689)	-	-
Purchase of furniture, fixtures and equipment from provision for furniture, fixtures and equipment	(44,334)	112,532	-	-
Proceeds from sale of property, plant and equipment	-	-	-	-
Payment for acquisition of investments	-	-	-	-
Other non-current assets	-	-	-	-
Interest received	-	-	-	-
Loan to related party	-	-	2,500,000	-
Dividend paid to related party	-	-	-	
Dividend paid to minority interest	-	-	-	
Net cash flows from/(used by) investing activities	**(103,365)**	**(2,157)**	**2,500,000**	**-**
Cash flows from financing activities				
Proceeds from issuance of shares	-	-	-	-
Advances to related parties	(1,064,500)	-	-	-
Proceeds from related party borrowings	-	-	-	(181,087)
Payment of Principle Portion of Lease liabilities	(10,790)	(17,454)	-	-
Loans to related party	-	-	-	-
Repayment of bank loans	-	-	-	-
Dividend paid	-	-	-	-
Net cash flows from financing activities	**(1,075,290)**	**(17,454)**	**-**	**(181,087)**
Net increase/(decrease) in cash and cash equivalents	(3,438,394)	(2,611,649)	(2,588,382)	(280,019)
Cash and cash equivalents at beginning of year	4,761,416	7,373,065	3,479,946	3,759,965
Effect of exchange rate changes on cash balances	-	-	-	-
Cash and cash equivalents at end of year (Note 10)	**1,323,022**	**4,761,416**	**880,564**	**3,479,946**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended March 31, 2022

1. Corporate information

The financial report of EIH International Ltd and its controlled entities (the "Group") for the year ended 31 March 2022 was authorised for issue on   April 2022.

EIH International Ltd and its controlled entities is a company limited by shares and incorporated in British Virgin Island. The principal activity of the Group during the course of the year was investment and management. The ultimate parent of the Group is EIH Limited, a company incorporated in India.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial report has been prepared in accordance with the requirements of the International Financial Reporting Standards ('IFRS').

The financial report has also been prepared on a historical cost basis.

The financial report is presented in United States dollars and all values are rounded to the nearest dollars unless otherwise stated.

(b) Compliance with IFRS

The financial report complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

(c) Changes in accounting policies and disclosures

Accounting standards issued in the current period or those issued but not yet effective have been considered by management and are not expected to have a material impact on the business.

Remaining accounting policies adopted are consistent with those of the previous financial year.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of EIH International Ltd (the "Company") and its controlled entities as at 31 March 2022 (the "Group"). The financial information of the controlled entities is prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries are stated at cost less provisions for any permanent diminution in value, with income from subsidiaries being recognised to the extent of dividends received and receivable.

(e) Business Combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured at fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised either in profit or loss or in other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured.

(f) Operating Segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team. The group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in each of the following respects:

- Nature of the products and services,
- Nature of the production processes,
- Type or class of customer for the products and services,
- Methods used to distribute the products or provide the services, and if applicable
- Nature of the regulatory environment.

Operating segments that meet the quantitative criteria are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

(g) Foreign Currencies Translation

Transactions in foreign currency are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into United States dollars at the exchange rates ruling at the balance date.

Non-monetary items measured at fair value in a foreign currency in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange gains and losses on foreign currency translation are dealt with in the Statement of Comprehensive Income account.

On consolidation, exchange differences arising from the translation of the net investment in subsidiaries are taken to the foreign currency translation reserve.

(h) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Receivables

Receivables, which generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

(j) Inventories

Inventories are valued at the lower of cost and 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.

(k) Investments

The Group's investments are recorded at fair value through other comprehensive income, as there is no quoted market price in an active market the fair value is estimated to approximate the cost. The Group does not intend to dispose its investment in the near future.

(l) Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables and loans, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Where the reporting dates of the associates are different to the Group, adjustments are made for the effects of significant transactions or events that occur between that date and the date of the Group's financial statements. The difference between the end of the reporting period of the associate and that of the Group is no more than three months. The associates' accounting policies to those used by the Group for like transactions and events in similar circumstances.

(m) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred.

Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the specific assets as follows:

- Land - not depreciated
- Buildings - over 20 years
- Plant and equipment - over 5 to 15 years
- Leased equipment - over 8 to 10 years
- Motor vehicles - over 4 years
- Right-of-Use assets – over 38 years

Rights-of-use assets represent land and will be amortized over the lease terms.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Revaluations of land and buildings
Any revaluation increment is credited to the asset revaluation reserve included in equity, except to the extent that it reverses a revaluation decrement for the same asset previously recognised in profit or loss, in which case the increment is recognised in profit or loss.

Any revaluation decrement is recognised in profit or loss, except to the extent that it offsets a previous revaluation increment for the same asset, in which case the decrement is debited directly to the asset revaluation reserve to the extent of the credit balance existing in the revaluation reserve for that asset.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the assets.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of comprehensive income. Upon disposal or derecognition, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Derecognition
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

(n) Intangible assets

Goodwill
Goodwill acquired in a business combination is initially measured at cost of the business combination being the excess of the consideration transferred over the fair value of the Group's net identifiable assets acquired and liabilities assumed. If this consideration transferred is lower than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Management contracts
Management contracts are measured at cost. After initial recognition, management contracts are measured at cost less any accumulated amortisation and impairment losses.

Amortisation of the various management contracts commenced from 1 April 2011 and was determined to be over a 40 year useful life, to be reassessed for reasonableness each period.

(o) Payables

Payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(p) Provision and employee benefits

(i) Provisions

Provisions are recognised when the Group 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.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

(ii) Post-Employment Benefits

The Company recognizes short-term employee benefits liability when services are rendered and the compensation for such services are to be paid within twelve months after rendering such services. The liability is presented as part of "Accrued Expenses" in the statement of financial position.

Effective April 1, 2016, the Company applied PSAK No. 24 (Revised 2013), "Employee Benefits", which superseded PSAK No. 24 (Revised 2010), "Employee Benefits". The Company recognizes its unfunded pension benefits liability in accordance with Labor Law No. 13/2003 dated March 25, 2003 ("the Law") and PSAK No. 24 (Revised 2013), "Employee Benefits".

This PSAK provides, among others, (i) the elimination of the "corridor approach" permitted under the previous version and (ii) significant changes in the recognition, presentation and disclosure of post-employment benefits which, among others, are as follows:

- Actuarial gains and losses are now required to be recognized in other comprehensive income (OCI) and excluded permanently from profit or loss.

- Expected return on plan assets will no longer be recognized in profit or loss. Expected returns are replaced by recognizing interest income (or expense) on the net defined benefit asset (or liability) in profit or loss, which is calculated using the discount rate used to measure the pension obligation.

- Unvested past service costs can no longer be deferred and recognized over the future vesting period. Instead, all past service costs will be recognized at the earlier of when the amendment/curtailment occurs or when the Company recognizes related restructuring or termination costs.

- Such changes are made in order that the net pension assets or liabilities are recognized in the statement of financial position to reflect the full value of the plan deficit or surplus.

- Further, past service costs arising from the introduction of a defined benefit plan or changes in the benefits payable of an existing plan are required to be amortized over the period until the benefits concerned become vested.

(q) Taxation

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(r) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The following specific recognition criteria must be met before revenue is recognised:

(i) Rendering of Services

Revenue from management and service fees received as hotel operators and managers for services rendered is recognised by reference to the services being transferred to the customer.

(ii) Sale of Goods

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services

(iii) Interest Income

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(t) Leases

The Group recognises right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognized based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. The Company's lease accounting is as a lessee since the Company does not have any transactions as a lessor.

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

(u) **Key judgements and estimates**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Following the outbreak of Novel Coronavirus (COVID 19) in FY2020, previous country restrictions have ceased and it is expected that there will be a return to normal business conditions during FY2023. This has impacted the key assumptions used in impairment testing for goodwill and other intangible assets (note 8).

ii) Leases - Estimating the incremental borrowing rate. The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

3. Turnover

Revenue represents income from hotel operations, management and service fees received as hotel operators and managers for services rendered to hotels, royalty, dividend and interest income.

Expressed in United States Dollars ($)

	Consolidated		Parent	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Hotel revenues	76,867	-	-	-
Hotel management fees	1,420,786	361,669	-	-
Sales and marketing	736,264	330,467	-	-
Royalty	53,667	6,071	-	-
Dividends	-	-	-	-
Interest	-	389,023	-	256,826
	2,287,584	**1,087,230**	**-**	**256,826**

4. Taxation

A reconciliation of the tax expense applicable to the profit before tax using the statutory rate to the tax expense at the effective tax rate is as follows:

	Consolidated		Parent	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Profit / (loss) before tax	(10,527,590)	(8,458,223)	(99,382)	157,894
Tax at the statutory tax rate of Nil % (2020: Nil %)	-	-	-	-
Tax rate differential in foreign Countries	170,156	(38,753)	-	-
Taxation expense/(benefit)	**170,156**	**(38,753)**	**-**	**-**

a. Taxes payable consist of the following:

Expressed in United States Dollars ($)

	Consolidated		Parent	
	Year ended March 31, 2022	**Year ended March 31, 2021**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Indonesia:				
Development tax I	7,983	6,787	-	-
Income tax	-	-		
Article 4(2)	-	-	-	-
Article 21	5,834	6,669	-	-
Article 23	6,416	4,517	-	-
Article 25	-	-	-	-
Article 26	95	168	-	-
Article 29	-	-	-	-
Value added tax	7,168	6,866	-	-
Withholding tax	-	-	-	-
Total	**27,496**	**25,007**	**-**	**-**

b. The reconciliation between the income tax expense derived by multiplying the income before income tax multiplied by the applicable tax rate and income tax expense – net as shown in the statement of profit or loss and other comprehensive income is as follows:

Expressed in United States Dollars ($)

	Consolidated		Parent	
	Year ended March 31, 2022	**Year ended March 31, 2021**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Income/(loss) before income tax	(10,527,590)	(8,458,223)	(99,382)	157,894
Tax expense at the applicable rate	(650,815)	(381,967)	-	-
Utilisation of carry forward tax losses	-	(90,797)	-	-
Unrecognised deferred assets	713,398	-	-	-
Tax effect on permanent differences:	26,369	648,121		
Tax effect on changes in the tax rate	24,742	(257,506)		
Interest income already subjected to final tax	(48)	-	-	-
Non-deductible expenses	35,564	64,545	-	-
Translation adjustments	20,946	93,414	-	-
Income tax expense/(benefit)				
Current year	158,143	75,810	-	-
Deferred year	-	-		
Prior Year	12,013	(114,563)	-	-
Total	**170,156**	**(38,753)**	**-**	**-**

c. Deferred income tax benefit (expense) consists of:

Expressed in United States Dollars ($)

	Consolidated		Parent	
	Year ended March 31, 2022	**Year ended March 31, 2021**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Provision (payment of reserve) for replacement of furniture, fixtures and equipment – net	-	-	-	-
Provision for employee benefits - net	-	-	-	-
Depreciation and amortization - net	-	-	-	-
Translation Adjustments	-	-		
Net	**-**	**-**	**-**	**-**

d. Deferred tax assets/(liabilities) consist of:

Expressed in United States Dollars ($)

	Consolidated					
	As at 1 April, 2021	**Profit or loss**	**Changes tax rate**	**Other comprehensive income**	**Translation Adj.**	**As at 31 March, 2022**
Deferred tax assets						
Employee benefits liability	197,123	-	-	-	928	198,051
Reserve for replacement of furniture, fixtures and equipment	237,749	-	-	-	1,638	239,387
Lease Liability	7,263	-	-	-	-	7,263
Interest Expense	54,091	-	-	-	-	54,091
Change in Tax rates	-	-	-	-	-	-
Total deferred tax assets	496,226	-	-	-	2,566	498,792
Deferred tax liabilities			-	-		
Depreciation and amortization - net	56,352	(88,881)	8,066	-	1,167	(23,296)
Translation adjustments	(16,705)	-	-	-	4,584	(12,121)
Net deferred tax assets	**535,873**	**(88,881)**	**8,066**	**-**	**8,317**	**463,375**

	As at April 1, 2020	**Profit or loss**	**Other comprehensive income**	**Translation Adj.**	**As at March 31, 2021**
Deferred tax assets					
Employee benefits liability	280,500	(80,953)	(2,424)	-	197,123
Reserve for replacement of furniture, fixtures and equipment	224,472	13,593	-	(316)	237,749
Lease Liability	(40,021)	47,284		-	7,263
Interest Expense	113,624	(59,533)		-	54,091
Change in Tax rates	-	-		-	-
Total deferred tax assets	578,575	(79,609)	(2,424)	(316)	496,226
Deferred tax liabilities					
Depreciation and amortization - net	(32,024)	88,376		-	56,352
Translation adjustments	(9,522)			(7,183)	(16,705)
Net deferred tax assets	**537,029**	**8,767**	**(2,424)**	**(7,499)**	**535,873**

	Parent			
	As at April 1, 2021	**Profit or loss**	**Other comprehensive income**	**As at March 31, 2022**
Deferred tax assets				
Employee benefits liability	-	-	-	-
Reserve for replacement of furniture, fixtures and equipment	-	-	-	-
Total deferred tax assets	-	-	-	-
Deferred tax liabilities				
Depreciation and amortization - net	-	-	-	-
Net deferred tax assets	-	-	-	-

Notes to the Financial Statements

For the year ended March 31, 2022

Expressed in United States Dollars ($)

	Parent			
	As at April 1, 2020	Profit or loss	Other comprehensive income	As at March 31, 2021
Deferred tax assets				
Employee benefits liability	-	-	-	-
Reserve for replacement of furniture, fixtures and equipment	-	-	-	-
Total deferred tax assets	-	-	-	-
Deferred tax liabilities				
Depreciation and amortization - net	-	-	-	-
Net deferred tax assets	-	-	-	-

5. Directors' Remuneration

	Consolidated		Parent	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Fees	-	-	-	-
Other emoluments	-	-	-	-
	-	-	-	-

6. Investments

Investments in Subsidiaries

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Unlisted shares	-	-	89,043,714	89,043,714

Investments in Associates

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Oberoi Mauritius Limited	1,669,853	2,429,648	4,867,500	4,867,500
La Roseraie De L'Atlas SA	11,312,706	16,295,695	-	-
	12,982,559	**18,725,343**	**4,867,500**	**4,867,500**

Other Investments

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Tourism Investment Co. Sal Hasheesh	**3,583,219**	**5,085,536**	**764,000**	**764,000**
	3,583,219	5,085,536	764,000	764,000

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Total investments	**16,565,778**	**23,810,879**	**94,675,214**	**94,675,214**

Notes to the Financial Statements

For the year ended March 31, 2022

Details of the subsidiaries are as follows:

Name	Place of incorporation	Percentage of equity attributable to the Company Directly	Indirectly	Principal Activities	Directors
EIH Holdings Ltd	British Virgin Island	100	-	Hotel investment and management	Mr. P. R. S. Oberoi Mr. D. Madhok Mr. P. Selvadurai
PT Widja Putra Karya	Indonesia	21.11	48.89	Hotel ownership	I Wayan Pasek I Made Sutarjana Mr Deepak Madhok
PT Waka Oberoi Indonesia	Indonesia	5.74	90.59	Hotel ownership	I Wayan Pasek I Ketut Siandana Mr Deepak Madhok
PT Astina Graha Ubud	Indonesia	-	60	Hotel development	I Wayan Pasek Tjokorda Raka Kerthayasa Mr Deepak Madhok

7. Property, Plant and Equipment

Expressed in United States Dollars ($)

	Consolidated							
	Freehold Land	Freehold Buildings	Right of Use Asset	Plant and Equipment	Furniture & Fittings	Motor Vehicles	Project Expenses	Total
Cost								
At April 1, 2020	**5,411,600**	**5,691,260**	**2,699,752**	**2,260,700**	**2,684,786**	**211,304**	**1,481,174**	**20,440,576**
Additions	-	96,144	-	-	1,028	-	17,517	114,689
Transfers	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	(17,400)	(17,400)
Foreign Exchange	41,886	698,778	332,559	278,473	330,684	26,028	43,704	1,752,112
At March 31, 2021	**5,453,486**	**6,486,182**	**3,032,311**	**2,539,173**	**3,016,498**	**237,332**	**1,524,995**	**22,289,977**
Additions	-	59,031	-	-	-	-	-	59,031
Transfers	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Foreign Exchange	5,936	100,586	47,126	39,464	46,880	3,689	6,397	250,078
At March31, 2022	**5,459,422**	**6,645,799**	**3,079,437**	**2,578,637**	**3,063,378**	**241,021**	**1,531,392**	**22,599,086**
Depreciation								
At April 1, 2020	**-**	**(2,372,109)**	**(69,468)**	**(1,744,344)**	**(2,320,674)**	**(141,949)**	**-**	**(6,648,544)**
Depreciation Expense	-	(222,824)	(78,379)	(120,523)	(155,174)	(22,465)	-	(599,365)
Foreign Exchange	-	(291,153)	(8,205)	(214,313)	(285,139)	(17,382)	-	(816,192)
Disposals	-	-	-	-	-	-	-	-
At March 31, 2021	**-**	**(2,886,086)**	**(156,052)**	**(2,079,180)**	**(2,760,987)**	**(181,796)**	**-**	**(8,064,101)**
Depreciation Expense	-	(227,900)	(79,192)	(113,790)	(125,705)	(19,842)	-	(566,429)
Foreign Exchange	-	(44,980)	(2,472)	(32,381)	(42,983)	(2,840)	-	(125,656)
Disposals	-	-	-	-	-	-	-	-
At March 31, 2022	**-**	**(3,158,966)**	**(237,716)**	**(2,225,351)**	**(2,929,674)**	**(204,478)**	**-**	**(8,756,186)**

Notes to the Financial Statements

For the year ended March 31, 2022

Expressed in United States Dollars ($)

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Freehold Land				
At Cost	5,459,422	5,453,486	-	-
Accumulated depreciation	-	-	-	-
	5,459,422	**5,453,486**	-	-
Freehold Buildings				
At Cost	6,645,799	6,486,182	-	-
Accumulated depreciation	(3,158,966)	(2,886,086)	-	-
	3,486,833	**3,600,096**	-	-
Right of Use Asset				
At Cost	3,079,437	3,032,311	-	-
Accumulated depreciation	(237,716)	(156,052)	-	-
	2,841,721	**2,876,259**	-	-
Plant and Equipment				
At Cost	2,578,637	2,539,173	-	-
Accumulated depreciation	(2,225,351)	(2,079,180)	-	-
	353,286	**459,993**	-	-
Furniture & Fittings				
At Cost	3,063,378	3,016,498	-	-
Accumulated depreciation	(2,929,675)	(2,760,987)	-	-
	133,703	**255,511**	-	-
Motor Vehicles				
At Cost	241,021	237,332	-	-
Accumulated depreciation	(204,478)	(181,796)	-	-
	36,543	**55,536**	-	-
Project Expenses	**1,531,392**	**1,524,995**	-	-
Total property, plant and equipment, net	**13,842,900**	**14,225,876**	-	-
At cost	22,599,085	22,289,977	-	-
Accumulated depreciation	(8,756,185)	(8,064,101)	-	-
Written Down Value	**13,842,900**	**14,225,876**	-	-

8. Intangible Assets

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Goodwill	30,738,758	30,738,758	-	-
Management contracts	36,400,000	36,400,000	-	-
Less: accumulated amortisation	(10,010,000)	(9,100,000)	-	-
Management contracts, net	26,390,000	27,300,000	-	-
	57,128,758	**58,038,758**	**-**	**-**

Impairment testing of goodwill

Goodwill acquired through business combinations is attributed to the hotel ownership, operation and management cash-generating unit (CGU) for impairment testing.

Hotel ownership, operation and management cash-generating unit

In 2022, the recoverable amount of the hotel ownership, operation and management CGU was determined using a value-in-use calculation based on cash flow projections and financial budgets approved by senior management.

The key assumptions used in the value-in-use calculation are the forecast earnings, management fees, sales and marketing fees receivable from the CGU, the discount rate applied to the projected cash flows and the growth rate assumption on the value-in-use calculation.

A range of discount rates were considered and applied to the cash flow projections, from 11% to 17% and cash flows beyond the five-year period were projected using a terminal growth rate ranging from 3.0% to 3.5%, which is consistent with the long-term average growth rate of the industry.

None of the scenarios tested resulted in an impairment of the carrying value of the assets of the CGU or the Group's intangible assets.

9. Related Parties

(a) List of Related Parties

In accordance with the requirements of International Accounting Standard (IAS) - 24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions and year-end balance with them in the ordinary course of business and on arms' length basis are given below:

Key Management Personnel of the company	**Fellow Subsidiaries**
Mr. P.R.S. Oberoi	Mumtaz Hotels Limited
Mr. Deepak Madhok	Mashobra Resort Limited
Mr. Pathmanaban Salvadurai	Oberoi Kerala Hotels and Resorts Limited
Mr. Sudipto Sarkar	EIH Flight Services Limited
Parent Company	**Associates & Joint Ventures**
EIH Limited	**(a) Associates**
	La Roseraie De L'atlas
Subsidiaries	**(b) Joint Ventures**
EIH Holdings Ltd	Oberoi Mauritius Ltd
PT Widja Putra Karya	**(c) Subsidiary of Joint Venture**
PT Waka Oberoi Indonesia	Island Resort Ltd
PT Astina Graha Ubud	
	Associates & Joint Ventures of parent entity
	(a) Associates
	EIH Associated Hotels Limited
	Usmart Education Limited
	(b) Joint Ventures
	Mercury Car Rentals Private Limited

Notes to the Financial Statements

For the year ended March 31, 2022

(b) Transactions with Related Parties for the year ended March 31, 2022

Expressed in United States Dollars ($)

NATURE OF TRANSACTIONS	Parent Company		Fellow Subsidiaries		Associate / Joint Venture	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
PURCHASES						
Purchase of Goods & Services						
EIH Ltd	616	4,530	-	-	-	-
EIH Flight Services	-	-	-	753	-	-
Island Resorts Ltd	-	-	-	-	10,265	5,474
Total	**616**	**4,530**	**-**	**753**	**10,265**	**5,474**
SALES						
Sale of Goods and Services						
EIH Ltd	-	7,287	-	-	-	-
Island Resorts Ltd	-	-	-	-	8,450	-
Total	**-**	**7,287**	**-**	**-**	**8,450**	**-**
INCOME			-			
Management Fees						
Island Resorts Ltd	-	-			113,794	1,384
La Roseraie De'Atlas	-	-	-	-	33,509	14,643
Group Sales & Marketing			-	-		
Island Resorts Ltd	-	-			75,863	923
La Roseraie De'Atlas	-	-	-	-	22,882	21,963
Interest			-	-		
Oberoi Mauritius Ltd	-	-			-	389,023
Total	**-**	**-**	**-**	**-**	**246,048**	**427,936**
FINANCE PAYMENTS			-	-		
Dividend on Equity Shares						
EIH Ltd	-	-			-	-
Investment in Equity Shares			-	-		
La Roseraie De'Atlas	-	-			-	-
Advance to Related Party			-	-		
Oberoi Mauritius Ltd	-	-			-	389,023
La Roseraie De'Atlas	-	-	-	-	1,064,500	-
Total	**-**	**-**	**-**	**-**	**1,064,500**	**389,023**
RECEIPTS			-	-		
Repayment of Advance to Related Party						
Oberoi Mauritius Ltd	-	-			-	-
La Roseraie De'Atlas	-	-	-	-	-	-
Total	-	-	-	-	-	-

Notes to the Financial Statements

For the year ended March 31, 2022

(c) Outstanding Balances as on March 31, 2022

Expressed in United States Dollars ($)

NATURE OF TRANSACTIONS	Parent Company		Fellow Subsidiaries		Associate / Joint Venture	
	2022	2021	2022	2021	2022	2021
Receivable for Goods & Services						
EIH Ltd	-	-	-	-	-	-
Island Resorts Ltd	-	-	-	-	70,838	-
La Roseraie De'Atlas	-	-	-	-	108,340	32,945
Advance to Related Party						
Oberoi Mauritius Ltd	-	-	-	-	6,872,747	6,872,747
La Roseraie De'Atlas	-	-	-	-	1,135,000	70,500
Total	**-**	**-**	**-**	**-**	**8,186,925**	**6,976,192**
Payable for Goods & Services						
EIH Ltd	616	2,707	-	-	-	-
Total	**616**	**2,707**	**-**	**-**	**-**	**-**

10. Cash and Cash Equivalents

Expressed in United States Dollars ($)

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Cash at Bank	1,311,139	4,750,401	880,564	3,479,946
Cash on hand	11,883	11,015	-	-
	1,323,022	**4,761,416**	**880,564**	**3,479,946**

11. Receivables

Expressed in United States Dollars ($)

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade receivables	1,009,286	302,304	-	-
Other receivables	-	-	-	-
	1,009,286	**302,304**	**-**	**-**

12. Payables

Expressed in United States Dollars ($)

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Third parties	2,194,052	2,102,232	60,000	60,000
Related parties	-	-	-	-
	2,194,052	**2,102,232**	**60,000**	**60,000**

13. Long-term Employee Benefits Liability

The Group's long-term employee benefits liability consists only of post-employment benefits.

Employees of the Group relate to subsidiary company operations which are domiciled in Indonesia, as such the post-employment benefits to its employees are based on the provisions of Labor Law No. 13/2003 dated March 25, 2003 and other applicable regulations.

The components of post-employment benefits expense recognized in the statement of profit or loss and other comprehensive income and post-employment benefits liability recognized in the statement of financial position as determined by determined by KKA Herman Budi Purwanto, an independent firm of actuary, in their reports dated March 31, 2022 and March 31, 2021.

The key assumptions used in determining the employee benefits liability are as follows:

	PT Widja Putra Karya	PT Waka Oberoi Indonesia
Discount rate	7.65% in 2022 and 7.95% in 2021	7.60% in 2022 and 7.82% in 2021
Annual salary increase	8.5% in 2022 and 2021	8.50% per annum in 2022 and 2021
Mortality	TMI IV in 2022 and TMI IV in 2021	TMI IV in 2022 and TMI IV in 2021
Retirement age	58 years in 2022 and 57 years in 2021	58 years old in 2022 and 57 years old in 2021
Disability rate	5% of mortality table TMI IV in 2022 and TMI IV in 2021	10% mortality from table TMI IV in 2022 and TMI IV in 2021

As of March 31, 2022, if the discount rate is increased/decreased by 1% with all other variables held constant, the employee benefits liability would have been lower/higher by ($76,076)/ $75,697.

a. Details of post-employment benefits expense:

Expressed in United States Dollars ($)

	Consolidated		Parent	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Past Service Cost	-	(202,567)	-	-
Current service cost	51,487	49,588		
Interest cost	57,959	61,634	-	-
Total post-employee Benefits expense	**109,446**	**(91,345)**	**-**	**-**

b. Details of post-employment benefits liability:

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Present value of defined Benefits obligation	755,347	805,784	-	-
Unrecognized past service cost - unvested	-	-	-	-
Unrecognized actuarial loss	-	-	-	-
Employee benefit liability	**755,347**	**805,784**	**-**	**-**

c. **Movements in post-employment benefits liability are as follows:**

Expressed in United States Dollars ($)

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Beginning balance	805,784	912,778	-	-
Provision during the year	109,446	(91,345)	-	-
Payment during the year	(123,568)	(117,208)	-	-
Actuarial loss (gain) from Experience adjustment	(83,176)	(87,863)	-	-
Change in financial assumption	39,799	45,196	-	-
Demographic assumption	-	41,946		
Translation adjustment	7,062	102,280	-	-
Employee benefit liability	**755,347**	**805,784**	**-**	**-**

14. Leases

The Group has entered into lease contracts of land in its operations in Indonesia wherein the lease term is valid from 2019 to 2057. The Group also has certain lease of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. The rights-of-use assets represent assets from lease contracts for land valid until 2057 amounting to $3,104,882 and $3,032,311 with accumulated depreciation amounting to $237,616 and $78,379 as of March 31, 2022 and 2021, respectively. There is no transfer of ownership option for the lease.

The following are the amounts recognized in statement of profit or loss and other comprehensive income:

Expressed in United States Dollars ($)

	Consolidated		Parent	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense of rights-of-use assets included in fixed assets	(79,192)	(78,379)	-	-
Interest expense on lease liabilities	(133,479)	(127,611)	-	-
Expense related to short-term leases included in administrative expenses	(5,046)	(5,943)	-	-
Total	**(217,717)**	**(211,933)**	-	-

The rollforward analysis of lease liabilities as follows:

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
As at April 1	2,819,815	2,709,658	-	-
Additions	-	-	-	-
Interest expense	133,479	127,611	-	-
Payments	(10,790)	(17,454)	-	-
Foreign exchange loss (gain)	-	-	-	-
Total	**2,942,504**	**2,819,815**	**-**	**-**
Less current maturities portion	(504,773)	(299,037)		
Net of current portion	**2,437,731**	**2,520,778**		

Shown below is the maturity analysis of the undiscounted lease payments:

Expressed in United States Dollars ($)

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
1 year	107,385	107,385	-	-
More than 1 years to 2 years	214,771	214,771	-	-
More than 2 years to 3 years	219,067	214,771	-	-
More than 3 years to 4 years	249,135	236,248	-	-
More than 5 years	5,834,501	5,959,068	-	-
Net of current portion	**6,624,859**	**6,732,243**	**-**	**-**

15. Contributed Equity

Share Capital

Expressed in United States Dollars ($)

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Issued and fully paid: 106,607,800 (2021: 106,607,800) ordinary shares	106,607,800	106,607,800	106,607,800	106,607,800

Expressed in United States Dollars ($)

	Consolidated		Parent	
	Number of Shares	$	Number of Shares	$
As at 31 March, 2020	**106,607,800**	**106,607,800**	**106,607,800**	**106,607,800**
Shares issued	-	-	-	-
As at 31 March, 2021	**106,607,800**	**106,607,800**	**106,607,800**	**106,607,800**
Share issued	-	-	-	-
As at 31 March, 2022	**106,607,800**	**106,607,800**	**106,607,800**	**106,607,800**

16. Non-controlling interest

	Consolidated		Parent	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Contributed equity	3,157,881	3,157,881	-	-
Translation reserve	(957,500)	(976,767)	-	-
Dividend paid	-	-	-	-
Retained earnings	(606,104)	44,791	-	-
Current year profit	(709,078)	(650,895)	-	-
	885,199	**1,575,010**	**-**	**-**

17. Financial Risk Management Objectives and Policies

Foreign currency risk

The Group has investments in entities with transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. The Group does not require all its operating units to use forward currency contracts to eliminate the foreign currency exposures on any individual transactions

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the Indonesian Rupiah exchange rate, with all other variables held constant, of the Group's profit before tax.

	Increase/(decrease) in Rupiah rate %	Increase/ (decrease) in profit after tax US$	Increase/ (decrease) in equity US$
2022			
If the US dollar weakens against the Rupiah	5	162,025	(91,747)
If the US dollar strengthens against the Rupiah	(5)	(170,126)	96,335
2021			
If the US dollar weakens against the Rupiah	5	83,853	(63,222)
If the US dollar strengthens against the Rupiah	(5)	(92,680)	69,877

Credit risk

The credit risk of the Company's financial assets arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Liquidity risk

The Company has minimal risk of shortage of funds as its shareholders have agreed to provide adequate funds for the Company to meet its liabilities as and when they fall due.

The maturity profile of the Company's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

Expressed in U.S. Dollar ($)

	2022		
	On demand	Over 1 year	Total
Trade and other payables	2,194,052	-	2,194,052
Provision for taxation	27,496		27,496
Amounts due to related parties	3,120,000	-	3,120,000

	2021		
	On demand	Over 1 year	Total
Trade and other payables	2,102,232	-	2,102,232
Provision for taxation	25,007		25,007
Amounts due to related parties	3,120,000	-	3,120,000

Capital management

The Company's primary objective for its own capital management aligns with its management of liquidity risk (see above) and is to safeguard its ability to continue as a going concern, and the Company may issue new shares to maintain or adjust its capital structure.

The Company is not subject to any externally imposed capital requirements and there were no changes in the objectives, policies or processes during the year. Capital of the Company comprises all components of shareholder's equity.

18. Events After Statement of Financial Position Date

The outbreak of Novel Coronavirus (COVID-19) continues to progress and evolve. The extent and duration of impacts of COVID-19 remain uncertain and dependent on future developments that cannot be accurately predicted at this time. Therefore, it is challenging to predict the full extent and duration of COVID-19 on business, tourism, hotel and economic activities.

No other material matters or circumstances have arisen since the end of the year that requires disclosure in the financial statements.

19. Commitments and Contingencies

In 2021, a litigation case was filed by Mr. I. Ketut Siandana and Mr. I Made Sutarjana (the "Plaintiffs") against the subsidiary company PT Widja Putra Karya (PT WPK) at the District Court of Denpasar claiming that the lease period for the land rightfully owned by the Plaintiffs have ended on December 31, 2019. The Company maintains that the lease term is up to December 31, 2057 in accordance with the minutes of meetings dated January 24, 2007 duly signed by the Plaintiffs. The Plaintiffs and the Company have filed their respective responses in the District Court. On February 23, 2022, the District Court has given the ruling in favour of the Plaintiffs, which rejected the Company's exception in its entirety and partially accepted the Plaintiff's lawsuit. Disagreeing to the ruling of the court in favour of the Plaintiff, on March 8, 2022, the Company submitted an appeal at the High Court of Denpasar. As of report date, the case is still currently in the appeal process and the Company is still awaiting decision from the High Court. Based on management assessment, a provision has yet to be recognised pending decision from the High Court on the appeal.

There are no other outstanding commitments and contingencies at year end.

In the opinion of the directors:

(a) the statement of comprehensive income and statement of changes in equity is drawn up so as to give a true and fair view of the results of the Group for the year ended 31 March 2022;

(b) the statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Group at 31 March 2022; and

(c) at the date of this statement, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

This statement has been made in accordance with a resolution of directors.

25 April, 2022

Deepak Madhok
Director

EIH HOLDINGS LTD

BOARD

Mr. P. R. S. Oberoi
Mr. Deepak Madhok
Mr. Pathmanaban Selvadurai

AUDITORS

Ernst & Young
Ernst & Young Building
121, King William Street
Adelaide SA 5000
Australia

REGISTERED OFFICE

Commerce House
Romasco Place, Wickhams Cay 1,
Road Town, Tortola,
British Virgin Islands

Directors' Report

DIRECTORS

The directors have pleasure in submitting the Statement of Financial Position of EIH Holdings Ltd (the 'Company') as at 31 March 2022, and the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended and report as follows:

The names of the directors in office at the date of this report are:

P R S Oberoi
Deepak Madhok
Pathmanaban Selvadurai

The Directors were in office for the entire year unless otherwise stated.

PRINCIPAL ACTIVITY

The principal activity of the Company during the course of the year was investment and management.

RESULT

The net profit for the year was $891,755 (2021: loss of $293,965) after provision for income tax expense of $77,317 (2021: $17,897).

EVENTS AFTER THE BALANCE DATE

No material matters or circumstances have arisen since the end of the year that requires disclosure in the financial statements.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Company's operations are not regulated by any significant environmental regulation.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There are no significant changes in state of affairs.

The results of the Company operations during the period have not, in the opinion of the Directors, been affected by any item, transaction or event of a material or unusual nature.

DIVIDENDS

During the year, no dividend (2021: nil) was declared and paid.

DIRECTORS' REMUNERATION

No director has received or become entitled to receive a benefit, other than benefits disclosed in the financial statements or the fixed salary of a full-time employee of the Company or a related body corporate, by reason of a contract made by the Company or a related body corporate with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

SHARE OPTIONS

No options over issued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the date of this report.

AUDITOR'S INDEPENDENCE

A copy of the auditor's independence declaration is attached to this financial report.

This report has been made in accordance with a resolution of directors.

22 April 2022

Deepak Madhok
Director

Independent Auditor’s Report

To the Members of EIH Holding Ltd

Opinion

We have audited the financial report of EIH Holdings Ltd (the Company), which comprises the statement of financial position as at 31 March, 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Company as at 31 March, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with International Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES *110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 to the financial report which describes the basis of accounting. The financial report is prepared to assist the directors of EIH Holdings Ltd to meet their financial reporting requirements. As a result the financial report may not be suitable for another purpose. Our report is intended solely for the members of EIH Holdings Ltd and should not be distributed to parties other than the members.

Information Other than the Financial Report and Auditor’s Report Thereon

The directors are responsible for the other information. The other information is the directors’ report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with International Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the International Auditing Standards 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 this financial report.

As part of an audit in accordance with the International Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 report 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 report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Ernst & Young
Adelaide
22 April, 2022

Statement of Comprehensive Income

For the year ended 31 March, 2022

Expressed in United States dollars ($)

	Notes	Year ended 31 March, 2022	Year ended 31 March, 2021
Continuing Operations			
Turnover	3	2,213,022	830,404
Cost of sales		-	-
Gross profit		**2,213,022**	**830,404**
Operating Expenses			
Administration and general expenses		1,230,162	1,096,019
Project development expenses		-	8,389
Total Operating Expenses		**1,230,162**	**1,104,408**
Other Income/(Expense)			
Other income/(expense)		(13,788)	(2,064)
Total Other Income/(Expense)		**(13,788)**	**(2,064)**
Profit/(loss) before taxation	4	**969,072**	**(276,068)**
Taxation	5	(77,317)	(17,897)
Profit/(loss)after taxation		**891,755**	**(293,965)**
Other comprehensive income			
Other comprehensive income		-	-
Total comprehensive income/(loss)		**891,755**	**(293,965)**

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 March, 2022

Expressed in United States dollars ($)

	Notes	As at 31 March, 2022	As at 31 March, 2021
Non-Current Assets			
Investments	7	44,631,099	44,631,099
Amount due from related parties	8	3,935,437	2,870,937
		48,566,536	**47,502,036**
Current Assets			
Cash and cash equivalents	9	195,784	896,280
Receivables	10	6,659,948	3,560,287
Total Current Assets		**6,855,732**	**4,456,567**
Total Assets		**55,422,268**	**51,958,603**
Current Liabilities			
Payables	11	162,240	90,330
Amount due to related parties	8	2,500,000	-
Total Current Liabilities		**2,662,240**	**90,330**
Total Liabilities		**2,662,240**	**90,330**
Total Net Assets		**52,760,028**	**51,868,273**
		-	-
Equity			
Share Capital	12	47,085,714	47,085,714
Retained Earnings		5,674,314	4,782,559
Total Equity		**52,760,028**	**51,868,273**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 31 March, 2022

Expressed in United States dollars ($)

	Note	Share Capital	Retained Earnings	Total Equity
As at 1 April, 2021	**12**	**47,085,714**	**4,782,559**	**51,868,273**
Income for the year		-	891,755	891,755
Other Comprehensive income		-	-	-
Issue of capital		-	-	-
Dividend paid		-	-	-
As at 31 March, 2022	**12**	**47,085,714**	**5,674,314**	**52,760,028**
As at 1 April, 2020	**12**	**47,085,714**	**5,076,524**	**52,162,238**
Loss for the year		-	(293,965)	(293,965)
Other Comprehensive income		-	-	-
Issue of capital		-	-	-
Dividend paid		-	-	-
As at 31 March 2021	**12**	**47,085,714**	**4,782,559**	**51,868,273**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 31 March, 2022

	Expressed in United States dollars ($)	
	Year ended 31 March, 2022	**Year ended 31 March, 2021**
Cash flows from operating activities		
Profit/(loss) before taxation	969,072	(276,068)
Adjustment for:		
Interest income	-	(132,197)
Dividend income	-	-
Impairment of Investments/Receivables	-	-
Other	13,788	2,064
(Increase)/Decrease in assets:		
Decrease/(increase) in receivables	(3,113,449)	(1,426,855)
Decrease/(increase) in related parties	-	-
(Decrease)/Increase in liabilities:		
(Decrease)/increase in payables	71,910	(133,828)
Cash generated from operations	**(2,058,679)**	**(1,966,884)**
Tax paid	(77,317)	(17,897)
Net cash flows from operating activities	**(2,135,996)**	**(1,984,781)**
Cash flows from investing activities		
Dividends paid	-	-
Dividend income	-	-
Increase in investments	-	-
Interest received	-	-
Advances to related parties	(1,064,500)	-
Net cash flows from/(used by) investing activities	**(1,064,500)**	**-**
Cash flows from financing activities		
Payments on loans provided to related parties	-	-
Issue of share capital		-
Loan received from related parties	2,500,000	
Repayment of related party borrowings	-	(106,522)
Net cash flows used by financing activities	**2,500,000**	**(106,522)**
Net increase (decrease) in cash and cash equivalents	(700,496)	(2,091,303)
Cash and cash equivalents at beginning of year	896,280	2,987,583
Effect of exchange rate changes on cash balances	-	-
Cash and cash equivalents at end of year (Note 9)	**195,784**	**896,280**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 31 March, 2022

1. Corporate information

The financial report of EIH Holdings Ltd (the "Company") for the year ended 31 March 2022 was authorised for issue on 22 April, 2022.

EIH Holdings Ltd is a company limited by shares and incorporated in British Virgin Island. The principal activity of the Company during the course of the year was investment and management.

The immediate holding company is EIH International Ltd, and the ultimate parent of the Company is EIH Limited, a company incorporated in India.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial report has been prepared in accordance with the requirements of International Financial Reporting Standards ('IFRS'), except as outlined below.

The financial report has also been prepared on a historical cost basis.

The financial report is presented in United States dollars and all values are rounded to the nearest dollars unless otherwise stated.

(b) Compliance with IFRS

The financial report complies with International Financial Reporting Standards as issued by the International Accounting Standards Board, with the following exceptions:

- IFRS 10 "Consolidated Financial Statements", as consolidated financial statements have not been prepared.
- IFRS 9 "Financial Instruments" On the basis the company carries its unlisted equity investments at cost, as it is not practicable to accurately calculate fair value.

(c) Changes in accounting policies and disclosures

Accounting standards issued in the current period or those issued but not yet effective have been considered by management and are not expected to have a material impact on the business.

Remaining accounting policies adopted are consistent with those of the previous financial year.

(d) Foreign Currencies Translation

Transactions in foreign currency are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into United States dollars at the exchange rates ruling at the balance date.

Non-monetary items measured at fair value in a foreign currency in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange gains and losses on foreign currency translation are dealt with in the Statement of Comprehensive Income account.

(e) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Receivables

Receivables, which generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost.

(g) Investments

As outlined in Note 2 b), the Company's unlisted equity investments are recorded at cost on acquisition less any permanent diminution in value as there is no quoted market price in an active market the fair value cannot be reliably measured. The Company does not intend to dispose its investment in the near future.

(h) Investments in associates and joint ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Company's investments in its associate and joint venture are accounted for at cost, less provision for any permanent diminution in value.

This is on the basis that the entity has exercised the exemption in IAS 28 to not apply equity accounting for investments in associated and joint ventures.

(i) Payables

Payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(j) Provision

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.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

(k) Taxation

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred taxation is calculated under the liability method in respect of the taxation effect arising from all timing differences between profit as computed for taxation purposes and profit as stated in the financial statements which are expected with reasonable probability to crystallise in the foreseeable future.

(l) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services:

(i) Rendering of Services

Revenue from management and service fees received as hotel operators and managers for services rendered is recognised by reference to the billing to the customers.

(ii) Interest Income

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(k) Key judgements and estimates

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Following the outbreak of Novel Coronavirus (COVID 19) in FY2020, previous country restrictions have ceased and it is expected that there will be a return to normal business conditions during FY2023.

3. Revenue

Revenue represents income from management and service fees received as hotel operators and managers for services rendered to hotels, royalty, dividend and interest income.

Notes to the Financial Statements

For the year ended 31 March, 2022

Expressed in United States dollars ($)

	Year ended 31 March, 2022	Year ended 31 March, 2021
Hotel management fees	1,420,786	361,669
Sales and marketing	738,569	330,467
Royalty	53,667	6,071
Dividends	-	-
Interest	-	132,197
	2,213,022	**830,404**

4. Profit Before Taxation

Profit before taxation is arrived at after charging and crediting:

Expressed in United States dollars ($)

	Year ended 31 March, 2022	Year ended 31 March, 2021
Interest income (Note 3)	-	132,197
Auditor remuneration		
- audit of financial report	**17,200**	11,500
	17,200	**11,500**

5. Taxation

A reconciliation of the tax expense applicable to the profit/(loss) before tax using the statutory rate to the tax expense at the effective tax rate is as follows:

Expressed in United States dollars ($)

	Year ended 31 March, 2022	Year ended 31 March, 2021
Profit/(loss) before tax	969,072	(276,068)
Tax at the statutory tax rate of Nil% (2021: Nil%)	-	-
Tax rate differential in foreign countries	77,317	17,897
Tax expense	**77,317**	**17,897**

6. Directors' Remuneration

Expressed in United States dollars ($)

	Year ended 31 March, 2022	Year ended 31 March, 2021
Fees	-	-
Other emoluments	-	-
	-	-

7. Investments

Investments in Subsidiaries

Expressed in United States dollars ($)

	As at 31 March, 2022	As at 31 March, 2021
Unlisted shares,		
PT Astina Graha Ubud	1,560,000	1,560,000
PT Widja Putra Karya	8,800,000	8,800,000
PT Waka Oberoi Indonesia	7,338,073	7,338,073
	17,698,073	**17,698,073**

Details of the subsidiaries are as follows:

Name	Place of incorporation	Percentage of equity attributable to the Company		Principal Activities	Directors
		Directly	Indirectly		
PT Widja Putra Karya	Indonesia	48.89	-	Hotel ownership	I Wayan Pasek I Made Sutarjana Mr Deepak Madhok
PT Waka Oberoi Indonesia	Indonesia	90.59	-	Hotel ownership	Mr I Ketut Siandana Mr I Wayan Pasek Mr Deepak Madhok
PT Astina Graha Ubud	Indonesia	60	-	Hotel development	Mr I Wayan Pasek Mr Tjokorda Raka- Kerthayasa Mr Deepak Madhok

Notes to the Financial Statements

For the year ended 31 March, 2022

Investments in Associates and Joint Ventures

Expressed in United States dollars ($)

	As at 31 March, 2022	As at 31 March, 2021
La Roseraie De L'Atlas SA	22,550,500	22,550,500
Oberoi Mauritius Ltd	2,507,500	2,507,500
	25,058,000	**25,058,000**

Investments associates and joint ventures and are carried at cost, less provision for any permanent diminution in value.

Other Investments

Expressed in United States dollars ($)

	As at 31 March, 2022	As at 31 March, 2021
Tourism Investment Co. at Sahl Hasheesh	1,875,026	1,875,026
	1,875,026	**1,875,026**

Expressed in United States dollars ($)

	As at 31 March, 2022	As at 31 March, 2021
Total investments	**44,631,099**	**44,631,099**

8. Related Parties

(a) List of Related Parties

In accordance with the requirements of International Accounting Standard (IAS) - 24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions and year-end balance with them in the ordinary course of business and on arms' length basis are given below:

Key Management Personnel of the company	**Fellow Subsidiaries**
Mr. P.R.S. Oberoi	Mumtaz Hotels Limited
Mr. Deepak Madhok	Mashobra Resort Limited
Mr. Pathmanaban Salvadurai	Oberoi Kerala Hotels and Resorts Limited
	EIH Flight Services Limited
Ultimate Parent Company	**Associates & Joint Ventures**
EIH Limited	**(a) Associates**
	La Roseraie De L'atlas
Parent Company	**(b) Joint Ventures**
EIH International Limited	Oberoi Mauritius Ltd
	(c) Subsidiary of Joint Venture
Subsidiaries	Island Resort Ltd
PT Widja Putra Karya	
PT Waka Oberoi Indonesia	
PT Astina Graha Ubud	

Associates & Joint Ventures of parent entities

(a) Associates

EIH Associated Hotels Limited

Usmart Education Limited

(b) Joint Ventures

Mercury Car Rentals Private Limited

Notes to the Financial Statements

For the year ended 31 March, 2022

(b) Transactions with Related Parties for the year ended 31 March, 2022

Expressed in United States dollars ($)

NATURE OF TRANSACTIONS	Parent Company		Subsidiaries		Associate / Joint Venture	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
INCOME						
Management Fees						
Island Resorts Ltd	-	-	-	-	113,794	1,384
La Roseraie De L'Atlas	-	-	-	-	33,509	14,643
Group Sales & Marketing	-	-	-	-		
Island Resorts Ltd					75,863	923
PT Widja Putra Karya	-	-	457	-	-	-
PT Waka Oberoi Indonesia	-	-	1,848	-	-	-
La Roseraie De L'Atlas	-	-	-	-	50,263	21,963
Interest	-	-	-	-		
Oberoi Mauritius Ltd					-	132,197
Total	**-**	**-**	**2,305**	**-**	**273,429**	**171,830**
FINANCE PAYMENTS						
Advance to Related Party						
Oberoi Mauritius Ltd	-	-	-	-	-	132,917
PT Widja Putra Karya		-	1,400,000	1,513,000	-	-
PT Waka Oberoi Indonesia	-	-	860,000	330,000	-	-
La Roseraie De L'Atlas		-	-	-	1,064,500	-
Repayment of Advance from Related Party	-	-	-	-		-
PT Widja Putra Karya	-	-	-	106,522	-	-
Total	**-**	**-**	**2,260,000**	**1,949,522**	**1,064,500**	**132,917**
RECEIPTS	-	-	-		-	-
Repayment of Advance to Related Party	-	-	-	-	-	-
PT Waka Oberoi Indonesia				400,000		
Advance from Related Party						
EIH International Ltd	2,500,000	-	-		-	-
Total	**2,500,000**	**-**	**-**	**400,000**		

c) Outstanding Balances as on 31 March, 2022

Expressed in United States dollars ($)

NATURE OF TRANSACTIONS	Parent Company		Subsidiaries		Associate / Joint Venture	
	2022	2021	2022	2021	2022	2021
RECEIVABLES						
For Goods & Services						
Island Resort Ltd	-	-	-	-	70,838	-
La Roseraie De L'Atlas				-	108,340	32,945
PT Widja Putra Karya	-		457	-	-	-
PT Waka Oberoi Indonesia	-		1,848	-	-	-
Advance to Related Party						
PT Waka Oberoi Indonesia	-		2,572,038	1,712,038	-	-
PT Widja Putra Karya			2,913,000	1,513,000		
PT Astina Graha Ubud	-		464,948	464,948	-	-
Oberoi Mauritius Ltd	-	-	-	-	2,335,488	2,203,291
La Roseraie De L'Atlas	-	-	-	-	1,135,000	70,500
EIH Investments NV			-	-	-	-
Total	**-**	**-**	**5,952,291**	**3,689,986**	**3,649,666**	**2,438,933**
PAYABLES						
Payable to Related Party						
EIH International Ltd	2,500,000	-	-	-	-	-
Total	**2,500,000**	**-**	**-**	**-**	**-**	**-**

9. Cash and Cash Equivalents

Expressed in United States dollars ($)

	As at 31 March, 2022	As at 31 March, 2021
Cash at Bank	**195,784**	**896,280**

10. Receivables

Expressed in United States dollars ($)

	As at 31 March, 2022	As at 31 March, 2021
Trade receivables	993,427	302,304
Related party receivables	5,666,521	3,257,983
	6,659,948	**3,560,287**

11. Payables

Expressed in United States dollars ($)

	As at 31 March, 2022	As at 31 March, 2021
Third parties	162,240	90,330
	162,240	**90,330**

12. Share Capital

Expressed in United States dollars ($)

	As at 31 March, 2022	As at 31 March, 2021
Issued and fully paid: 47,085,714 ordinary shares	47,085,714	47,085,714

Expressed in United States dollars ($)

	Number of Shares$	$
As at 31 March, 2020	**47,085,714**	**47,085,714**
Shares issued	-	-
As at 31 March, 2021	**47,085,714**	**47,085,714**
Shares issued	-	-
As at 31 March, 2022	**47,085,714**	**47,085,714**

Notes to the Financial Statements

For the year ended 31 March, 2022

13. Events After Statement of Financial Position Date

No material subsequent events or transactions have been identified

14. Commitments and Contingencies

There are no other outstanding commitments and contingencies at year end.

In the opinion of the directors:

(a) the statement of comprehensive income and statement of changes in equity is drawn up so as to give a true and fair view of the result of the Company for the year ended 31 March 2022;

(b) the balance sheet is drawn up so as to give a true and fair view of the state of affairs of the Company at 31 March 2022; and

(c) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

This statement has been made in accordance with a resolution of directors.

22 April, 2022

Deepak Madhok
Director

PT WIDJA PUTRA KARYA

BOARD

Mr. I Wayan Pasek
Mr. Deepak Madhok
Mr. I Made Sutarjana

AUDITORS

Purwanto, Sungkaro & Surja
A member firm of Ernst & Young Global Limited
Indonesia Stock Exchange Building
Tower 2, 7th Floor,
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190,
Indonesia

REGISTERED OFFICE

Jl. Kayu Aya – Seminyak Beach,
Kuta, Badung-Bali,
Indonesia

Report of the Directors

We present the report and the audited financial statements of PT Widja Putra Karya (the "Company") for the year ended March 31, 2022.

PRINCIPAL ACTIVITY

The principal activity of the Company is hotel ownership and management.

RESULTS

The Company's financial position and results of operations as of and for the year ended March 31, 2022 are set out in the financial statements on pages 1 to 7 preceded by the independent auditors' report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

We are responsible for the preparation and the presentation of the financial statements, and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. We are also responsible for the Company's internal control systems and safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing the financial statements of the Company, we are required to:

- select suitable accounting policies and then apply them consistently;
- prepare and present the financial statements in accordance with Indonesian Financial Accounting Standards;
- make judgments and estimates that are reasonable and prudent;

We confirm that we have complied with the above requirements in preparing the financial statements and all information contained in the financial statements are complete and correct. The financial statements do not contain or omit misleading information and/or facts.

This statement letter is made truthfully.

Bali, 21 April, 2022

On behalf of the Board of Directors

I Wayan Pasek
President Director

Office address: Jl. Kayu Aya, Seminyak Beach, Kuta-Badung Domicile address: Jl. Sarigading Gg. Gadingmas 9/15 Denpasar
Telephone number: (0361) 730951

Independent Auditor's Report

Report No. 00710/2.1032/AU.1/10/1175-7/1/IV/2022

The Shareholders and the Boards of Commissioners and Directors PT Widja Putra Karya

We have audited the accompanying financial statements of PT Widja Putra Karya, which comprise the statement of financial position as of March 31, 2022, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of such financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT Widja Putra Karya as of March 31, 2022, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

OTHER MATTER

Our audit was conducted for the purpose of forming an opinion on the basic Indonesian rupiah financial statements taken as a whole. The translations of the Indonesian rupiah amounts into United States Dollar have been made on the basis set forth in Note 2n to the financial statements and are presented for purposes of additional analysis only and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion thereon.

KAP Purwantono, Sungkoro & Surja

Sd/-
Tjoa Tjek Nien, CPA
Public Accountant Registration No. AP.1175

April 21, 2022

Statement of Financial Position

As of March 31, 2022

		Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Notes	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
ASSETS					
CURRENT ASSETS					
Cash on hand and in banks	2c,2o,4,18	2,334,220,113	4,474,244,980	162,675	307,044
Trade receivables - third parties	2o,5,18	227,558,288	-	15,859	-
Inventories	2e,7	2,305,941,996	2,529,072,949	160,704	173,557
Prepayments and advances	2f,8	1,549,585,340	1,562,689,387	107,993	107,239
	2d				
Due from related parties	2d,2o,6,18	23,045,179	-	1,606	-
Other current financial assets	2o,6,18	257,915,585	144,869,127	17,974	9,942
TOTAL CURRENT ASSETS		**6,698,266,501**	**8,710,876,443**	**466,811**	**597,782**
NON-CURRENT ASSETS					
	2d				
Due from related parties	2o,6,18	3,515,505,000	3,570,140,000	245,000	245,000
Fixed assets - net	2g,9	60,982,321,582	64,637,479,156	4,249,935	4,435,731
Tax amnesty assets - net	2m,12c	50,316,663	654,116,663	3,507	44,889
Deferred tax assets - net	2m,12d	4,298,100,941	4,298,100,941	299,540	294,956
Other non-current assets	2o,10,18	1,208,497,028	1,285,226,998	84,222	88,197
Estimated claims for tax refund	2m,12b	743,137,368	4,666,394,563	51,790	320,230
TOTAL NON-CURRENT ASSETS		**70,797,878,582**	**79,111,458,321**	**4,933,994**	**5,429,003**
TOTAL ASSETS		**77,496,145,083**	**87,822,334,764**	**5,400,805**	**6,026,785**

		Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Notes	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
LIABILITIES AND EQUITY (CAPITAL DEFICIENCY)					
LIABILITIES					
CURRENT LIABILITIES					
Trade payables					
Third parties	2o,11,18	773,599,316	981,086,547	53,913	67,327
Other payables	2o,18				
Third parties	2d,6	2,827,941	1,768,184	197	121
Related party	2d,6	6,551,291	-	457	-
Taxes payable	2m,12a	209,566,462	188,438,940	14,605	12,932
Accrued expenses	2o,13,18	4,727,231,597	3,845,177,119	329,447	263,874
Reserve for replacement of furniture, fixtures and equipment	2g,14	8,271,560,709	8,396,774,147	576,456	576,227
Current portion of lease liability	2p,17,18	7,242,982,069	4,357,567,847	504,773	299,037
Other current liabilities	2o,15	3,024,755,000	3,246,773,980	210,799	222,809
Due to a shareholder	2d,6	41,798,637,000	22,047,436,000	2,913,000	1,513,000
TOTAL CURRENT LIABILITIES		**66,057,711,385**	**43,065,022,764**	**4,603,647**	**2,955,327**
NON-CURRENT LIABILITY					
Long-term employee benefits liability	2j,16	6,463,651,366	7,398,121,351	450,460	507,694
Lease liability - net of current portion	2p,17,18	34,978,997,626	36,732,777,114	2,437,731	2,520,778
TOTAL NON-CURRENT LIABILITIES		**41,442,648,992**	**44,130,898,465**	**2,888,191**	**3,028,472**
TOTAL LIABILITIES		**107,500,360,377**	**87,195,921,229**	**7,491,838**	**5,983,799**
EQUITY					
Capital stock - Rp100,000 par value per share Authorized, issued and fully paid - 11,070 shares	19	1,107,000,000	1,107,000,000	659,603	659,603
Additional paid-in capital	2m,12c	3,019,000,000	3,019,000,000	226,635	226,635
Other comprehensive loss					
Re-measurement loss on long-term employee benefits liability		(1,263,896,406)	(1,638,109,262)	(96,398)	(122,477)
Translation adjustment	2n	-	-	(3,197,282)	(3,255,846)
Retained earnings (deficit)		(32,866,318,888)	(1,861,477,203)	316,409	2,535,071
TOTAL EQUITY (CAPITAL DEFICIENCY)		**(30,004,215,294)**	**626,413,535**	**(2,091,033)**	**42,986**
TOTAL LIABILITIES AND EQUITY (CAPITAL DEFICIENCY)		**77,496,145,083**	**87,822,334,764**	**5,400,805**	**6,026,785**

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

Statement of Profit or Loss And Other Comprehensive Income

For the Year Ended March 31, 2022

				Translations into U.S. Dollar ($)	
		Indonesian Rupiah		Unaudited (Note 2n)	
	Notes	Year Ended March 31,		Year Ended March 31,	
		2022	2021	2022	2021
DEPARTMENTAL REVENUES	2k, 20				
Rooms		138,311,824	-	9,639	-
Food and beverages		72,571,006	-	5,058	-
Other operating departments		7,493,549	-	522	-
Total Departmental Revenues		**218,376,379**	**-**	**15,219**	**-**
COST OF REVENUES	2k,21	**7,880,565,755**	**10,089,687,615**	**547,809**	**692,946**
GROSS LOSS		**(7,662,189,376)**	**(10,089,687,615)**	**(532,590)**	**(692,946)**
HOTEL OPERATING EXPENSES	2k				
General and administrative expenses	22	4,289,015,581	4,390,460,889	298,258	301,749
Property operations, maintenance and energy expenses	23	3,268,869,545	3,805,008,251	227,274	261,197
Marketing and sales promotion expenses	24	943,719,693	1,051,821,646	65,556	72,853
Other income	25	-	(2,314,938,457)	-	(161,431)
Total Hotel Operating Expenses		**8,501,604,819**	**6,932,352,329**	**591,088**	**474,368**
HOTEL GROSS OPERATING LOSS		**(16,163,794,195)**	**(17,022,039,944)**	**(1,123,678)**	**(1,167,314)**
OWNER'S OPERATING (INCOME) EXPENSES	2k				
Depreciation and amortization		4,531,283,544	4,907,243,104	315,608	338,292
Professional fees		6,371,282,336	3,029,462,635	444,479	206,778
Insurance		1,512,439,659	1,444,621,544	106,839	103,857
Salaries and wages		757,367,461	1,101,351,720	52,613	75,719
Rental		6,993,449	4,200,000	488	290
Finance income - net		(3,142,609)	(1,393,943)	(218)	(96)
Foreign exchange gains - net		(848,245,853)	(3,412,408,930)	-	-
Other operating expenses - net		2,341,206,290	2,378,821,776	163,162	163,972
Total Owner's Operating Expenses - Net		**14,669,184,277**	**9,451,897,906**	**1,082,971**	**888,812**
LOSS BEFORE INCOME TAXES		**(30,832,978,472)**	**(26,473,937,850)**	**(2,206,649)**	**(2,056,126)**
Income tax expenses	2m,12b	(171,863,213)	(2,776,445,488)	(12,013)	(183,086)
NET LOSS FOR THE YEAR		**(31,004,841,685)**	**(29,250,383,338)**	**(2,218,662)**	**(2,239,212)**
OTHER COMPREHENSIVE INCOME					
Item not to be reclassified to profit or loss in subsequent periods: Re-measurement gain on long-term employee benefits liability		374,212,856	207,277,025	26,079	14,224
Related income tax		-	(45,600,945)		(2,908)
Item to be reclassified to profit or loss in subsequent periods: Difference in foreign currency translation		-	-	58,564	455,325
Other Comprehensive Income, Net of Tax		**374,212,856**	**161,676,080**	**84,643**	**466,641**
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(30,630,628,829)**	**(29,088,707,258)**	**(2,134,177)**	**(1,772,571)**

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

Statement of Changes in Equity

For the Year Ended March 31, 2022

		Indonesian Rupiah				
	Note	**Capital Stock**	**Additional Paid in Capital**	**Other Comprehensive Loss**	**Retained Earnings**	**Total Equity**
Balance as of March 31, 2020		**1,107,000,000**	**3,019,000,000**	**(1,799,785,341)**	**27,388,906,135**	**29,715,120,794**
Net loss for the year		-	-	-	(29,250,383,338)	(29,250,383,338)
Re-measurement gain on long-term employee benefits liability - net of tax	16	-	-	161,676,079	-	161,676,079
Balance as of March 31, 2021		**1,107,000,000**	**3,019,000,000**	**(1,638,109,262)**	**(1,861,477,203)**	**626,413,535**
Net loss for the year		-	-	-	(31,004,841,685)	(31,004,841,685)
Re-measurement gain on long-term employee benefits liability	16	-	-	374,212,856	-	374,212,856
Balance as of March 31, 2022		**1,107,000,000**	**3,019,000,000**	**(1,263,896,406)**	**(32,866,318,888)**	**(30,004,215,294)**

		Translations into U.S. Dollar - Unaudited (Note 2n)					
	Note	**Capital Stock**	**Additional Paid in Capital (Note 2m)**	**Retained Earnings**	**Other Comprehensive Loss**	**Translation Adjustment**	**Total Equity**
Balance as of March 31, 2020		**659,603**	**226,635**	**4,774,283**	**(133,793)**	**(3,711,171)**	**1,815,557**
Net loss for the year		-	-	(2,239,212)	-	-	(2,239,212)
Re-measurement gain on long-term employee benefits liability - net of tax	16	-	-	-	11,316	-	11,316
Translation adjustment		-	-	-	-	455,325	455,325
Balance as of March 31, 2021		**659,603**	**226,635**	**2,535,071**	**(122,477)**	**(3,255,846)**	**42,986**
Net loss for the year		-	-	2,218,662	-	-	(2,218,662)
Re-measurement gain on long-term employee benefits liability	16	-	-	-	26,079	-	26,079
Translation adjustment		-	-	-	-	58,564	58,564
Balance as of March 31, 2022		**659,603**	**226,635**	**316,409**	**(96,398)**	**(3,197,282)**	**(2,091,033)**

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

Statement of Cash Flows

For the Year Ended March 31, 2022

	Notes	Indonesian Rupiah Year Ended March 31, 2022	Indonesian Rupiah Year Ended March 31, 2021	Translations into U.S. Dollar ($) Unaudited (Note 2n) Year Ended March 31, 2022	Translations into U.S. Dollar ($) Unaudited (Note 2n) Year Ended March 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before income taxes		(30,832,978,472)	(26,473,937,850)	(2,206,649)	(2,056,126)
Adjustments to reconcile Loss before income taxes for the year to net cash flows provided by operating activities:					
Depreciation and amortization	9, 10, 12	4,531,283,544	4,907,243,104	315,608	338,292
Provision for replacement of furniture, fixtures and equipment	14,23	6,551,291	-	457	-
Provision for international sales promotion	6,23	6,551,291	-	457	-
Provision for employee benefits - net	16	(560,257,129)	(2,297,289,890)	(39,040)	(157,780)
Unrealized gain on forex - net		(630,456,498)	(3,412,408,930)	-	-
Interest expense		1,916,341,479	1,838,274,325	133,479	127,611
Changes in operating assets and liabilities:					
Trade receivables		(227,558,288)	1,204,428,279	(15,859)	73,589
Other receivables - third parties		-	95,563,795	-	5,839
Inventories		223,130,953	404,948,276	12,853	5,707
Other current financial assets		(113,046,458)	7,539,930,949	(8,032)	459,588
Prepayments and advances		13,104,047	2,158,978,459	(754)	120,150
Estimated claim for tax refund		3,923,257,195	(1,763,956,071)	268,440	(142,895)
Trade payables		(207,487,231)	(1,551,021,076)	(32,863)	(87,381)
Other payables		(5,491,534)	(1,401,676,070)	(381)	(85,971)
Taxes payable		(150,735,691)	1,131,578,214	9,102	79,475
Accrued expenses		882,054,478	(1,359,918,611)	65,573	(54,150)
Due to hotel operator		-	(52,450,915)	-	(3,205)
Other current liabilities		(215,467,689)	(4,126,254,691)	(11,553)	(227,667)
Net Cash Flows Used in by Operating Activities		**(21,441,204,712)**	**(23,157,968,703)**	**(1,509,162)**	**(1,604,924)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisitions of fixed assets	9,30	(195,596,000)	(366,939,100)	(13,628)	(24,899)
Utilization of reserve for replacement of furniture, fixtures and equipment	14	(131,764,729)	(42,992,770)	(9,183)	(2,950)
Net Cash Flows Used in Investing Activities		**(327,360,729)**	**(409,931,870)**	**(22,811)**	**(27,849)**
CASH FLOWS FROM FINANCING ACTIVITY					
Payments of lease liabilities	17	(154,250,247)	(267,687,961)	(10,790)	(17,454)
Collections of (funds provided to) due from related parties		(23,045,179)	6,796,563,506	(1,606)	388,391
Receipts of funds from a shareholder	6	20,061,085,000	22,047,436,000	1,400,000	1,513,000
Net Cash Flows Provided by Financing Activities		**19,883,789,574**	**28,576,311,545**	**1,387,604**	**1,883,937**
NET INCREASE (DECREASE) IN CASH ON HAND AND IN BANKS		**(1,884,775,867)**	**5,008,410,972**	**(144,369)**	**251,164**
NET EFFECT OF DIFFERENCES IN FOREIGN EXCHANGE RATES		**(255,249,000)**	**(1,448,758,158)**	**-**	**-**
CASH ON HAND AND IN BANKS AT BEGINNING OF YEAR		**4,474,244,980**	**914,592,166**	**307,044**	**55,880**
CASH ON HAND AND IN BANKS AT END OF YEAR	4	**2,334,220,113**	**4,474,244,980**	**162,675**	**307,044**

Information on non-cash activities are disclosed in Note 30

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

Notes to the Financial Statements

As of March 31, 2022 and for the Year Then Ended
(Expressed in Indonesian Rupiah, unless otherwise stated with Translations into United States Dollar)

1. GENERAL

PT Widja Putra Karya (the "Company") was established based on notarial deed No.42 dated April20,1977 of Amir Sjarifuddin, S.H. The deed of establishment was approved by the Ministry of Justice in its decision letter No.Y.A.5/413/2 dated October 5, 1977. The Company subsequently changed its status to become a foreign capital investment company under the framework of the Foreign Capital Investment Law No. 1 of 1967 as amended by Law No. 11 of 1970 based on approval letter No.64/V/PMA/1995 dated December 4, 1995 of the State Minister for Mobilization of Investment Fund/ the Chairman of the Capital Investment Coordinating Board.

The Company's Articles of Association has been amended several times, the latest amendment of which was covered by notarial deed No. 7 dated October 25, 2018 of Irwan Azwir Tanjung, S.H., regarding the changes in the composition of the Company's Boards of Commissioners and Directors. The latest amendment was reported to the Ministry of Law and Human Rights of the Republic of Indonesia and was acknowledged in its letter No. AHU-AH.01.03-0268373 dated November 27, 2018.

In accordance with Article 3 of the Company's articles of association, the Company is engaged in activities related to the tourism industry. Currently, the Company is the owner of The Oberoi Bali (the Hotel), located at Jalan Kayu Aya, Seminyak Beach, Bali. On March 19, 2019, EIH Management Services B.V assigned EIH Holdings Ltd to manage the hotel operations up to year 2032 with option to extend for 10 or 20 years.

The composition of the Company's Boards of Commissioners and Directors as of March 31, 2022 and 2021 are as follows:

Board of Commissioners	
Sudarshan Vedaji Rao	- President Commissioner
I Ketut Siandana	- Commissioner
I.B. Yudana	- Commissioner
Board of Directors	
I Wayan Pasek	- President Director
Deepak Madhok	- Director
I Made Sutarjana	- Director

The Company has a total of 131 and 151 permanent employees as of March 31, 2022 and 2021, respectively (unaudited).

In March 2020, Indonesia was hit by novel corona virus disease 2019 (COVID-19) and the Company has since closed the hotel operations. The company has reopened its hotel operations on April 1, 2022.

The management of the Company is responsible for the preparation and presentation of the accompanying financial statements that were completed and authorized for issuance by the Board of Directors on April 21, 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Presentation of the Financial Statements

The financial statements have been prepared and presented in accordance with Indonesia Financial Accounting Standards ("SAK"), which comprise the Statements of Financial Accounting Standards ("PSAK") and Interpretations of Financial Accounting Standards ("ISAK") issued by the Indonesia Financial Accounting Standards Board ("DSAK") of the Indonesian Institute of Accountants.

Except for the statement of cash flows, the financial statements have been prepared on the accrual concept, using the historical cost concept of accounting, except for certain accounts which are measured on the bases described in the related accounting policies for those accounts.

The statement of cash flows, which has been prepared using the indirect method, presents cash receipts and disbursements of cash and cash equivalents into operating, investing and financing activities.

The company's functional currency is the Indonesian rupiah, which is also the currency used in the preparation of the financial statements, with translations into United States dollar.

b. Current and non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is current when it is:

i) expected to be realized or intended to be sold or consumed in the normal operating cycle,

ii) held primarily for the purpose of trading,

iii) expected to be realized within 12 months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

i) expected to be settled in the normal operating cycle,

ii) held primarily for the purpose of trading,

iii) due to be settled within twelve months after the reporting period, or

iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of the equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c. Cash on Hand and in Banks

Cash on hand and in banks, in the statement of financial position comprise cash on hand and in banks which are not restricted to use, and which are subject to an insignificant risk of changes in value.

d. Transactions with Related Parties

The Company has transactions with certain parties which have related party relationships as defined under PSAK 7, "Related Party Disclosures".

The transactions are made based on terms agreed by the parties, whereas such terms may not be the same as those for transactions with unrelated parties.

All significant transactions and balances with related parties are disclosed in the relevant notes to the financial statements. Unless specifically identified as related parties, the parties disclosed in the Notes to the financial statements are unrelated parties.

e. Inventories

Inventories are valued at the lower of cost or net realizable value. Except for boutique inventories (which use the First-In First Out method), the cost is determined using the weighted-average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. Allowance for decline in market value and obsolescence of inventories, if any, is provided to reduce the carrying value of inventories to their net realizable values based on the review of the market value and physical condition of the inventories.

f. Prepayments

Prepayments are amortized and charged to operations over the periods benefited using the straight-line method. The portion to be amortized within one year is presented as part of current assets; otherwise, as non-current assets.

g. Fixed Assets

Fixed assets, except land which is stated at cost and not depreciated, are stated at cost less accumulated depreciation and impairment loss, if any. The cost of fixed assets includes: (a) purchase price, (b) any costs directly attributable to bringing the asset to its present location and condition, and (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, if any. Each part of an item of fixed assets with a cost that is significant in relation to the total cost of the item should be depreciated separately.

When significant renewals and betterments are performed, their costs are recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs that do not meet the recognition criteria are charged directly to current operations.

Depreciation commences once the assets are available for their intended use and is computed using the straight-line method over the estimated useful lives of the assets, as follows:

	Years
Rights-of-use assets	38
Buildings	20
Structures and improvements	10
Machinery and equipment	8
Furniture, fixtures and equipment	5
Motor vehicles	5

Land is stated at cost and is not depreciated.

Rights-of-use assets represent land and will be amortized over the lease terms.

Construction in progress represents the accumulated cost of materials and other costs related to the asset under construction. The accumulated cost will be reclassified to the appropriate fixed asset account when the construction is completed and the constructed asset is ready for its intended use.

An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is credited or charged to operations in the year the asset is derecognized.

The costs incurred in order to acquire legal rights over land in the form of "Hak Guna Usaha" (HGU), "Hak Guna Bangunan" (HGB) or "Hak Pakai" (HP) upon initial acquisition of land are recognized as part of the acquisition cost of the land and are not amortized. Meanwhile, costs incurred in connection with the extension or renewal of the above rights are recognized as intangible asset (presented as part of "Other non-current assets" in the statement of financial position) and are amortized throughout the validity period of the rights or the economic useful life of the land, whichever period is shorter.

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. Right-of-use assets are subject to impairment.

h. Impairment of Non-financial Assets

The Company assesses at the end of each reporting period whether there is an indication that an asset may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of the asset's or its cash-generating unit's (CGU's) fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognized in the statement of profit or loss and other comprehensive income as "impairment losses". In assessing the value in use, the estimated net future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If no such transactions can be identified, an appropriate valuation model is used to determine the fair value of the asset. These calculations are corroborated by valuation multiples or other available fair value indicators.

In determining fair value less costs to sell, recent market transactions are taken into account, if available. Impairment losses of continuing operations, if any, are recognized in the statement of profit or loss and other comprehensive income under expense categories that are consistent with the functions of the impaired assets.

An assessment is made at each annual reporting period as to whether there is any indication that previously recognized impairment losses recognized for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss for an asset is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is recognized in the statement of profit or loss and other comprehensive income. After such a reversal, the depreciation charge on the said asset is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

i. Provisions and Contingencies

A provision is recognized when the Company has a present obligation (legal or constructive) where, 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.

All provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligations, the provisions are reversed.

Contingent liabilities are not recognized in the financial statement but are disclosed in the notes to the financial statements unless the outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

j. Employee Benefits Liability

Short-term employment benefits

The Company recognizes short-term employee benefits liability when services are rendered and the compensation for such services are to be paid within twelve months after rendering such services. The liability is presented as part of "Accrued expenses" in the statement of financial position.

Post-employment benefits

Effective February 2, 2021, the Company applied the Government Regulation Number 35 Year 2021 (PP 35/2021), implementing the provisions of Article 81 and Article 185 (b) of Law no. 11/2020 concerning Job Creation (Cipta Kerja) in its determination of the employee benefits liability.

The Company previously recognizes its unfunded employee benefits liability in accordance with Labor Law No. 13/2003 dated March 25, 2003 (the "Law") and PSAK 24 (Revised 2013), "Employee Benefits".

Pension costs under the Company's defined benefit pension plans are determined by periodic actuarial calculation using the projected-unit-credit method and applying the assumptions on discount rate and annual rate of increase in compensation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding the amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding the amounts, included in net interest on the net defined benefit liability) are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss at the earlier between:

i) the date of the plan amendment or curtailment, and

ii) the date the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under "Cost of Goods Sold and Services" and "General and Administrative Expenses" as appropriate in the statement profit or loss and other comprehensive income:

i) Service costs comprising current service costs, past-service costs, gains or losses on curtailments and non-routine settlements, and

ii) Net interest expense or income.

k. Revenue and Expense Recognition

The Company adopted PSAK 72 "Revenue from Contract with Customers". PSAK 72 supersedes IAS PSAK 23, Revenue, and related interpretations and it applies with limited exceptions, to all revenue arising from contracts with its customers. PSAK 72 establishes a five-step model to account for revenue arising from contract with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

PSAK 72 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company elected to apply the standard to all contracts that are not competed as of April 1, 2019. The cumulative effect of initially applying PSAK 72 is recognized at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under PSAK 23 and related Interpretations. However, there is no impact to the Company's financial statements in adopting PSAK 72. Thus, there is no adjustment to the opening balance of the retained earnings, as well as, additional disclosures as required under PSAK 72.

Hotel room revenue is recognized based on room occupancy while other hotel revenues are recognized when the goods are delivered or services are rendered to the customers.

Expenses are recognized when they are incurred.

l. Foreign Currency Transactions and Balances

Transactions involving foreign currencies are recorded at the rates of exchange prevailing at the time the transactions are made. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are adjusted to reflect the average buying and selling rates of exchange published by Bank Indonesia at the last banking transaction date of the year. The resulting gains or losses are credited or charged to current operations.

As of March 31, 2022 and 2021, the rates of exchange used were Rp14,349 and Rp14,572, respectively, to US$1.

m. Taxation

Current tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authority.

Current tax expense is determined based on the taxable profit for the year computed using the prevailing tax rates.

Underpayment/overpayment of income tax are presented as part of "Income tax expense - net" in the statement of profit or loss and other comprehensive income. Interests and penalties are presented as part of other operating income or expenses since they are not considered as part of the income tax expense.

Amendments to tax obligations are recorded when a tax assessment letter is received or, if appealed against, when the result of the appeal is determined.

Deferred Tax

Deferred tax assets and liabilities are recognized using the liability method for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities in the financial statements and their respective tax bases at each reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and accumulated fiscal losses to the extent that it is probable that taxable profit will be available in future years against which the deductible temporary differences and accumulated fiscal losses can be utilized.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the reporting date. Changes in the carrying amount of deferred tax assets and liabilities due to a change in tax rates are charged to current period operations, except to the extent that they relate to items previously charged or credited to equity.

Deferred tax assets and liabilities are offset in the statement of financial position, except if they are for different legal entities, consistent with the presentation of current tax assets and liabilities.

Value added tax ("VAT")

Revenues, expenses and assets are recognized net of the amount of VAT except:

- Where the VAT incurred on a purchase of assets or services is not recoverable from the Tax Office, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables that are stated with the amount of VAT included.

Final Tax

Tax regulation in Indonesia determined that certain taxable income is subject to final tax. Final tax applied to the gross value of transactions is applied even when the parties carrying the transaction are recognizing losses.

Referring to revised PSAK 46 as mentioned above, final tax is no longer governed by PSAK 46. Therefore, the Company has decided to present all of the final tax arising from interest income as separate line item.

Change in Tax Rates

On March 31, 2020, the Government issued a Government Regulation in lieu of the Law of the Republic of Indonesia Number 1 Year 2020 which stipulates, among others, reduction to the tax rates for corporate income tax payers and permanent establishments entities from previously 25% to become 22% for fiscal years 2020 and 2021 and 20% starting fiscal year 2022 and onwards, and further reduction of 3% for corporate income tax payers that fulfill certain criteria.The new tax rates are used as reference to measure the current and deferred tax assets and liabilities starting from the enactment date of the new regulation on March 31, 2020.

On October 7, 2021, Harmonization of Tax Regulation Law (UU HPP) was ratified and stipulates, among others, changes to the tax rates for corporate income tax payers and permanent establishments entities for the fiscal year 2022 and onwards which previously regulated under Government Regulation in lieu of the Law of the Republic of Indonesia Number 1 Year 2020 from previously 20% to become 22%.

Tax Amnesty

On 19 September 2016, the Indonesia Financial Accounting Standards Board (DSAK IAI) issued PSAK 70, “Accounting for Tax Amnesty Assets and Liabilities”.

This PSAK provides accounting policy choice for the entity to account the asset and liabilities in accordance with the provision of Tax Amnesty Law. The alternative accounting options are:

- To use the existing applicable standard under SAK.
- To use the specific provision in PSAK 70.

Management decided to use the specific provision in PSAK 70. According to specific provision of PSAK 70, tax amnesty assets are measured at the amount reported in the Tax Amnesty Approval Letter (“SKPP”), while tax amnesty liabilities are measured at the amount of cash or cash equivalents that will settle the contractual obligation related to the acquisition of the tax amnesty assets. The redemption money (the amount of tax paid in accordance with Tax Amnesty law) shall be charged directly to profit or loss in the period when the SKPP was received.

Any difference between amounts initially recognized for the tax amnesty assets and the related tax amnesty liabilities shall be recorded in equity as Additional Paid-In Capital (“APIC”). The APIC shall not be reclassified to retained earnings or recycled to profit or loss subsequently.

n. Translations of Indonesian Rupiah Amounts into United States (US) Dollar

The financial statements are stated in Indonesian rupiah, the currency of the country in which the Company operates. The translations of Indonesian rupiah amounts into US Dollar were made at the following rates:

Assets and liabilities	Middle rate as of reporting date (Rp14,349 to US$1 and Rp14,572 to US$1 as last quoted by Bank Indonesia as of March 31, 2022 and 2021, respectively).
Capital stock	Historical rates
Revenue and expense accounts	Transaction date exchange rates

The resulting difference arising from the translations of the statement of financial position and statement of profit or loss and other comprehensive income accounts is presented as “Translation adjustment” under the equity section of the statement of financial position.

o. 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.

i. Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Company’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under PSAK 72.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

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

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost includes trade receivables, other current financial assets and other non-current financial assets.

Financial assets at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company has no financial assets at fair value through OCI (debt instruments).

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under PSAK 50: Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company has no financial assets designated at fair value through OCI (equity investments).

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss and other comprehensive income.

The Company has no financial assets at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, other payables, accrued expenses, loan payable, due to related parties, due to a shareholder and other current financial liabilities.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by PSAK 71. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in PSAK 71 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss and other comprehensive income.

Derecognition

A financial liability is derecognized 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 liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss and other comprehensive income.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

p. Lease

The Company's lease accounting is as a lessee since the Company does not have any transactions as a lessor.

The Company recognized rights-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognized based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments ora change in the assessment to purchase the underlying asset.

In accordance with the standard, by applying modified retrospective approach, the lessee shall not restate comparative information. Instead, the lessee shall recognize the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application.

The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Upon adoption, the Company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets.

The Company recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

In the adoption of PSAK 73, the Company elected to measure the right-of-use assets at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application.

Prior to adoption of PSAK 73, Leases of fixed assets where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in obligations under finance leases. The interest element of the finance cost is taken to profit or loss over the leased period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Capitalized leased assets are depreciated over the estimated useful life of the assets except if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, in which case the leased assets are depreciated over the shorter of the estimated useful life of the assets and the lease term.

Where a significant portion of the risks and rewards of ownership are retained by the lessor, the leases are classified as operating leases. Payments made under operating leases are taken to profit or loss on a straight-line basis over the period of the lease.

q. Adoption of Amendments and Improvements of PSAK

The Company has adopted several amendments and improvements to PSAK and new ISAK that are mandatory for application effective April 1, 2021. The adoption of the following amendments and improvements to PSAK and new ISAK did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial periods:

- **Amendments to Statement of Financial Accounting Standards ("PSAK") 22:**

Definition of a Business

The amendment to PSAK 22 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the Company, but may impact future periods should the Company enter into any business combinations.

- **Amendments to PSAK 55, PSAK 60, PSAK 62, PSAK 71 and PSAK 73 – Interest Rate Benchmark Reform (Phase 2)**

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

a. A practical expedient to require contractual changes, or changes to cash flows that are directly required by the (interest rate benchmark) reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.

b. Permit changes required by interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.

c. Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

- **Amendments to PSAK 73: Leases - Covid-19 Related Rent Concessions After June 30, 2021**

In light of the ongoing pandemic additional amendment was subsequently issued in March 2021 to extend the scope of the lease concession period, which is one of the conditions for applying the practical expedient, from June 30, 2021 in Covid-19 Related Rent Concessions - Amendments to PSAK 73: Leases issued in May 2020, to June 30, 2022.

If a lessee already applied the practical expedient in the May 2020 amendment, it is required to continue to apply the practical expedient consistently, to all lease contracts with similar characteristics and in similar circumstances, using the March 2021 amendment. If a lessee did not apply the practical expedient in the May 2020 amendment to eligible lease concessions, it is prohibited from applying the practical expedient in the March 2021 amendment.

The March 2021 amendment is to be applied retrospectively, recognizing the cumulative effect of initially applying that amendment as an adjustment to the opening balance of retained earnings at the beginning of the annual reporting period in which the lessee first applies the amendment.

However, the Company has not received Covid-19-related rent concessions but plans to apply the practical expedient if it becomes applicable within allowed period of application.

- **2021 Annual Improvements**

The following summary provides information on the annual improvements of PSAKs that are effective for annual periods beginning on or after March 1, 2021. The annual improvements of PSAK are basically a set of narrow scope amendments that provide clarification so that there are no significant changes to existing principles or new principles.

a. PSAK 1: Presentation of Financial Statements, some changes regarding consideration made by management in the process of applying accounting policies that significantly affect the amounts they recognize in the financial statements.

b. PSAK 13: Investment Property, regarding disclosure of applying fair value model has been deleted.

c. PSAK 48: Impairment of Assets, regarding the scope of impairment of assets and deletion of the difference with IFRS in IAS 36 paragraph 04(a).

d. PSAK 66: Joint Arrangement, Regarding adjustments in paragraphs 25, PP11, PP33A(b) and its footnotes, C12 and C14 regarding reference to PSAK 71: Financial instruments.

e. ISAK 16: Service concession arrangement, regarding adjustment in several paragraphs in illustrative example to be consistent with PSAK 72: Revenue from Contracts with Customers.

3. SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes in future periods that require material adjustment to the carrying amounts of the assets or liabilities affected in future periods.

a. Judgments

The following judgments are made by management in the process of applying the Company's accounting policies that have the most significant effects on the amounts recognized in the financial statements:

Determination of Functional Currency

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the Indonesian rupiah. The Indonesian rupiah is the currency of the primary economic environment in which the Company operates and the currency that mainly influences revenue, costs and expenses.

Classification of Financial Assets and Financial Liabilities

The Company determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in PSAK No.71. Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Company's accounting policies disclosed in Note 2o.

b. Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the end ofthe reporting period that may cause a material adjustment to the carrying amounts of assets and liabilities in future periods are disclosed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions as they occur.

Provision for expected credit losses of trade receivables and other current financial assets

The Company uses a provision matrix to calculate ECLs for trade receivables and other current financial assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Estimation of Post-employment Benefits Liability

The pension cost and the present value of the pension obligation are determined using the projected-unit-credit method.

Actuarial valuation includes making various assumptions which consist of,among other things, discount rates, expected rates of return on plan assets, rates of compensation increases and mortality rates. Due to the complexity of the valuation and its underlying assumptions and long-term nature, a defined benefit obligation is highly sensitive to changes in assumptions.

While the Company believes that its assumptions are reasonable and appropriate, significant differences in the Company's actual experience or significant changes in its assumptions may materially affect the costs and obligations of pension and other long-term employee benefits. Further details are disclosed in Note 16.

Estimating Useful Lives of Fixed Assets

The Company estimates the useful lives of its fixed assets based on expected asset utilization as anchored on business plans and strategies that also consider expected future technological developments and market behavior. The estimation of the useful lives of fixed assets is based on the Company's collective assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful lives are reviewed at least at the end of each financial year and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limitations on the use of the assets.

It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in the factors mentioned above.

The amounts and timing of recorded expenses for any year will be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the Company's fixed assets will increase the recorded operating expenses and decrease non-current assets. Further details are disclosed in Note 9.

Estimation of Tax Liability

In certain circumstances, the Company may not be able to determine the exact amount of its current or future tax liabilities due to ongoing investigations by, or negotiations with, the taxation authority. Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. In determining the amount to be recognized in respect of an uncertain tax liability, the Company applies similar considerations as it would use in determining the amount of a provision to be recognized in accordance with PSAK No. 57, "Provisions, Contingent Liabilities and Contingent Asset". The Company makes an analysis of all tax positions related to income taxes to determine if a tax liability for unrecognized tax benefit should be recognized.

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

4. CASH ON HAND AND IN BANKS

This account consists of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	**2022**	2021
Cash on hand Rupiah	91,000,000	81,000,000	6,342	5,559
Cash in banks				
Rupiah				
PT Bank Negara Indonesia (Persero) Tbk	1,764,152,112	3,745,700,851	122,946	257,048
PT Bank Central Asia Tbk	21,281,131	133,433,973	1,483	9,157
PT Bank BPD Bali	1,176,582	1,390,337	82	95
US dollars				
PT Bank Negara Indonesia (Persero) Tbk	456,610,288	512,719,819	31,822	35,185
Total	**2,334,220,113**	**4,474,244,980**	**162,675**	**307,044**

As of March 31, 2022 and 2021, none of the Company's cash on hand and in banks are restricted in use or used as collateral.

5. TRADE RECEIVABLES - THIRD PARTIES

This account consists of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	**2022**	2021
Travel agent	172,461,247	-	12,019	-
Credit Card	55,097,041	-	3,840	-
Total	**227,558,288**	**-**	**15,859**	**-**

The aging analysis of trade receivables - third parties is as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	**2022**	2021
Current	-	-	-	-
Overdue :				
1-30 days	227,558,288	-	15,859	-
Total	**227,558,288**	**-**	**15,859**	**-**

Based on the review of the status of the individual receivable accounts at the end of the reporting period, management believes that all of the above trade receivables are fully collectible; hence, no allowance for impairment was provided as of March 31, 2022.

6. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

In the normal course of business, the Company entered into transactions with related parties. Details of transactions and balances with related parties are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	**2022**	2021
Due from related parties:				
Current:				
PT Waka Oberoi Indonesia	23,045,179	-	1,606	-
Non-current:				
PT Waka Gae Selaras	3,515,505,000	3,570,140,000	245,000	245,000
Total	**3,538,550,179**	**3,570,140,000**	**246,606**	**245,000**

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Other current financial assets	257,915,585	144,869,127	17,974	9,942
Other payables:				
EIH Holdings Ltd	6,551,291	-	457	-
Due to a shareholder				
EIH Holdings Ltd	41,798,637,000	22,047,436,000	2,913,000	1,513,000

Salaries and wages of the Company's key management personnel amounted to Rp414,087,036 (US$28,206) and Rp624,771,953 (US$42,138) in 2022 and 2021, respectively (unaudited).

In 2022 and 2021, the company received non-interest bearing cash advances from EIH Holdings Ltd amounting to a total of Rp20,061,085,000 (US$1,400,000) and Rp22,047,436,000 (US$1,513,000), respectively, to support the operational needs of the company for the year and in relation to the hotel reoperating in April 2022.

The Nature of relationship and types of transaction with related parties are as follows:

No.	Related Parties	Nature of Relationship	Types of Transaction
a.	PT Waka Gae Selaras	Shareholder	Advances
b.	EIH International Ltd	Shareholder	Advances and operating expenses
c.	EIH Holdings Ltd	Shareholder	Advances and operating expenses
d.	PT Waka Oberoi Indonesia	Under Common Control	Intercompany advances and share in proceeds from sale of vacation packages

7. INVENTORIES

Inventories consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Materials and supplies	1,331,076,966	1,392,746,005	92,765	95,577
Beverages	697,634,012	744,818,550	48,619	51,113
Food	267,481,850	381,759,226	18,641	26,198
Tobacco	9,749,168	9,749,168	679	669
Total	**2,305,941,996**	**2,529,072,949**	**160,704**	**173,557**

Management believes that no allowance for losses is necessary on the inventories as of March 31, 2022 and 2021 since the inventories are fully usable.

8. PREPAYMENTS AND ADVANCES

This account consists of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Prepaid expenses - insurance	1,150,255,383	1,291,311,758	80,163	88,616
Advance on purchase	92,437,792	72,873,016	6,443	5,001
Prepaid deferred cost of land rights	76,729,970	76,729,970	5,346	5,266
Prepaid expenses - others	230,162,195	121,774,643	16,041	8,356
Total	**1,549,585,340**	**1,562,689,387**	**107,993**	**107,239**

9. FIXED ASSETS - NET

The details of fixed assets are as follows:

	Indonesian Rupiah			
	Year Ended March 31, 2022			
	Beginning Balance	Additions	Deductions	Ending Balance
Cost				
Land	94,854,375	-	-	94,854,375
Buildings	20,131,422,450	195,596,000	-	20,327,018,450
Rights-of-use assets (Note 17)	44,186,840,610	-	-	44,186,840,610
Structures and improvements	12,188,667,201	-	-	12,188,667,201
Machinery and equipment	7,901,234,082	-	-	7,901,234,082
Furniture, fixtures and equipment	27,787,817,447	-	-	27,787,817,447
Motor vehicles	1,980,675,280	-	-	1,980,675,280
Construction in progress	5,998,005,303	-	-	998,005,303
Total Cost	120,269,516,748	195,596,000	-	120,465,112,748
Accumulated Depreciation				
Buildings	9,428,629,659	834,880,190	-	10,263,509,849
Rights-of-use assets (Note 17)	2,273,995,988	1,136,997,994	-	3,410,993,982
Structures and improvements	9,281,320,799	667,000,358	-	9,948,321,157
Machinery and equipment	6,625,565,050	336,620,476	-	6,962,185,526
Furniture, fixtures and equipment	26,640,965,816	664,424,556	-	27,305,390,372
Motor vehicles	1,381,560,280	210,830,000	-	1,592,390,280
Total Accumulated Depreciation	55,632,037,592	3,850,753,574	-	59,482,791,166
Net Book Value	**64,637,479,156**			**60,982,321,582**

	Indonesian Rupiah			
	Year Ended March 31, 2021			
	Beginning Balance	Additions	Deductions	Ending Balance
Cost				
Land	94,854,375	-	-	94,854,375
Buildings	19,993,372,450	138,050,000	-	20,131,422,450
Rights-of-use assets (Note 17)	44,186,840,610	-	-	44,186,840,610
Structures and improvements	12,188,667,201	-	-	12,188,667,201
Machinery and equipment	7,901,234,082	-	-	7,901,234,082
Furniture, fixtures and equipment	27,787,817,447	-	-	27,787,817,447
Motor vehicles	1,980,675,280	-	-	1,980,675,280
Construction in progress	5,734,851,203	263,154,100	-	5,998,005,303
Total Cost	119,868,312,648	401,204,100	-	120,269,516,748
Accumulated Depreciation				
Buildings	8,598,907,429	829,722,230	-	9,428,629,659
Rights-of-use assets (Note 17)	1,136,997,994	1,136,997,994	-	2,273,995,988
Structures and improvements	8,614,320,441	667,000,358	-	9,281,320,799
Machinery and equipment	6,202,790,869	422,774,181	-	6,625,565,050
Furniture, fixtures and equipment	25,681,577,445	959,388,371	-	26,640,965,816
Motor vehicles	1,170,730,280	210,830,000	-	1,381,560,280
Total Accumulated Depreciation	51,405,324,458	4,226,713,134	-	55,632,037,592
Net Book Value	**68,462,988,190**			**64,637,479,156**

	Translations into U.S. Dollar ($) - Unaudited (Note 2n)				
	Year Ended March 31, 2022				
	Beginning Balance	Additions	Deductions	Translation Adjustment	Ending Balance
Cost					
Land	6,508	-	-	102	6,610
Buildings	1,381,518	13,628	-	21,473	1,416,619
Rights-of-use assets (Note 17)	3,032,311	-	-	47,126	3,079,437
Structures and improvements	836,443		-	13,000	849,443
Machinery and equipment	542,220	-	-	8,427	550,647
Furniture, fixtures and equipment	1,906,932	-	-	29,636	1,936,568
Motor vehicles	135,922	-	-	2,113	138,035
Construction in progress	411,612	-	-	6,397	418,009
Total Cost	8,253,466	13,628	-	128,274	8,395,368
Accumulated Depreciation					
Buildings	647,037	58,150	-	10,090	715,277
Rights-use-of assets (Note 17)	156,052	79,192	-	2,472	237,716
Structures and improvements	636,929	46,457	-	9,925	693,311
Machinery and equipment	454,678	23,445	-	7,081	485,204
Furniture, fixtures and equipment	1,828,230	46,277	-	28,440	1,902,947
Motor vehicles	94,809	14,684	-	1,485	110,978
Total Accumulated Depreciation	3,817,735	268,205	-	59,493	4,145,433
Net Book Value	**4,435,731**				**4,249,935**

	Translations into U.S. Dollar ($) - Unaudited (Note 2n)				
	Year Ended March 31, 2021				
	Beginning Balance	Additions	Deductions	Translation Adjustment	Ending Balance
Cost					
Land	5,795	-	-	713	6,508
Buildings	1,221,567	9,820	-	150,131	1,381,518
Rights-of-use assets (Note 17)	2,699,752	-	-	332,559	3,032,311
Structures and improvements	744,710	-	-	91,733	836,443
Machinery and equipment	482,754	-	-	59,466	542,220
Furniture, fixtures and equipment	1,697,795	-	-	209,137	1,906,932
Motor vehicles	121,016	-	-	14,906	135,922
Construction in progress	350,391	17,517	-	43,704	411,612
Total Cost	7,323,780	27,337	-	902,349	8,253,466
Accumulated Depreciation					
Buildings	525,381	57,197	-	64,459	647,037
Rights-use-of assets (Note 17)	69,468	78,379	-	8,205	156,052
Structures and improvements	526,323	45,980	-	64,626	636,929
Machinery and equipment	378,982	29,144	-	46,552	454,678
Furniture, fixtures and equipment	1,569,107	66,136	-	192,987	1,828,230
Motor vehicles	71,530	14,534	-	8,745	94,809
Total Accumulated Depreciation	3,140,791	291,370	-	385,574	3,817,735
Net Book Value	**4,182,989**				**4,435,731**

Depreciation and amortization charged to operations amounted to Rp4,531,283,544 (US$315,608) and Rp4,907,243,104 (US$338,292) for the years ended March 31, 2022 and 2021, respectively. Depreciation arising from fixed assets amounted to Rp3,850,753,574 (US$268,205) and Rp4,226,713,134 (US$291,370) in 2022 and 2021, respectively. Depreciation arising from tax amnesty assets amounted to Rp603,800,000 (US$42,057) and Rp603,800,000 (US$41,656) in 2022 and 2021 (Note 12c) while amortization arising from deferred cost of landrights amounted to Rp76,729,970 (US$5,346) and Rp76,729,970 (US$5,266) in 2022 and 2021, respectively (Note 10).

The Company's land properties are covered by landrights ownership or Hak Guna Bangunan (HGB) certificate No. 31 which is valid up to 2019. In January 2019, the Company had obtained certificate No.53 which pertains to the extension of the HGB. Based on the new certificate, the HGB is valid until 2039.

Fixed assets and inventories are covered by insurance against losses from fire and other risks under blanket policies amounting to US$48,450,000 (Rp695,209,050,000) and US$48,450,000 (Rp706,013,400,000) as of March 31, 2022 and 2021, respectively. The management believes that the insurance coverage is adequate to cover possible losses arising from such risks.

As of March 31, 2022 and 2021, the Company's management believes that there is no impairment in the assets value as contemplated in PSAK No. 48.

10. OTHER NON-CURRENT ASSETS

This account consists of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Deferred cost of landrights - net	1,208,497,028	1,285,226,998	84,222	88,197
Total	**1,208,497,028**	**1,285,226,998**	**84,222**	**88,197**

11. TRADE PAYABLES - THIRD PARTIES

This account consists mainly of liabilities to the Hotel's suppliers of goods and services amounting to Rp773,599,316 (US$53,913) and Rp981,086,547 (US$67,327) as of March 31, 2022 and 2021, respectively.

12. TAXATION

a. Taxes payable consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Development tax I	23,314,651	-	1,625	-
Income tax				
Article 21	57,792,011	71,495,373	4,027	4,906
Article 23	25,617,285	16,900,135	1,785	1,160
Value added tax	102,842,515	100,043,432	7,168	6,866
Total	**209,566,462**	**188,438,940**	**14,605**	**12,932**

b. The reconciliation between the income tax expense derived by multiplying the loss before income tax by the applicable tax rate, and income tax expense - net as shown in the statement of profit or loss and other comprehensive income is as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Loss before income taxes	(30,832,978,472)	(26,473,937,850)	(2,206,649)	(2,056,126)
Tax expense at the applicable rate	(6,783,255,264)	(5,824,266,327)	(485,463)	(452,348)
Tax effect on permanent differences:				
Tax effect on changes in tax rate	300,959,950	9,329,576,683	20,974	640,240
Interest income already subjected to final tax	(691,374)	-	(48)	-
Non-deductible expenses	510,300,829	940,548,548	35,564	64,545
Unrecognized deferred tax asset	6,144,549,072	-	428,221	-
Translation adjustments	-	-	12,765	45,212
Income tax expense (benefit)				
Current year	-	4,445,858,904	-	297,649
Prior year	171,863,213	(1,669,413,416)	12,013	(114,563)
Total	**171,863,213**	**2,776,445,488**	**12,013**	**183,086**

Estimated claims for tax refund as of March 31, 2022 and 2021 consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Estimated claims for tax refund				
2022	-	1,763,956,071	-	142,895
2021	743,137,368	2,902,438,492	51,790	177,335
Total	**743,137,368**	**4,666,394,563**	**51,790**	**320,230**

In August 2018, the Company received tax assessment letter from the Tax Office related to the underpayment of income tax articles 21, 23, 25, and 26 for the fiscal year 2017 for a total underpayment of Rp1,692,795,502 (US$117,563). The settlement of underpayment related to articles 21, 23 and 26 in September 2018 was presented as part of "General and administrative expenses" whereas the settlement of underpayment related to article 25 in September 2018 was presented as part of "Income tax expense - net" in the statement of profit or loss and other comprehensive income. The Company has filed an objection letter to the Tax Office dated November 26, 2018 related to the underpayment of corporate income tax. Based on the objection letter, the Company stated that they are in overpayment position of article 25 amounting to Rp1,480,327,843 (US$103,926) instead of underpayment of Rp698,607,276 (US$49,402). On September 30, 2019, the Tax Office partially approved the management objection wherein the objection related to the entertainment fiscal correction totaling to Rp1,106,610,443 (US$78,073) was approved while the objection on promotional expenses totaling to Rp6,677,653,663 (US$471,120) was rejected by the Tax Office. Thus, the total underpayment was reduced from Rp698,607,276 (US$49,402) to Rp283,628,360 (US$20,010) including the interest which was presented under "Income tax expense - net" in the statement of profit or loss and other comprehensive income.

On January 14, 2020, the Company filed a request to the Tax Office to appeal on the correction of promotional expense. In response, the Tax Office issued the "Surat Uraian Banding" dated April 28, 2020 stating that the Tax Office is suggesting Tax Court to reject the Company request to appeal. The Company had filed its rebuttal to the "Surat Uraian Banding" dated August 13, 2020 and closing statement to Tax Court on September 25, 2020. On February 17, 2021, the Directorate General Tax approved the appeal letter from the Company, related to the promotional expenses totaling to US$471,120 (Rp6,677,653,663). Based on the results of the hearing of the Tax Court Decision, the total amount to be refunded by the Tax Office is Rp1,763,956,071 (25% of Rp6,677,653,663) plus tax penalty which has been paid in full in tax audit level amounting to Rp94,542,787. On April 6, 2022, the Company received in full the claims for tax refund amounting to Rp1,763,956,071.

For the fiscal year 2019/2020, the Company has recorded claims for tax refund amounting to Rp2,902,438,492. On July 5, 2021, the Company received tax assessment letter stating that the approved overpayment is only Rp2,159,300,775. Subsequently on July 27, 2021, the Company received tax refund amounting to Rp1,987,437,779 whereas Rp171,863,213 was charged to income tax expense of prior year. On October 1, 2021, the Company filed an objection on the remaining balance of claims for tax refund for fiscal year 2019/2020. As of report date, the Company is still awaiting updates from the Tax Office on the objection.

On March 30, 2017, the Company submitted a list of fixed asset items not yet registered in the Company's tax report up to 2015 to be administered under the tax amnesty program of the tax authority. These assets are in the form of paintings worth Rp3,019,000,000 (US$226,635) which are separately presented as part of "Non-current assets". The Company received the approval for tax amnesty program application from the Ministry of Finance in its decision letter dated April 28, 2018.

c. The movements of the tax amnesty assets are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	**2021**	**2022**	**2021**
Net book value at beginning of year	654,116,663	1,257,916,663	44,889	76,857
Depreciation during the year (Note 9)	(603,800,000)	(603,800,000)	(42,057)	(41,656)
Translation adjustment	-	-	675	9,688
Net book value at end of year	**50,316,663**	**654,116,663**	**3,507**	**44,889**

d. Deferred tax assets - net consists of:

	Indonesian Rupiah			
		Deferred tax Benefit (Expense) Credited (Charged) to		
	April 1, 2021	**Profit or Loss**	**Other Comprehensive Income**	**March 31, 2022**
Deferred tax assets				
Employee benefits liability	1,498,065,510	-	-	1,498,065,510
Reserve for replacement of furniture, fixtures and equipment	1,688,471,617	-	-	1,688,471,617
Interest expense	756,564,607	-	-	756,564,607
Lease Liability	316,265,474	-	-	316,265,474
Depreciation and amortization - net	38,733,733	-	-	38,733,733
Net deferred tax assets	**4,298,100,941**	-	-	**4,298,100,941**

	Indonesian Rupiah			
	Deferred tax Benefit (Expense) Credited (Charged) to			
	April 1, 2020	Profit or Loss	Other Comprehensive Income	March 31, 2021
Deferred tax assets				
Employee benefits liability	3,581,257,519	(2,037,591,064)	(45,600,945)	1,498,065,510
Reserve for replacement of furniture, fixtures and equipment	3,030,219,836	(1,341,748,219)	-	1,688,471,617
Lease Liability	2,322,637,247	(1,249,807,166)	-	1,072,830,081
Total deferred tax assets	8,934,114,602	(4,629,146,449)	(45,600,945)	4,259,367,208
Deferred tax liabilities				
Depreciation and amortization - net	(144,553,812)	183,287,545	-	38,733,733
Net deferred tax assets	**8,789,560,790**	**(4,445,858,904)**	**(45,600,945)**	**4,298,100,941**

	Translations into U.S. Dollar ($) - Unaudited (Note 2n)				
	Deferred tax Benefit (Expense) Credited (Charged) to				
	April 1, 2021	Profit or Loss	Other Comprehensive Income	Translation Adjustment	March 31, 2022
Deferred tax assets					
Employee benefits liability	137,424	-	-	-	137,424
Reserve for replacement of furniture, fixtures and equipment	132,319	-	-	-	132,319
Lease Liability	61,354	-	-	-	61,354
Total deferred tax assets	331,097	-	-	-	331,097
Deferred tax liabilities					
Depreciation and amortization - net	(19,436)	-	-	-	(19,436)
Translation adjustment	(16,705)		-	4,584	(12,121)
Net deferred tax assets	**294,956**	-	-	**4,584**	**299,540**

	Translations into U.S. Dollar ($) - Unaudited (Note 2n)				
	Deferred tax Benefit (Expense) Credited (Charged) to				
	April 1, 2020	Profit or Loss	Other Comprehensive Income	Translation Adjustment	March 31, 2021
Deferred tax assets					
Employee benefits liability	280,500	(139,944)	(3,132)	-	137,424
Reserve for replacement of furniture, fixtures and equipment	224,472	(92,153)	-	-	132,319
Lease Liability	73,603	(12,249)	-	-	61,354
Total deferred tax assets	578,575	(244,346)	(3,132)	-	331,097
Deferred tax liabilities					
Depreciation and amortization - net	(32,024)	12,588	-	-	(19,436)
Translation adjustment	(9,522)	-	-	(7,183)	(16,705)
Net deferred tax assets	**537,029**	**(231,758)**	**(3,132)**	**(7,183)**	**294,956**

As of March 31, 2022, deferred income tax assets have not been recognized on accumulated tax loss carry-forward amounting to Rp12,329,287,302 (US$859,244) as management believes that it is not probable that the Company will have sufficient future taxable profits against which these items can be utilized.

13. ACCRUED EXPENSES

The details of this account are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	**2022**	2021
Tax consultant fees	1,783,137,898	1,063,137,898	124,470	72,958
Salaries and employee benefits	1,511,690,362	1,659,299,639	105,352	113,869
Audit and consultant fees	398,947,180	428,092,794	27,803	29,378
Heat, light and power	276,035,093	192,363,621	19,237	13,201
Others	757,421,064	502,283,167	52,585	34,468
Total	**4,727,231,597**	**3,845,177,119**	**329,447**	**263,874**

Notes to the Financial Statements

As of March 31, 2022 and for the Year Then Ended

14. RESERVE FOR REPLACEMENT OF FURNITURE, FIXTURES AND EQUIPMENT

The movements of this account are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Balance at beginning of year	8,396,774,147	8,439,766,917	576,227	515,658
Provisions during the year (Note 23)	6,551,291	-	457	-
Utilization of reserve	(131,764,729)	(42,992,770)	(9,183)	(2,950)
Translation adjustment	-	-	8,955	63,519
Balance at end of year	**8,271,560,709**	**8,396,774,147**	**576,456**	**576,227**

15. OTHER CURRENT LIABILITIES

This account consists of:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Deposits from customers	2,967,756,528	3,169,023,832	206,827	217,473
Others	56,998,472	77,750,148	3,972	5,336
Balance at end of year	**3,024,755,000**	**3,246,773,980**	**210,799**	**222,809**

16. LONG-TERM EMPLOYEE BENEFITS LIABILITY

The Company's long-term employee benefits liability consists only of post-employment benefits.

On February 2, 2021, the Government promulgated Government Regulation Number 35 Year 2021 (PP 35/2021) to implement the provisions of Article 81 and Article 185 (b) of Law no. 11/2020 concerning Job Creation (Cipta Kerja), which aims to create the widest possible employment opportunities. PP 35/2021 regulates the work agreement for a certain period (non-permanent employees), outsourcing, working time, rest time and termination of employment, which can affect the minimum benefits that must be provided to employees. The Company has evaluated the impact and has calculated the employee benefits liability as of March 31, 2022 in line with PP35/2021. Management believes that the balance of employee benefits liability is sufficient to cover the minimum benefits required under the Law.

The following tables summarize the components of employee benefit expense recognized in the statement of profit or loss and other comprehensive income and amounts recognized in the statement of financial position as employee benefits liability as of March 31, 2022 and 2021 as determined by KKA Herman Budi Purwanto, an independent actuary, in their reports dated March 31, 2022 and March 31, 2021, respectively.

The principal assumptions used in determining the employee benefits liability as of March 31, 2022 and 2021, are as follows:

Discount rate	: 7.65% in 2022 and 7.95% in 2021
Annual salary increase	: 8.5% in 2022 and 2021
Mortality	: TMI IV in 2022 and 2021
Retirement age	: 58 years in 2022 and 57 years in 2021
Disability rate	: 5% of mortality table TMI IV in 2022 and 2021

a. Details of post-employment benefits expense:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Past Service Cost	-	(1,648,006,275)	-	(113,187)
Current service cost	460,393,869	485,612,591	32,081	33,353
Interestcost	469,670,118	571,652,073	32,727	39,262
Total post-employee benefits expense	**930,063,987**	**(590,741,611)**	**64,808**	**(40,572)**

b. Details of post-employment benefits liability are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	March 31,		March 31,	
	2022	2021	**2022**	2021
Present value of defined benefits obligation	**6,463,651,366**	**7,398,121,351**	**450,460**	**507,694**

c. Movements in post-employment benefits liability are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	**2022**	2021
Beginning balance	7,398,121,351	9,902,688,266	507,694	605,040
Provision during the year - net	930,063,987	(590,741,611)	64,808	(40,572)
Payment during the year	(1,490,321,116)	(1,706,548,279)	(103,848)	(117,208)
Acturial gain from				
Experience adjustment	(637,281,996)	(903,098,319)	(44,410)	(62,026)
Demographic assumption	-	(2,202,442)	-	(151)
Change in financial assumption	263,069,140	698,023,736	18,331	47,941
Translation adjustment	-	-	7,885	74,670
Employee benefits liability	**6,463,651,366**	**7,398,121,351**	**450,460**	**507,694**

d. The expected total undiscounted benefit payments in Indonesian rupiah for the subsequent years are as follows:

Within the next 12 months (the next annual reporting year)	:	-
Between 1 and 2 years	:	197,710,091
Between 2 and 3 years	:	112,828,564
Between 3 and 4 years	:	433,940,853
Between 4 and 5 years	:	502,610,781
Beyond 5 years	:	87,882,892,318

The average duration of the long-term employee benefits liability is 10.35 years.

e. The effect of a one-percentage point change in discount rate and salary increase rate on long-term employee benefits liability for the year ended March 31, 2022 is shown below:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Discount Rate	Salary Rate	Discount Rate	Salary Rate
Increase by 1%	(721,082,337)	834,221,644	(50,253)	58,138
Decrease by 1%	854,374,326	(718,219,411)	59,542	(50,054)

17. RIGHTS-OF-USE ASSETS AND LEASE LIABILITIES

The Company has entered into lease contracts of land in its operations where in the lease term is valid from 2019 to 2057. The Company also has certain lease of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The rights-of-use assets represent assets from lease contracts for land valid until 2057 amounting to Rp44,186,840,610 (US$3,104,882) and Rp44,186,840,610 (US$3,032,311) with accumulated depreciation amounting to Rp3,410,993,982 (US$237,616) and Rp2,273,995,988 (US$78,379) as of March 31, 2022 and 2021, respectively. There is no transfer of ownership option for the lease. As of March 31, 2022 and 2021, the depreciation of the rights-of-use assets amounted to Rp1,136,997,994 (US$79,192) and Rp1,136,997,994 (US$78,739), respectively, and presented as "Depreciation expense" in the statement of profit and loss and other comprehensive income.

The following are the amounts recognized in statement of profit or loss and other comprehensive income:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Interest expense on lease liabilities	1,916,341,479	1,838,274,325	133,479	127,611
Depreciation expense of rights-of-use assets	1,136,997,994	1,136,997,994	79,192	78,379
Expense related to short-term leases	72,408,650	86,532,964	5,046	5,943
Total	**3,125,748,123**	**3,061,805,283**	**217,717**	**211,933**

The roll forward analysis of lease liabilities are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Beginning balance	41,090,344,961	44,348,974,608	2,819,815	2,709,658
Interest expense	1,916,341,479	1,838,274,325	133,479	127,611
Payments	(154,250,247)	(267,687,961)	(10,790)	(17,454)
Foreign exchange gains	(630,456,498)	(4,829,216,011)	-	-
Total	**42,221,979,695**	**41,090,344,961**	**2,942,504**	**2,819,815**
Less current maturities portion	(7,242,982,069)	(4,357,567,847)	(504,773)	(299,037)
Total	**34,978,997,626**	**36,732,777,114**	**2,437,731**	**2,520,778**

Shown below is the maturity analysis of the undiscounted lease payments:

	March 31, 2022,	
	Indonesian Rupiah	Translations into U.S. Dollar - Unaudited (Note 2n)
1 year	1,564,826,460	107,385
More than 1 years to 2 years	3,081,758,836	214,771
More than 2 years to 3 years	3,143,393,854	219,067
More than 3 years to 4 years	3,574,838,976	249,135
More than 5 years	83,719,255,531	5,834,501
Total	**95,084,073,657**	**6,624,859**

18. FINANCIAL ASSETS AND LIABILITIES

The following table sets forth the estimated fair values, which are equal to the carrying amounts, of the financial assets and financial liabilities of the Company:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	March 31,		March 31,	
	2022	2021	2022	2021
Financial Assets – Financial Assets Measured at Amortized Cost				
Cash on hand and in banks	2,334,220,113	4,474,244,980	162,675	307,044
Trade receivables - third parties	227,558,288	-	15,859	-
Other current financial assets	257,915,585	144,869,127	17,974	9,942
Due from related parties	3,538,550,179	3,570,140,000	246,606	245,000
Total Financial Assets	**6,358,244,165**	**8,189,254,107**	**443,114**	**561,986**
Financial Liabilities - Financial Liabilities Measured at Amortized Cost				
Trade payables - third parties	773,599,316	981,086,547	53,913	67,327
Other payables - third parties	2,827,941	1,768,184	197	123
Other payables - related party	6,551,291	-	457	-
Accrued expenses	4,727,231,597	3,845,177,119	329,447	263,874
Due to a shareholder	41,798,637,000	22,047,436,000	2,913,000	1,513,000
Lease liability	42,221,979,695	41,090,344,961	2,942,504	2,819,815
Total Financial Liabilities	**89,524,275,549**	**67,965,812,811**	**6,239,061**	**4,664,139**

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 to 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.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Current financial assets and liabilities:

- Current financial instruments with remaining maturities of one year or less (cash on hand and in banks, trade receivables, other receivables, other current financial assets, due from related parties, trade payables, other payables, accrued expenses, other current financial liabilities) and due to a shareholder.

  The carrying values of the Company's current financial assets and liabilities approximate their fair values due to the short-term nature of these financial assets and liabilities.

Non-current financial asset:

- Long-term financial assets (other non-current financial assets)

  The fair values of other non-current financial assets are assumed to be the same as the cash amount that will be received due to the fact that the maturity of such financial assets is not stated in related contract and the management is not yet able to determine when the financial assets will be realized.

Non-current financial liability:

- Lease liability

  Fair value of the lease liabilities is based on the present value of expected future cash flows using the appropriate discount rates.

19. CAPITAL STOCK

The share ownership details as of March 31, 2022 and 2021 are as follows:

			Translations into U.S. Dollar ($)	
Stockholders	Number of Shares Issued and Fully Paid	Percentage of Ownership	Amount	Unaudited (Note 2n)
EIH Holdings Ltd	5,412	48.89	541,200,000	268,289
PT Waka Gae Selaras	3,321	30.00	332,100,000	252,064
EIH International Ltd	2,337	21.11	233,700,000	139,250
Total	**11,070**	**100.00**	**1,107,000,000**	**659,603**

20. DEPARTMENTAL REVENUES

The details of departmental revenues are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Room Department				
Villa	126,828,024	-	8,839	-
Lanai	11,483,800	-	800	-
Total Room Department	**138,311,824**	-	**9,639**	-
Food and Beverages Department				
Food	41,053,079	-	2,861	-
Beverage	31,517,927	-	2,197	-
Total Food and Beverages Department	**72,571,006**	-	**5,058**	-
Other Operating Departments				
Boutique	2,073,468	-	144	-
Health spa	1,100,000	-	77	-
Others	4,320,081	-	301	-
Total Other Operating Departments	**7,493,549**	-	**522**	-
Total Departmental Revenues	**218,376,379**	-	**15,219**	-

21. COST OF REVENUES

The details of cost of goods sold and services are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Food and Beverages	22,116,714	-	**1,726**	-
Payroll and Related Expenses	-			
Salaries and wages	3,765,680,641	5,497,361,678	261,729	417,406
Employee benefits	2,823,747,808	3,010,189,742	196,261	166,640
Total Payroll and Related Expenses	**6,589,428,449**	**8,507,551,420**	**457,990**	**584,046**
Other Expenses				
Security	824,619,060	896,567,315	57,355	61,448
Cable television and music	108,680,000	85,914,000	7,473	5,909
Cleaning and guest supplies	72,470,589	69,406,028	4,983	6,657
Printing and stationery	30,890,245	53,901,714	2,124	3,700
Decoration	11,225,000	2,520,500	772	169
Travel agentsl	9,275,807	54,021,375	638	3,774
Linens and uniforms	6,768,000	20,157,000	465	1,366
Transportation and travel	4,625,000	3,510,127	318	243
Laundry	3,587,939	5,278,827	247	341
Welcome drinks, fruit baskets and amenities	3,085,011	97,000	212	7
Mineral water and ice	1,134,830	36,500	78	2
Boutique	387,377	-	27	-
Consultant fees	-	1,293,536	-	84
Others (each below Rp100 million)	192,271,734	389,432,273	13,401	25,200
Total Other Expenses	**1,269,020,592**	**1,582,135,195**	**88,093**	**108,900**
Cost of Revenues	**7,880,565,755**	**10,089,686,615**	**547,809**	**692,946**

22. GENERAL AND ADMINISTRATIVE EXPENSES

The details of general and administrative expenses are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Salaries and wages	2,907,443,400	3,206,246,044	202,183	220,309
Professional fees	391,889,762	384,681,034	27,252	26,436
Data processing	320,525,978	248,132,173	22,289	17,058
Transportation and traveling	298,099,935	68,625,417	20,730	4,826
Telephone and communication	135,226,438	110,166,089	9,404	7,563
Executive	6,442,881	-	448	-
Others	229,387,187	372,610,132	15,952	25,547
Total	**4,289,015,581**	**4,390,460,889**	**298,258**	**301,749**

23. PROPERTY OPERATIONS, MAINTENANCE AND ENERGY EXPENSES

The details of property operations, maintenance and energy expenses are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Repairs and maintenance	1,703,781,620	1,521,608,785	118,467	104,712
Electricity	617,111,288	693,597,958	42,909	47,549
Salaries and wages	517,217,199	682,784,425	35,963	46,881
Water	366,658,310	872,508,976	25,494	59,672
Others (each below Rp100,000,000)	64,101,128	34,508,107	4,441	2,383
Total	**3,268,869,545**	**3,805,008,251**	**227,274**	**261,197**

24. MARKETING AND SALES PROMOTION EXPENSES

The details of marketing and sales promotion expenses are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Salaries and wages	514,995,632	491,486,649	35,774	33,768
Sales representation	254,924,292	284,010,445	17,708	19,839
Trade association & subscription	103,549,531	-	7,193	-
Others (each below Rp100,000,000)	70,250,238	276,324,552	4,881	19,246
Total	**943,719,693**	**1,051,821,646**	**65,556**	**72,853**

25. OTHER INCOME

In the last quarter of 2020, the Central Government identified hotels and restaurants to receive tourism grants through the Decree (SK) of the Regent of Badung number 67/054/HK/2020 according to the technical instructions from the Tourism Ministry, the amount of which will be calculated by the government based on the tax contribution subject to certain ceiling. In December 2020, the Company received cash grant from the government amounting to Rp1,931,871,601 (US$135,143) for operating expenditures. The Company has fully utilized the grant and has no excess grant to be returned to the government. Remaining amount pertains to interest from bank.

26. SIGNIFICANT AGREEMENTS AND CONTINGENCY

a. Hotel Operator Agreement

The Company entered into a Hotel Operation Agreement with EIH Management Services B.V. (the Operator) to manage and operate the Hotel effective December 31, 1998. On July 22, 2000, the Company signed a Renewal Agreement whereby the original term was extended until February 1, 2032. Following the change in ownership on September 27, 2018 from EIH Management Services B.V. to EIH Holdings Ltd, the assignment of EIH Management Services B.V as the hotel operator was also transferred to EIH Holdings Ltd with all terms and conditions retained and effective.

The Operator has automatic and irrevocable options to extend the Agreement for another 10 or 20 years. Under the agreement, the Hotel Operator is entitled to a fee of 12.5% of the total gross operating profit. Also, under the agreement, the Hotel Operator is entitled to pay out of the gross operating revenue and as part of gross operating expenses, an amount equal to 3% of the Hotel gross operating revenue for marketing and sales promotion expenses. Any loss incurred by the Hotel in any financial year shall be borne exclusively by the Company.

b. Legal Claim from PT Inter Sport Marketing (ISM)

In 2015, the Company was sued by PT Inter Sport Marketing (ISM) related to the airing of live broadcast of FIFA World Cup 2014 in the Company's commercial area without any license from ISM (which claimed to hold the official license for live broadcasting of FIFA World Cup 2014). In April 2018, ISM filed its claim to Surabaya Commercial court against the Company. Based on claim filed to the court, the Company was demanded to pay a compensation to ISM for a total amount of Rp203,700,000,000.

In September 12, 2018, the court has declared that PT ISM is granted a compensation of Rp500,000,000. Subsequently, the Company has filed memorial cassation dated October 8, 2018 to the Surabaya Commercial court. On October 24, 2018, the Company has received its counter memorial cassation from PT ISM stating that they disagree with the compensation awarded. In 2020, the Supreme Court has rendered a judgment that awards ISM with a compensation of Rp100,000,000 and nothing else. The Company has recognized a provision related to the compensation.

c. Litigation on Land Lease

In 2021, a litigation case was filed by Mr. I. Ketut Siandana and Mr. I Made Sutarjana (the "Plaintiffs") against the Company at the District Court of Denpasar claiming that the lease period for the land rightfully owned by the Plaintiffs have ended on December 31, 2019. The Company maintains that the lease term is up to December 31, 2057 in accordance with the minutes of meetings dated January 24, 2007 duly signed by the Plaintiffs. The Plaintiffs and the Company have filed their respective responses in the District Court. On February 23, 2022, the District Court has given the ruling in favor of the Plaintiffs, which rejected the Company's exception in its entirety and partially accepted the Plaintiff's lawsuit. Disagreeing to the ruling of the court in favor of the Plaintiff, on March 8, 2022, the Company submitted an appeal at the High Court of Denpasar.

Based on the ruling of the District Court, the Company is adjudged to compensate for material losses to the Plaintiffs amounting to Rp5,377,888,885 for the possession of land as of the expiry of the lease period dated December 31, 2019 to March 31, 2021 and to return the possession of land to the Plaintiffs. As of March 31, 2022, the related right-of-use assets and lease liabilities amounted to Rp44,186,840,610 (US$3,104,882) and Rp42,221,979,695 (US$2,942,504), respectively. As of report date, the case is still currently in the appeal process and the Company is still awaiting decision from the High Court. Based on management assessment, a provision has yet to be recognized pending decision from the High Court on the appeal.

27. ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

Information concerning monetary assets and liabilities denominated in foreign currencies as of March 31, 2022 and their rupiah equivalents converted using the middle exchange rates that were published by Bank Indonesia follows:

	Amount in Foreign Currencies		Rupiah Equivalents
Assets			
Cash in bank	US$	31,822	456,610,288
Due from related parties	US$	245,000	3,515,505,000
Other current assets	US$	17,974	257,915,585
Total			**4,230,030,873**
Liabilities			
Due to a shareholder	US$	2,913,000	41,798,637,000
Lease liabilities	US$	2,942,504	42,221,979,695
Total			84,020,616,695
Net Liabilities			**79,903,632,280**

The translation of the foreign currency liabilities, net of foreign currency assets, should not be construed as a representation that these foreign currency assets and liabilities have been, could have been, or could in the future be, converted into rupiah at the prevailing exchange rates of the rupiah as of March 31, 2022 or at any other rates of exchange.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Company's financial instruments are foreign currency risk, credit risk and liquidity risk. The management reviews and approves policies for managing each of these risks, which are described in more details as follows:

a. Foreign exchange rate risk

Foreign exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As the Company's reporting currency is rupiah, it is exposed to exchange rate fluctuations primarily from its trade receivables from revenues in foreign currencies.

The Company does not have any formal hedging policy for foreign exchange exposure since it is not considered as necessary. However, the Company maintains transactions and balances in foreign currencies other than rupiah in connection with regular operations at a minimum level.

b. Credit risk

Credit risk is the risk that the Company will incur loss arising from its customers or counterparties that fail to discharge their contractual obligations. There are no significant concentrations of credit risk. The Company manages and controls this credit risk by setting limits on the amount of risk it is willing to accept for individual customers and by monitoring exposures in relation to such limits. The maximum exposure of the financial instruments is equal to the carrying values as disclosed in Note 18.

c. Liquidity risk

In the management of liquidity risk, the Company monitors and maintains a level of cash deemed adequate to finance the Company's operations and capital expenditures, service its maturing debts and to mitigate the effects of fluctuation in cash flows.

The Company also regularly evaluates its projected and actual cash flows and continuously assesses conditions in the financial markets to maintain its payable and receivable days' stability.

Except for the long-term employee benefit liability and lease liability, all of the Company's liabilities will be due in one year. The Company has current ratio at 0.10 and 0.20 as of March 31, 2022 and 2021, respectively.

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains healthy cash flows in order to support its business. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return on capital or issue new shares.

For the year ended March 31, 2022, the Company reported revenue amounting to IDR218,376,379 (US$15,219), gross operating loss amounting to IDR6,837,570,316 (US$475,235) and net total comprehensive loss amounting to IDR31,004,841,685 (US$2,218,662). The Company's total current liabilities exceeded its total current assets by IDR59,359,444,884 (US$4,136,836) as of March 31, 2022. The Company has a deficit of IDR32,866,318,888 (retained earnings of US$316,409) with a capital deficiency of IDR30,004,215,294 (US$2,091,033) as of March 31, 2022.

The outbreak of COVID-19 pandemic had severely impacted the travel and hospitality sectors worldwide including the Indonesian tourism tourism sector in Bali in the last two years. The losses incurred by the Company were mainly due to hotel closure starting March 31, 2020 because of the pandemic.

The Oberoi, Bali resumed hotel operations on 18th March, 2022 after the international borders were re-opened in Bali by the Indonesian government. The hotel will tap the domestic market through local marketing agencies in the initial period of operations. After re-opening, there have been several reservations and enquiries from overseas tarvel agents, tour operators and repeat guests on future bookings. Complete lifting of international airline travel restrictions are expected in a phased manner during the year with business conditions gradually improving from July 2022 onwards.

During the period when the hotel was closed, the Company had undertaken several cost-cutting measures including human resources shifting, contracts assessments, utilities and housekeeping reduction, suspension of services not required, suspension of sales representation and sales travel. The business conditions will be monitored carefully and appropriate cost rationalization measures will continue throughout the year.

The Company will continuously assess the above measures throughout the duration of the outbreak.

In addition, EIH International, Ltd., the Company's ultimate parent company, and along with EIH Holdings, Ltd, which owns a combined 70% shareholdings in the Company, have provided a written confirmation on its intention and ability to provide financial support if and when required by the Company to allow it to continue as a going concern entity.

As of the completion date of the financial statements, the probability of the success of the Company's continuing efforts will still be affected by some uncontrollable factors including uncertainty in the extent and duration of the impact of COVID-19.

The financial statements have been prepared assuming that the Company will continue as a going concern entity. The financial statements did not include any adjustment that might result from these uncertainties.

29. RECENT DEVELOPMENTS AFFECTING ACCOUNTING STANDARDS

The accounting standards that have been issued up to the date of issuance of the Company's financial statements, but not yet effective are disclosed below. The management intends to adopt these standards that are considered relevant to the Company when they become effective. The Company is presently evaluating and has not yet determined the effects of these accounting standards on the financial statements.

Effective beginning on or after April 1, 2022

a. Amendments to PSAK 22: Business Combinations Reference to Conceptual Frameworks These amendments clarify the interactions between PSAK 22, PSAK 57, ISAK 30 and the Conceptual Framework of Financial Reporting.

   In general, the amendments to PSAK 22:

   - Add a description regarding "liabilities and contingent liabilities within the scope of PSAK 57 or ISAK 30".
   - Clarify the contingent liabilities recognized at the acquisition date.
   - Add definition of a contingent asset and its accounting treatment.

   These amendments will become effective on April 1, 2022 with earlier application permitted and are not expected to have any impact to the financial reporting of the Company upon first-time adoption.

b. Amendments to PSAK 57: Provisions, Contingent Liabilities, and Contingent Assets - Onerous Contract Fulfillment Costs

   These amendments provide that costs to fulfill an onerous contract consist of costs that are directly related to the contract, which consist of:

   - incremental costs to fulfill the contract, and
   - allocation of other costs that are directly related to fulfilling the contract.

Amendments to PSAK 57 are effective on April 1, 2022 with earlier application permitted and are not expected to have any impact to the financial reporting of the Company upon first-time adoption.

c. 2020 Annual Improvements – PSAK 71: Financial Instruments

The amendment clarifies the fees that an entity includes when assessing whether the modified terms of a financial liability required derecognition of the original financial liability and recognition of a new financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendment is effective for annual reporting periods beginning on or after April 1, 2022 with earlier adoption permitted but not expected to have any impact to the financial reporting of the Company upon first-time adoption.

d. 2020 Annual Improvements - PSAK 73: Leases

The amendment to Illustrative Example 13 accompanying PSAK 73 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

The amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after April 1, 2022 with earlier adoption permitted but not expected to have any impact to the financial reporting of the Company upon first-time adoption.

Effective beginning on or after April 1, 2023:

e. Amendments to PSAK 16: Fixed Assets - Proceeds before Intended Use

The amendments prohibit entities to deduct from the cost of an item of fixed assets, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in the profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2023 and shall be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the financial reporting of the Company.

f. Amendments to PSAK 1: Presentation of Financial Statements – Classification of a Liability as current or non-current

The amendments specify the requirements for classifying liabilities as current or non-current and clarify:

- what is meant by a right to defer settlement,
- the right to defer must exist at the end of the reporting period,
- classification is not affected by the likelihood that an entity will exercise its deferral right, and
- only if an embedded derivative in a convertible liability is an equity instrument would the terms and conditions of a liability will not impact its classification.

g. Amendments to PSAK 1: Presentation of Financial Statements – Classification of a Liability as current or non-current (continued)

The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and shall be applied retrospectively. The amendments are not expected to have a material impact on the financial reporting of the Company.

h. Amendment of PSAK 1: Presentation of financial statement - Disclosure of accounting policies

This amendment provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendment aims to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendment is effective on or after 1 January 2023 with earlier application permitted. The Company is currently assessing the impact of the amendment to determine the impact they will have on the Company's accounting policy disclosures.

i. Amendment of PSAK 25: Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates

The amendment introduces a definition of 'accounting estimates' and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendment is effective on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted. The Company is currently assessing the impact of the amendment to determine the impact they will have on the Company's financial reporting.

j. Amendment of PSAK 46: Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

This amendment proposes that entities recognize deferred tax assets and liabilities at the time of initial recognition, for example from a lease transaction, to eliminate differences in current practice for such transactions and similar transactions.

The amendment is effective for annual reporting periods beginning on or after January 1, 2023 with early adoption permitted. The Company is currently assessing the impact of the amendment to determine the impact they will have on the Company's financial reporting.

Effective beginning on or after April 1, 2025

k. PSAK 74: Insurance Contracts

A comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, upon its effective date, PSAK 74 will replace PSAK 62: Insurance Contracts. PSAK 74 applies to all types of insurance contracts, life, non-life, direct insurance and re-insurance, regardless of the entities issuing them, as well as to certain guarantees and financial instruments with discretionary participation features, while a few scope exceptions will apply. The overall objective of PSAK 74 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers.

PSAK 74 is effective for reporting periods beginning on or after April 1, 2025, with comparative figures required. Early application is permitted, provided the entity also applies PSAK 71 and PSAK 72 on or before the date of initial application of PSAK 74. This standard is not expected to have any impact to the financial reporting of the Company upon first-time adoption.

30. NON-CASH ACTIVITIES

Supplementary information to the statement of cash flows relating to non-cash activities are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year ended March 31,		Year ended March 31,	
	2022	2021	**2022**	2021
Additions to fixed assets charged to:				
Other payables	-	34,265,000	-	2,438

31. EVENTS AFTER REPORTING PERIOD

In accordance with Tax Regulations Harmonization Law, the general VAT rate changed from 10% to 11% effective on April 1, 2022. Subsequently, this shall increase to 12% effective on January 1, 2025.

32. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The reconciliation of liabilities arising from financing activities for the years ended March 31, 2022 and 2021 are as follows:

Year Ended March 31, 2022

	Beginning Balance	Cash flows	Foreign Exchange	Others	Ending Balance
Lease liability	41,090,344,961	(154,250,247)	(630,456,498)	1,916,341,479	42,221,979,695
Due to a shareholder	22,047,436,000	20,061,085,000	(309,884,000)	-	41,798,637,000
Total	**63,137,780,961**	**19,906,834,753**	**(940,340,498)**	**1,916,341,479**	**84,020,616,695**

Year Ended March 31, 2021

	Beginning Balance	Cash flows	Foreign Exchange	Others	Ending Balance
Lease liability	44,348,974,608	(267,687,961)	(4,850,487,414)	1,859,545,728	41,090,344,961
Due to a shareholder	-	22,047,436,000	-	-	22,047,436,000
Total	**44,348,974,608**	**21,779,748,039**	**(4,850,487,414)**	**1,859,545,728**	**63,137,780,961**

PT Waka Oberoi Indonesia

BOARD

Mr. I Ketut Siandana
Mr. Deepak Madhok
I Wayan Pasek

AUDITORS

Purwantono, Sungkaro & Surja
A member firm of Ernst & Young Global Limited
Indonesia Stock Exchange Building
Tower 2, 7th Floor,
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190,
Indonesia

REGISTERED OFFICE

Patai Medana,
Desa Sigar Penjalin-
Tangung-Lombok Utara-NTB
Indonesia

Report of the Directors

We present the report and the audited financial statements of PT Waka Oberoi Indonesia (the Company") for the year ended March 31, 2022.

PRINCIPAL ACTIVITY

The principal activity of the Company is hotel ownership and management.

RESULTS

The Company's financial position and results of operations as of and for the year ended March 31, 2022 are set out in the financial statements on pages 1 to 5 preceded by the independent auditors' report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

We are responsible for the preparation and the presentation of the financial statements, and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. We are also responsible for the Company's internal control systems and safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing the financial statements of the Company, we are required to:

- select suitable accounting policies and then apply them consistently;
- prepare and present the financial statements in accordance with Indonesian Financial Accounting Standards;
- make judgments and estimates that are reasonable and prudent;

We confirm that we have complied with the above requirements in preparing the financial statements and all information contained in the financial statements are complete and correct. The financial statements do not contain or omit misleading information and/or facts.

This statement letter is made truthfully.

Bali, 21 April, 2022

On behalf of the Board of Directors

I Wayan Pasek
President Director

Office address: Jl. Kayu Aya, Seminyak Beach, KutaBadung
Domicile address: Jl. Sarigading Gg. Gadingmas
9/15 Denpasar
Telephone number: (0361) 730951

Independent Auditor’s Report

Report No. 00709/2.1032/AU.1/10/1175-7/1/IV/2022

The Shareholders and the Board of Commissioners and Directors PT Waka Oberoi Indonesia

We have audited the accompanying financial statements of PT Waka Oberoi Indonesia, which comprise the statement of financial position as of March 31, 2022, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT’S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of such financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT Waka Oberoi Indonesia as of March 31, 2022, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

OTHER MATTER

Our audit was conducted for the purpose of forming an opinion on the basic Indonesian rupiah financial statements taken as a whole. The translations of the Indonesian rupiah amounts into United States Dollar have been made on the basis set forth in Note 2n to the financial statements and are presented for purposes of additional analysis only and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion thereon.

Purwantono, Sungkaro & Surja

TJOA TJEK NIEN, CPA
Public Accountant Registration No. AP.1175

April 21, 2022

Statement of Financial Position

As of 31 March, 2022

(Expressed in Rupiah, unless otherwise stated, with Translations into United States Dollar)

				Translations into U.S. Dollar ($)	
		Indonesian Rupiah		Unaudited (Note 2n)	
	Note	As at 31 March, 2022	As at 31 March, 2021	As at 31 March, 2022	As at 31 March, 2021
ASSETS					
CURRENT ASSETS					
Cash on hand and in banks	2c, 2o, 4, 23,24	1,205,295,658	1,138,740,376	83,999	78,146
Inventories	2e,5	994,512,018	1,055,159,131	69,309	72,410
Prepayments and advances	2f,6	1,745,541,772	1,659,678,943	121,649	113,895
Other current financial assets	2o,23,24	14,901,618	28,873,592	1,038	1,981
TOTAL CURRENT ASSETS		**3,960,251,066**	**3,882,452,042**	**275,995**	**266,432**
NON-CURRENT ASSETS					
Fixed assets - net	2g,7	48,901,644,839	52,534,935,164	3,408,017	3,605,197
Tax amnesty assets - net	2m,10d	27,866,667	104,866,667	1,942	7,196
Other non-current financial assets	2o, 23,	126,615,000	126,615,000	8,824	8,690
Deferred Tax Assets	2m,10c	2,350,874,422	3,510,649,556	163,835	240,917
TOTAL NON-CURRENT ASSETS		**51,407,000,928**	**56,277,066,387**	**3,582,618**	**3,862,000**
TOTAL ASSETS		**55,367,251,994**	**60,159,518,429**	**3,858,613**	**4,128,432**
LIABILITIES AND EQUITY					
LIABILITIES					
CURRENT LIABILITIES					
Trade payables	2o,8, 23, 24	761,286,185	261,375,898	53,055	17,937
Other payables	2o, 9, 23, 24				
Third parties		228,950,974	314,954,975	15,955	21,614
Related party	12	26,516,468	-	1,848	-
Taxes payable	2m,10a	184,979,895	175,962,886	12,891	12,075
Accrued expenses	2o,11,23	2,895,346,697	2,991,159,328	201,780	205,268
Due to related parties	2d,2o, 12, 23, 24	36,929,218,873	24,947,818,173	2,573,644	1,712,038
Reserve for replacement of furniture, fixtures and equipment	2i,13	6,957,702,495	7,681,618,077	484,891	527,149
Other current financial liabilities	2o,14,23, 24	650,289,368	722,420,128	45,319	49,576
TOTAL CURRENT LIABILITIES		**48,634,290,955**	**37,095,309,465**	**3,389,383**	**2,545,657**
NON-CURRENT LIABILITY					
Employee benefits liability	2j,15	4,374,828,445	4,343,771,288	304,887	298,090
TOTAL NON-CURRENT LIABILITIES		**4,374,828,445**	**4,343,771,288**	**304,887**	**298,090**
TOTAL LIABILITIES		**53,009,119,400**	**41,439,080,753**	**3,694,270**	**2,843,747**
EQUITY					
Capital stock A series - Rp180,000 par value Authorized, issued and fully paid - 129,385 shares	16	23,289,300,000	23,289,300,000	11,450,000	11,450,000
Capital stock B series - Rp750,000 par value Authorized, issued and fully paid - 461,359 shares	16	346,019,250,000	346,019,250,000	26,016,500	26,016,500
Additional paid-in capital	2m,10d	385,000,000	385,000,000	28,902	28,902
Other comprehensive loss Re-measurement loss on long-term employee benefits liability		(748,033,037)	(996,287,315)	(59,777)	(77,078)
Translation adjustment	2n	-	-	(6,129,800)	(6,176,022)
Deficit		(366,587,384,369)	(349,976,825,009)	(31,141,482)	(29,957,617)
NET EQUITY		**2,358,132,594**	**18,720,437,676**	**164,343**	**1,284,685**
TOTAL LIABILITIES AND EQUITY		**55,367,251,994**	**60,159,518,429**	**3,858,613**	**4,128,432**

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

Statement of profit or loss
And other comprehensive income

For the Year Ended 31 March, 2022

(Expressed in Rupiah, unless otherwise stated, with Translations into United States Dollar)

				Translations into U.S. Dollar ($)	
		Indonesian Rupiah		Unaudited (Note 2n)	
		Year Ended 31 March,		Year Ended March 31,	
	Note	2022	2021	2022	2021
DEPARTMENTAL REVENUES	2k,17				
Rooms		742,764,427	-	51,793	-
Food and beverages		138,762,422	-	9,691	-
Other operating departments		2,157,083	-	150	-
Others		198,348	-	14	-
Total Departmental Revenues		883,882,280	-	61,648	-
COST OF REVENUES	2k,18	**3,846,411,877**	**2,825,127,808**	**267,995**	**194,883**
GROSS LOSS		**(2,962,529,597)**	**(2,825,127,808)**	**(206,347)**	**(194,883)**
HOTEL OPERATING EXPENSES	2k				
General and administrative expenses	19	2,565,730,906	1,955,905,014	178,732	135,516
Property operations, maintenance and energy expenses	20	2,989,517,964	1,669,896,425	208,297	115,372
Marketing expenses	21,25	348,179,402	367,768,336	24,230	25,711
Other income	22	-	(378,323,027)	-	(26,574)
Total Hotel Operating Expenses		5,903,428,272	3,615,246,748	411259	250,025
HOTEL GROSS OPERATING LOSS		**(8,865,957,869)**	**(6,440,374,556)**	**(617,606)**	**(444,908)**
OWNER'S OPERATING INCOME (EXPENSES)	2k				
Depreciation and amortization	7,10d	(4,358,643,325)	(4,543,586,194)	(303,587)	(313,304)
Foreign exchange gain - net	2n	369,939,479	2,841,308,755	-	-
Insurance		(1,392,240,748)	(1,317,786,012)	(98,045)	(96,051)
Professional fees		(864,599,998)	(904,200,000)	(60,210)	(62,346)
Salaries and wages		(246,070,746)	(400,064,634)	(17,114)	(27,492)
Taxes		-	(1,986,181)	-	(131)
Finance income		107,507	71,724	7	5
Other operating income (expense) - net	7	(93,318,526)	17,213,576,932	(6,484)	1,182,791
Owner's Operating Income (Loss)		**(6,584,826,357)**	**12,887,334,390**	**(485,433)**	**683,472**
INCOME (LOSS) BEFORE INCOME TAX EXPENSE		**(15,450,784,226)**	**6,446,959,834**	**(1,103,039)**	**238,564**
Income tax benefit (expense)	2m,10b	(1,159,775,134)	3,542,382,711	(80,826)	239,736
INCOME (LOSS) FOR THE YEAR		**(16,610,559,360)**	**9,989,342,545**	**(1,183,865)**	**478,300**
OTHER COMPREHENSIVE INCOME (LOSS)					
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods: Re-measurement income (loss) on long-term employment benefits liability- net of tax		248,254,278	(36,570,146)	17,301	(2,510)
Other comprehensive loss to be reclassified to profit or loss in subsequent periods: Translation adjustment		-	-	46,222	273,205
NET COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		**(16,362,305,082)**	**9,952,772,399**	**(1,120,342)**	**748,995**

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

Statement of Changes in Equity

For the Year Ended 31 March, 2022

(Expressed in Rupiah, unless otherwise stated, with Translations into United States Dollar)

	Indonesian Rupiah					
	Note	Capital Stock	Additional Paid in Capital	Other Comprehensive Loss	Deficit	Net Equity
Balance as of 31 March, 2020		**369,308,550,000**	**385,000,000**	**(959,717,169)**	**(359,966,167,554)**	**8,767,665,277**
Income for the year		-	-	-	9,989,342,545	9,989,342,545
Re-measurement loss on long-term employee benefits liability - net of tax	15	-	-	(36,570,146)	-	(36,570,146)
Balance as of 31 March, 2021		**369,308,550,000**	**385,000,000**	**(996,287,315)**	**(349,976,925,009)**	**18,720,437,676**
Loss for the year		-	-	-	(16,610,559,360)	(16,610,559,360)
Re-measurement gain on long-term employee benefits liability	15	-	-	248,254,278	-	248,254,278
Balance as of 31 March, 2022		**369,308,550,000**	**385,000,000**	**(748,033,037)**	**(366,587,384,369)**	**2,358,132,594**

	Translations into U.S. Dollar - Unaudited (Note 2n)					
	Capital Stock (Note 16)	Additional Paid in Capital	Deficit	Other Comprehensive Loss (Note 15)	Translation Adjustment (Note 2n)	Net Equity
Balance as of 31 March, 2020	**37,466,500**	**28,902**	**(30,435,917)**	**(74,568)**	**(6,449,227)**	**535,690**
Income for the year	-	-	478,300	-	-	478,300
Re-measurement loss on long-term employee benefits liability-net of tax	-	-	-	(2,510)	-	(2,510)
Translation adjustment	-	-	-	-	273,205	273,205
Balance as of 31 March, 2021	**37,466,500**	**28,902**	**(29,957,617)**	**(77,078)**	**(6,176,022)**	**1,284,685**
Loss for the year	-	-	(1,183,865)	-	-	(1,183,865)
Re-measurement gain on long-term employee benefits liability	-	-	-	17,301	-	17,301
Translation adjustment	-	-	-	-	46,222	46,222
Balance as of 31 March, 2022	**37,466,500**	**28,902**	**(31,141,482)**	**(59,777)**	**(6,129,800)**	**164,343**

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

Statement of Cash Flows

For the Year Ended 31 March, 2022

(Expressed in Rupiah, unless otherwise stated, with Translations into United States Dollar)

				Translations into U.S. Dollar ($)	
		Indonesian Rupiah		Unaudited (Note 2n)	
		Year Ended March 31,		Year Ended March 31,	
	Notes	2022	2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Income (loss) before income tax		(15,450,784,226)	6,446,959,834	(1,103,039)	238,564
Adjustments to reconcile Income (loss) before income tax for the year to net cash provided by (used in) operating activities:					
Depreciation and amortization	7,10d	4,358,643,325	4,543,586,194	303,587	313,304
Provision for replacement of furniture, fixtures and equipment	13	26,516,468	-	1,848	-
Provision for international sales marketing	12	26,516,468		1,848	
Provision for employee benefits net of benefit payments	15	279,311,435	(739,858,659)	24,918	(50,773)
Unrealized loss (gain) on foreign exchange		(369,939,479)	(2,841,308,755)	-	-
Provision for (reversal of) impairment of trade receivables		-	(53,690,730)	-	(3,280)
Changes in operating asset and liabilities:					
Trade receivables		-	338,906,943	-	17,426
Inventories		60,647,113	(6,128,550)	3,101	(8,316)
Prepayments and advances		(85,862,829)	458,846,076	(7,754)	15,544
Other current financial assets		13,971,974	(2,605,107)	943	(376)
Trade payables		499,910,287	(345,905,855)	35,118	(19,167)
Other payables		(86,004,001)	(2,205,956,889)	(7,626)	(132,410)
Accrued expenses		(92,217,545)	(927,372,391)	(5,290)	(76,083)
Taxes payable		9,017,009	(217,533,958)	816	(11,967)
Security deposit		-	-	(134)	-
Other current liabilities		(72,130,760)	(1,097,811,116)	(6,457)	(61,638)
Net Cash Flows Provided by (Used in) Operating Activities		**(10,882,404,761)**	**3,350,127,037**	**(758,121)**	**220,828**
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisitions of fixed assets	7	(648,353,000)	(959,335,001)	(45,403)	(69,952)
Utilization of reserve for replacement of furniture, fixtures and equipment	13	(750,432,050)	(95,754,000)	(52,228)	(6,586)
Total Cash Used in Investing Activities		**(1,398,785,050)**	**(1,055,089,001)**	**(97,631)**	**(76,538)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Net receipts (settlement) of funds from related parties	12, 27	**12,360,305,182**	**(2,872,992,003)**	**861,605**	**(170,781)**
NET INCREASE (DECREASE) IN CASH ON HAND AND IN BANKS		**12,360,305,182**	**(577,953,967)**	**861,605**	**(26,491)**
NET EFFECT OF DIFFERENCES IN FOREIGN EXCHANGE RATES		**(12,560,089)**	**4,095,154**	-	-
CASH ON HAND AND IN BANKS AT BEGINNING OF YEAR	4	**1,138,740,376**	**1,712,599,189**	**78,146**	**104,637**
CASH ON HAND AND IN BANKS AT END OF YEAR	4	**1,205,295,658**	**1,138,740,376**	**83,999**	**78,146**

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

Notes to The Financial Statements

As of 31 March, 2022 and for the Year Then Ended
(Expressed in Indonesian Rupiah, unless otherwise stated with Translations into United States Dollar)

1. GENERAL

PT Waka Oberoi Indonesia (the "Company") was established within the framework of the Foreign Capital Investment Law No. 1 of 1967 as amended by Law No. 11 of 1970 based on notarial deed No. 225 dated November 26, 1992 of Siti Pertiwi Henny Shidki, S.H. The deed of establishment was approved by the Ministry of Justice in its decision letter No. C2-1631.HT.01.01.TH.93 dated March 13, 1993 and was published in Supplement No. 2313 of State Gazette No. 42 dated May 25, 1993.

According to Article 3 of the Company's articles of association, the Company's scope of activities mainly consists of establishing, developing, operating and managing resort hotels. The Company is domiciled in North Lombok Regency, West Nusa Tenggara and owns The Oberoi Lombok Hotel (the "Hotel") located in West Nusa Tenggara, which started commercial operations in April 1997. On March 19, 2019, EIH Management Services B.V assigned EIH Holdings Ltd. to manage the hotel operations up to year 2034 with option to extend for 20 years.

The composition of the Company's Boards of Commissioners and Directors as of March 31, 2022 and 2021 are as follows:

	2022	2021
Board of Commissioners		
President Commissioner	: Sudarshan Rao	Sudarshan Rao
Commissioner	: Ida Bagus Gede Yudana	Ida Bagus Gede Yudana
Board of Directors		
President Director	: I Wayan Pasek	I Wayan Pasek
Director	: I Ketut Siandana	I Ketut Siandana
Director	: Deepak Madhok	Deepak Madhok

The Company employed a total of 92 and 98 permanent employees as of March 31, 2022 and 2021, respectively (unaudited).

In March 2020, Indonesia was hit by novel corona virus disease 2019 (COVID-19) and the Company has since closed the operations. On April 1, 2022, the Company has already resumed its hotel operations.

The management of the Company is responsible for the preparation and presentation of the accompanying financial statements that were completed and authorized for issuance by the Board of Directors on April 21, 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation of the Financial Statements

The financial statements have been prepared and presented in accordance with Indonesia Financial Accounting Standards ("SAK"), which comprise the Statements of Financial Accounting Standards ("PSAK") and Interpretations of Financial Accounting Standards ("ISAK") issued by the Indonesia Financial Accounting Standards Board ("DSAK") of the Indonesian Institute of Accountants.

Except for the statement of cash flows, the financial statements have been prepared on the accrual concept, using the historical cost concept of accounting, except for certain accounts which are measured on the bases described in the related accounting policies for those accounts.

The statement of cash flows presents cash receipts and payments of cash on hand and in banks classified into operating, investing and financing activities. The cash flows from operating activities are presented using the indirect method.

The Company's functional currency is the Indonesian rupiah, which is also the currency used in the preparation of the financial statements, with translations into the United States dollar.

b. Current and non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

i) expected to be realized or intended to be sold or consumed in the normal operating cycle,

ii) held primarily for the purpose of trading,

iii) expected to be realized within 12 months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

i) expected to be settled in the normal operating cycle,

ii) held primarily for the purpose of trading,

iii) due to be settled within twelve months after the reporting period, or

iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of the equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c. Cash on Hand and in Banks

Cash on hand and in banks, in the statement of financial position comprise cash on hand and in banks which are not restricted to use, and which are subject to an insignificant risk of changes in value.

d. Transactions with Related Parties

The Company has transactions with certain parties which have related party relationships as defined under PSAK 7, “Related Party Disclosures”.

The transactions are made based on terms agreed by the parties, whereas such terms may not be the same as those for transactions with unrelated parties.

All significant transactions and balances with related parties are disclosed in the relevant notes to the financial statements. Unless specifically identified as related parties, the parties disclosed in the Notes to the financial statements are unrelated parties.

e. Inventories

Inventories are valued at the lower of cost or net realizable value. Except for boutique inventories (which use the First-In First Out method), the cost is determined using the weighted-average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. Allowance for decline in market value and obsolescence of inventories, if any, is provided to reduce the carrying value of inventories to their net realizable values based on the review of the market value and physical condition of the inventories.

f. Prepayments

Prepayments are amortized and charged to operations over the periods benefited using the straight- line method. The portion to be amortized within one year is presented as part of current assets, otherwise, as non-current assets.

g. Fixed Assets

Fixed assets, except land which is stated at cost and not depreciated, are stated at cost less accumulated depreciation and impairment loss, if any. The cost of fixed assets includes: (a) purchase price, (b) any costs directly attributable to bringing the asset to its present location and condition, and (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, if any. Each part of an item of fixed assets with a cost that is significant in relation to the total cost of the item should be depreciated separately.

When significant renewals and betterments are performed, their costs are recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs that do not meet the recognition criteria are charged directly to current operations.

Depreciation commences once the assets are available for their intended use and is computed using the straight-line method over the estimated useful lives of the assets, as follows:

	Years
Buildings	20
Structures and improvements	10
Machinery and equipment	8
Furniture, fixtures and equipment	5
Motor vehicles	5

Land is stated at cost and is not depreciated. The costs incurred in order to acquire legal rights over land in the form of “Hak Guna Usaha” (HGU), “Hak Guna Bangunan” (HGB) or “Hak Pakai” (HP) upon initial acquisition of land are recognized as part of the acquisition cost of the land and are not amortized.

Construction in progress represents the accumulated cost of materials and other costs related to the asset under construction. The accumulated cost will be reclassified to the appropriate fixed asset account when the construction is completed and the constructed asset is ready for its intended use.

The carrying amount of an item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is credited or charged to current operations in the period when the asset is derecognized.

h. Impairment of Non-financial Assets

The Company assesses at each annual reporting period whether there is an indication that an asset may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of the asset's or its cash-generating unit's (CGU's) fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognized in the statement of profit or loss and other comprehensive income as "impairment losses". In assessing the value in use, the estimated net future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If no such transactions can be identified, an appropriate valuation model is used to determine the fair value of the asset. These calculations are corroborated by valuation multiples or other available fair value indicators.

In determining fair value less costs to sell, recent market transactions are taken into account, if available. Impairment losses of continuing operations, if any, are recognized in the statement of profit or loss and other comprehensive income under expense categories that are consistent with the functions of the impaired assets.

An assessment is made at each annual reporting period as to whether there is any indication that previously recognized impairment losses recognized for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss for an asset is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

If that is the case, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is recognized in the statement of profit or loss and other comprehensive income. After such a reversal, the depreciation charged on the said asset is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

i. Provisions and Contingencies

A provision is recognized when the Company has a present obligation (legal or constructive) where, 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.

All provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligations, the provisions are reversed.

Contingent liabilities are not recognized in the financial statement but are disclosed in the notes to the financial statements unless the outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

j. Employee Benefits Liability

Short-term employee benefits

The Company recognizes short-term employee benefits liability when services are rendered and the compensation for such services are to be paid within twelve months after rendering such services. The liability is presented as part of "Accrued expenses" in the statement of financial position.

Post-employment benefits

Effective February 2, 2021, the Company applied the Government Regulation Number 35 Year 2021 (PP 35/2021), implementing the provisions of Article 81 and Article 185 (b) of Law no. 11/2020 concerning Job Creation (Cipta Kerja) in its determination of the employee benefits liability.

The Company previously recognizes its unfunded employee benefits liability in accordance with Labor Law No. 13/2003 dated March 25, 2003 (the

"Law") and PSAK 24 (Revised 2013), "Employee Benefits".

Pension costs under the Company's defined benefit pension plans are determined by periodic actuarial calculation using the projected-unit-credit method and applying the assumptions on discount rate and annual rate of increase in compensation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding the amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding the amounts, included in net interest on the net defined benefit liability) are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss at the earlier between:

i) the date of the plan amendment or curtailment, and
ii) the date the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under "Cost of Goods Sold and Services" and "General and Administrative Expenses" as appropriate in the statement profit or loss and other comprehensive income:

i) Service costs comprising current service costs, past-service costs, gains or losses on curtailments and non-routine settlements, and

ii) Net interest expense or income

k. Revenue and Expense Recognition

The Company early adopted PSAK 72 "Revenue from Contract with Customers". PSAK 72 supersedes IAS PSAK 23, Revenue, and related interpretations and it applies with limited exceptions, to all revenue arising from contracts with its customers. PSAK 72 establishes a five-step model to account for revenue arising from contract with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

PSAK 72 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

Hotel room revenue is recognized based on room occupancy while other hotel revenues are recognized when the goods are delivered or the services are rendered to the customers.

Expenses are recognized when they are incurred.

l. Foreign Currency Transactions and Balances

Transactions involving foreign currencies are recorded at the rates of exchange prevailing at the time the transactions are made. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are adjusted to reflect the average buying and selling rates of exchange published by Bank Indonesia at the last banking transaction date of the year. The resulting gains or losses are credited or charged to current operations.

As of March 31, 2022 and 2021, the rates of exchange used were Rp14,349 and Rp14,572, respectively, to US$1.

m. Taxation

Current tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authority.

Current tax expense is determined based on the taxable profit for the year computed using the prevailing tax rates.

Underpayment/overpayment of income tax are presented as part of "Income tax expense" in the statement of profit or loss and other comprehensive income. Interests and penalties are presented as part of other operating income or expenses since they are not considered as part of the income tax expense.

Amendments to tax obligations are recorded when a tax assessment letter is received or, if appealed against, when the result of the appeal is determined.

Deferred tax

Deferred tax assets and liabilities are recognized using the liability method for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities in the financial statements and their respective tax bases at each reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and accumulated fiscal losses to the extent that it is probable that taxable profit will be available in future years against which the deductible temporary differences and accumulated fiscal losses can be utilized.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the reporting date. Changes in the carrying amount of deferred tax assets and liabilities due to a change in tax rates are charged to current period operations, except to the extent that they relate to items previously charged or credited to equity.

Deferred tax assets and liabilities are offset in the statement of financial position, except if they are for different legal entities, consistent with the presentation of current tax assets and liabilities.

Value added tax ("VAT")

Revenues, expenses and assets are recognized net of the amount of VAT except:

- Where the VAT incurred on a purchase of assets or services is not recoverable from the Tax Office, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables that are stated with the amount of VAT included.

Final Tax

Tax regulation in Indonesia determined that certain taxable income is subject to final tax. Final tax applied to the gross value of transactions is applied even when the parties carrying the transaction are recognizing losses.

Referring to revised PSAK 46 as mentioned above, final tax is no longer governed by PSAK 46. Therefore, the Company has decided to present all of the final tax arising from interest income as separate line item.

Change in Tax Rates

On March 31, 2020, the Government issued a Government Regulation in lieu of the Law of the Republic of Indonesia Number 1 Year 2020 which stipulates, among others, reduction to the tax rates for corporate income tax payers and permanent establishments entities from previously 25% to become 22% for fiscal years 2020 and 2021 and 20% starting fiscal year 2022 and onwards, and further reduction of 3% for corporate income tax payers that fulfill certain criteria.The new tax rates are used as reference to measure the current and deferred tax assets and liabilities starting from the enactment date of the new regulation on March 31, 2020.

On October 7, 2021, Harmonization of Tax Regulation Law (UU HPP) was ratified and stipulates, among others, changes to the tax rates for corporate income tax payers and permanent establishments entities for the fiscal year 2022 and onwards which previously regulated under Government Regulation in lieu of the Law of the Republic of Indonesia Number 1 Year 2020 from previously 20% to become 22%.

Tax amnesty

On September 19, 2016, the Indonesia Financial Accounting Standards Board (DSAK IAI) issued PSAK 70, "Accounting for tax amnesty assets and liabilities".

This PSAK provides accounting policy choice for the entity to account the asset and liabilities in accordance with the provision of Tax Amnesty Law. The alternative accounting options are:

- To use the existing applicable standard under SAK.
- To use the specific provision in PSAK 70.

Management decided to use the specific provision in PSAK 70. According to specific provision of PSAK 70, tax amnesty assets are measured at the amount reported in the Tax Amnesty Approval Letter ("SKPP"), while tax amnesty liabilities are measured at the amount of cash or cash equivalents that will settle the contractual obligation related to the acquisition of the tax amnesty assets. The redemption money (the amount of tax paid in accordance with Tax Amnesty law) shall be charged directly to profit or loss in the period when the SKPP was received.

Any difference between amounts initially recognized for the tax amnesty assets and the related tax amnesty liabilities shall be recorded in equity as Additional Paid-In Capital ("APIC"). The APIC shall not be reclassified to retained earnings or recycled to profit or loss subsequently.

n. Translations of Indonesian Rupiah Amounts into United States (U.S.) Dollar

The financial statements are stated in Indonesian rupiah, the currency of the country in which the Company operates. The translations of Indonesian rupiah amounts into U.S. dollar were made at the following rates:

Assets and liabilities	- Middle rate as of reporting date (Rp14,349 to US$1 and Rp14,572 to US$1 as last quoted by Bank Indonesia as of March 31, 2022 and 2021, respectively).
Capital stock	- Historical rates
Revenue and expense accounts	- Transaction date exchange rates

The resulting difference arising from the translations of the statement of financial position and statement of profit or loss and other comprehensive income accounts is presented as "Translation adjustment" under the equity section of the statement of financial position.

o. 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.

i. Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under PSAK 72.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

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

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and,

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

  The Company's financial assets at amortized cost includes other current financial assets and other non-current financial assets.

Financial assets at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company has no financial assets at fair value through OCI (debt instruments).

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under PSAK 50: Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company has no financial assets designated at fair value through OCI (equity investments).

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss and other comprehensive income.

The Company has no financial assets at fair value through profit or loss

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, other payables, accrued expenses, due to related parties, and other current financial liabilities.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by PSAK 71. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in PSAK 71 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss and other comprehensive income.

Derecognition

A financial liability is derecognized 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 liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss and other comprehensive income.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

p. Adoption of Amendments and Improvements to PSAK

The Company has adopted several amendments and improvements to PSAK and new ISAK that are mandatory for application effective April 1, 2021. The adoption of the following amendments and improvements to PSAK and new ISAK did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial periods:

- **Amendments to Statement of Financial Accounting Standards ("PSAK") 22: Definition of a Business**

  The amendment to PSAK 22 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the Company, but may impact future periods should the Company enter into any business combinations.

- **Amendments to PSAK 55, PSAK 60, PSAK 62, PSAK 71 and PSAK 73 – Interest Rate Benchmark Reform (Phase 2)**

  The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

  a. A practical expedient to require contractual changes, or changes to cash flows that are directly required by the (interest rate benchmark) reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.

  b. Permit changes required by interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.

c. Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

- **Amendments to PSAK 73: Leases - Covid-19 Related Rent Concessions After June 30, 2021**

In light of the ongoing pandemic additional amendment was subsequently issued in March 2021 to extend the scope of the lease concession period, which is one of the conditions for applying the practical expedient, from June 30, 2021 in Covid-19 Related Rent Concessions - Amendments to PSAK 73: Leases issued in May 2020, to June 30, 2022.

If a lessee already applied the practical expedient in the May 2020 amendment, it is required to continue to apply the practical expedient consistently, to all lease contracts with similar characteristics and in similar circumstances, using the March 2021 amendment. If a lessee did not apply the practical expedient in the May 2020 amendment to eligible lease concessions, it is prohibited from applying the practical expedient in the March 2021 amendment.

The March 2021 amendment is to be applied retrospectively, recognizing the cumulative effect of initially applying that amendment as an adjustment to the opening balance of retained earnings at the beginning of the annual reporting period in which the lessee first applies the amendment.

- **Amendments to PSAK 73: Leases - Covid-19 Related Rent Concessions After June 30, 2021**

However, the Company has not received Covid-19-related rent concessions but plans to apply the practical expedient if it becomes applicable within allowed period of application.

- **2021 Annual Improvements**

The following summary provides information on the annual improvements of PSAKs that are effective for annual periods beginning on or after March 1, 2021. The annual improvements of PSAK are basically a set of narrow scope amendments that provide clarification so that there are no significant changes to existing principles or new principles.

a. PSAK 1: Presentation of Financial Statements, some changes regarding consideration made by management in the process of applying accounting policies that significantly affect the amounts they recognize in the financial statements.

b. PSAK 13: Investment Property, regarding disclosure of applying fair value model has been deleted.

c. PSAK 48: Impairment of Assets, regarding the scope of impairment of assets and deletion of the difference with IFRS in IAS 36 paragraph 04(a).

d. PSAK 66: Joint Arrangement, Regarding adjustments in paragraphs 25, PP11, PP33A(b) and its footnotes, C12 and C14 regarding reference to PSAK 71: Financial instruments.

e. ISAK 16: Service concession arrangement, regarding adjustment in several paragraphs in illustrative example to be consistent with PSAK 72: Revenue from Contracts with Customers.

3. SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Judgments

The following judgments are made by management in the process of applying the Company's accounting policies that have the most significant effects on the amounts recognized in the financial statements:

Determination of Functional Currency

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the Indonesian rupiah. The Indonesian rupiah is the currency of the primary economic environment in which the Company operates and the currency that mainly influences revenue, costs and expenses.

Classification of Financial Assets and Financial Liabilities

The Company determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in PSAK 71.

Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Company's accounting policies disclosed in Note 2o.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables and other current financial assets

The Company uses a provision matrix to calculate ECLs for trade receivables and other current financial assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Estimation of Employee Benefits Liability

The determination of the Company's employee benefits expense and employee benefits liability is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. Those assumptions include discount rates, future annual salary increases, annual employee turnover rate, disability rate, retirement age and mortality rate. While the Company believes that its assumptions are reasonable and appropriate, significant differences in the Company's actual experience or significant changes in the assumptions may materially affect the retirement expenses and defined benefit obligations.

Depreciation of Fixed Assets

The costs of fixed assets are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these fixed assets to be within 5 to 20 years. These are common life expectancies applied in the industry where the Company conducts its business. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets and, therefore, future depreciation charges could be revised. The net carrying amounts of the Company's fixed assets as of March 31, 2022 and 2021 amounted to Rp48,901,644,839 and Rp52,534,935,164, respectively. Further details are disclosed in Note 8.

Income Tax

Significant judgment is involved in determining the provision for corporate income tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due.

Determination of Fair Values of Financial Assets and Liabilities

When the fair value of financial assets and financial liabilities recorded or presented in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair value.

The judgment includes consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The fair values of the Company's financial assets and liabilities are disclosed in Note 23 to the financial statements.

4. CASH ON HAND AND IN BANKS

Cash on hand and in banks consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Cash on hand Rupiah	79,500,000	79,500,001	5,541	5,456
Cash in banks Rupiah				
PT Bank Negara Indonesia (Persero) Tbk	448,784,150	489,720,559	31,276	33,607
PT Bank Central Asia Tbk	8,813,971	8,787,609	614	603
PT Bank Mandiri (Persero) Tbk	1,000,000	1,405,731	70	96
PT Bank Maybank	-	112,544	-	8
Sub-total	458,598,121	500,026,443	31,960	34,314
U.S. dollar				
PT Bank Negara Indonesia (Persero) Tbk	642,031,797	533,028,448	44,744	36,579
PT Bank Internasional Indonesia	25,165,740	26,185,485	1,754	1,797
Sub-total	667,197,537	559,213,933	46,498	38,376
Total	**1,205,295,658**	**1,138,740,376**	**83,999**	**78,146**

5. INVENTORIES

Inventories consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Materials and supplies	625,735,914	671,244,033	43,608	46,064
Beverages	259,705,874	269,854,160	18,099	18,519
Food	59,292,916	53,169,367	4,132	3,649
Boutique	49,389,284	60,091,662	3,442	4,124
Tobacco	388,030	799,909	28	54
Total	**994,512,018**	**1,055,159,131**	**69,309**	**72,410**

Management believes that no allowance for losses is necessary on the inventories as of March 31, 2022 and 2021 since the inventories are fully usable.

6. PREPAYMENTS AND ADVANCES

Prepayments and advances consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Prepaid insurance	1,226,470,935	1,202,578,164	85,474	82,527
Advance purchases	428,483,232	368,264,327	29,862	25,272
Prepaid others	90,587,605	88,836,452	6,313	6,096
Total	**1,745,541,772**	**1,659,678,943**	**121,649**	**113,895**

7. FIXED ASSETS - NET

The details of fixed assets - net are as follows:

	Year Ended March 31, 2022 Indonesian Rupiah				
	Beginning Balance	Additions	Deductions	Reclassification	Ending Balance
Cost					
Land	5,470,511,683	-	-	-	5,470,511,683
Buildings	74,385,157,981	648,353,000	-	-	75,033,510,981
Structures and improvements	5,159,738,740	-	-	-	5,159,738,740
Machinery and equipment	11,751,224,243	-	-	-	11,751,224,243
Furniture, fixtures and equipment	16,168,600,036	-	-	-	16,168,600,036
Motor vehicles	1,477,743,500	-	-	-	1,477,743,500
Total Cost	114,412,976,183	648,353,000	-	-	115,061,329,183
Accumulated Depreciation					
Buildings	32,627,354,920	2,437,120,673	-	-	35,064,475,593
Structures and improvements	5,064,702,683	42,929,531	-	-	5,107,632,214
Machinery and equipment	9,326,245,105	587,172,279	-	-	9,913,417,384
Furniture, fixtures and equipment	13,592,158,982	1,140,363,344	-	-	14,732,522,326
Motor vehicles	1,267,579,329	74,057,498	-	-	1,341,636,827
Total Accumulated Depreciation	61,878,041,019	4,281,643,325	-	-	66,159,684,344
Net Book Value	**52,534,935,164**		-		**48,901,644,839**

	Year Ended March 31, 2021 Indonesian Rupiah				
	Beginning Balance	Additions	Deductions	Reclassification	Ending Balance
Cost					
Land	5,470,511,683	-	-	-	5,470,511,683
Buildings	73,155,467,982	944,845,001	-	284,844,998	74,385,157,981
Structures and improvements	5,159,738,740	-	-		5,159,738,740
Machinery and equipment	11,751,224,243	-	-		11,751,224,243
Furniture, fixtures and equipment	16,154,110,036	14,490,000	-		16,168,600,036
Motor vehicles	1,477,743,500	-	-		1,477,743,500
Construction in progress	284,844,998	-	-	(284,844,998)	-
Total Cost	113,453,641,182	959,335,001	-	-	114,412,976,183
Accumulated Depreciation					
Buildings	30,225,412,841	2,401,942,079	-		32,627,354,920
Structures and improvements	5,021,773,153	42,929,530	-		5,064,702,683
Machinery and equipment	8,710,786,610	615,458,495	-		9,326,245,105
Furniture, fixtures and equipment	12,300,921,642	1,291,237,340	-		13,592,158,982
Motor vehicles	1,152,560,579	115,018,750	-		1,267,579,329
Total Accumulated Depreciation	57,411,454,825	4,466,586,194	-		61,878,041,019
Net Book Value	**56,042,186,357**		-		**52,534,935,164**

	Year Ended March 31, 2022					
	Translations into U.S. Dollar - Unaudited (Note 2n)					
	Beginning Balance	Additions	Deductions	Reclassification	Translation Adjustment	Ending Balance
Cost						
Land	375,413	-	-	-	5,834	381,247
Buildings	5,104,664	45,403	-	-	79,113	5,229,180
Structures and improvements	354,085	-	-	-	5,504	359,589
Machinery and equipment	806,425	-	-	-	12,533	818,958
Furniture, fixtures and equipment	1,109,566	-			17,244	1,126,810
Motor vehicles	101,410	-	-	-	1,576	102,986
Total Cost	7,851,563	45,403	-	-	121,804	8,018,770
Accumulated Depreciation			-	-		
Buildings	2,239,049	169,750	-	-	34,890	2,443,689
Structures and improvements	347,564	2,990	-	-	5,403	355,957
Machinery and equipment	640,009	40,898	-	-	9,972	690,879
Furniture, fixtures and equipment	932,757	79,428			14,543	1,026,728
Motor vehicles	86,987	5,158	-	-	1,355	93,500
Total Accumulated Depreciation	4,246,366	298,224	-	-	66,163	4,610,753
Net Book Value	**3,605,197**					**3,408,017**

	Year Ended March 31, 2021					
	Translations into U.S. Dollar - Unaudited (Note 2n)					
	Beginning Balance	Additions	Deductions	Reclassification	Translation Adjustment	Ending Balance
Cost						
Land	334,240	-	-	-	41,173	375,413
Buildings	4,469,693	68,924	-	17,400	548,647	5,104,664
Structures and improvements	315,253	-	-	-	38,832	354,085
Machinery and equipment	717,983	-	-	-	88,442	806,425
Furniture, fixtures and equipment	986,991	1,028			121,547	1,109,566
Motor vehicles	90,288	-	-	-	11,122	101,410
Construction in progress	17,400	-	-	(17,400)	-	-
Total Cost	6,931,848	69,952	-	-	849,763	7,851,563
Accumulated Depreciation			-	-		
Buildings	1,846,728	165,627	-	-	226,694	2,239,049
Structures and improvements	306,823	2,960	-	-	37,781	347,564
Machinery and equipment	532,216	42,439	-	-	65,354	640,009
Furniture, fixtures and equipment	751,567	89,038			92,152	932,757
Motor vehicles	70,419	7,931	-	-	8,637	86,987
Total Accumulated Depreciation	3,507,753	307,995	-	-	430,618	4,246,366
Net Book Value	**3,424,095**					**3,605,197**

The Company's land properties are covered by landrights ownership or Hak Guna Bangunan (HGB) certificate No.2 which is valid up to 2024. The management believes that the said titles of land right ownership that will expire from 2021 to 2024 can be renewed/extended.

Depreciation charged to operations amounted to Rp4,281,643,325 (US$298,224) and Rp4,466,586,194 (US$307,995) for the years ended March 31, 2022 and 2021, respectively. The Company's fixed assets and inventories are covered by insurance against losses from fire and other risks under blanket policies with total coverage amounting to US$26,850,000 (Rp385,270,784,250) and US$28,650,000 (Rp417,487,800,000) in 2022 and 2021, respectively. Further, the Company is also covered by insurance against business interruption under blanket policies with total coverage amounting to US$2,750,000 (Rp40,073,000,000) and US$2,750,000 (Rp45,009,250,000) in 2022 and 2021, respectively. The management believes that the insurance coverage is adequate to cover possible losses arising from such risks.

On November 22, 2019, the Company lodged an insurance claim with the insurers for loss of profit as well as for material damages under business interruption policy in relation to the impact of damages of earthquake in August 2018 which caused the closure of hotel operations for renovations from August 2018 to June 2019. The Company received the approvals of claims on July 17, 2020 for an aggregate coverage amounting to Rp17,302,740,224 which were fully collected as of March 31, 2021.

Approved claims from insurance amounting to Rp17,302,740,224 as of March 31, 2021, are recorded as gains on insurance presented under "Other operating income - net" in the statement of profit or loss and other comprehensive.

As of March 31, 2022 and 2021, the management believes that there is no impairment in the value of the Company's fixed assets.

8. TRADE PAYABLES

This account consists mainly liabilities to Hotel's suppliers of goods and services amounting to Rp761,286,185 (US$53,055) and Rp261,375,898 (US$17,937) as of March 31, 2022 and 2021.

9. OTHER PAYABLES

This account consists of payables for:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	March 31,		March 31,	
	2022	2021	2022	2021
Related Party (Note 12)				
Marketing and sales promotion expenses	26,516,468	-	1,848	-
Third Parties				
General reserve	33,860,797	57,607,501	2,360	3,953
Others	195,090,177	257,347,474	13,595	17,661
Subtotal	228,950,974	314,954,975	15,955	21,614
Total	**255,467,442**	**314,954,975**	**17,804**	**21,614**

10. TAXATION

a. Taxes payable consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	March 31,		March 31,	
	2022	2021	2022	2021
Development tax I	91,233,797	98,906,854	6,358	6,787
Income tax				
Article 21	25,923,712	25,683,693	1,807	1,763
Article 23	66,447,586	48,911,939	4,631	3,357
Article 26	1,374,800	2,460,400	95	168
Total	**184,979,895**	**175,962,886**	**12,891**	**12,075**

b. The reconciliation between the estimated tax expense computed by multiplying the income (loss) before income tax by the applicable tax rate and income tax expense (benefit) as shown in the statement of profit or loss and other comprehensive income is as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Income (loss) before income tax	(15,450,784,226)	6,446,959,834	(1,103,039)	238,564
Estimated tax expense based on prevailing tax rate	(3,399,172,530)	1,418,331,163	(242,669)	52,484
Net permanent differences at the applicable tax rate	111,308,739	114,758,791	5,395	7,881
Tax effect on changes in tax rate	355,074,604	(3,752,376,618)	24,742	(257,506)
Tax losses carryforward utilization	-	(1,323,096,047)	-	(90,797)
Unrecognized deferred tax assets - net	4,092,564,321	-	285,177	-
Translation adjustment	-	-	8,181	48,202
Income tax expenses (benefit)	**1,159,775,134**	**(3,542,382,711)**	**80,826**	**(239,736)**

c. As of March 31, 2022 and 2021, deferred tax assets - net consists of:

	Indonesian Rupiah				
		Deferred tax Benefit (Expense) Credited (Charged) to			
	April 1, 2021	Profit or Loss	Effect of Changes in Tax Rate	Other Comprehensive Income	March 31, 2022
Deferred tax assets					
Reserve for replacement of furniture, fixtures and equipment	1,536,323,615	-	-	-	1,536,323,615
Employee benefits	869,937,078	-	-	-	869,937,078
Total deferred tax assets	**2,406,260,693**	-	-	-	**2,406,260,693**
Deferred Tax Liability					
Depreciation and amortization - net	1,104,388,863	(1,275,524,771)	115,749,637	-	(55,386,271)
Net deferred tax assets	**3,510,649,556**	**(1,275,524,771)**	**115,749,637**	**-**	**2,350,874,422**

	Translations into US dollar - Unaudited (Note 2n)					
		Deferred tax Benefit (Expense) Credited (Charged) to				
	April 1, 2021	Profit or Loss	Effect of Changes in Tax Rate	Other Comprehensive Income	Translation adjustment	March 31, 2022
Deferred Tax Assets						
Reserve for replacement of furniture, fixtures and equipment	105,430	-	-	-	1,638	107,068
Employee benefits	59,699	-	-	-	928	60,627
Total deferred tax assets	**165,129**	-	-	**-**	**2,566**	**167,695**
Deferred tax liabilities						
Depreciation and amortization - net	75,788	(88,881)	8,066	-	1,167	(3,860)
Net deferred tax assets	**240,917**	**(88,881)**	**8,066**	**-**	**3,733**	**163,835**

	Indonesian Rupiah			
		Deferred tax Benefit (Expense) Credited (Charged) to		
	April 1, 2020	Profit or Loss	Other Comprehensive Income	March 31, 2021
Deferred Tax Assets				
Depreciation and amortization - net	-	1,104,388,863	-	1,104,388,863
Employee benefits	-	859,622,422	10,324,656	869,937,078
Total deferred tax assets	**-**	**1,964,011,285**	**10,324,656**	**1,974,325,941**
Deferred Tax Liability				
Reserve for replacement of furniture, fixtures and equipment	(42,047,811)	1,578,371,426	-	1,536,323,615
Net deferred tax assets	**(42,047,811)**	**3,542,387,211**	**10,324,6656**	**3,510,649,556**

	Translations into US dollar - Unaudited (Note 2n)				
		Deferred tax Benefit (Expense) Credited (Charged) to			
	April 1, 2020	Profit or Loss	Other Comprehensive Income	Translation adjustment	March 31, 2021
Deferred Tax Assets					
Depreciation and amortization - net	-	75,788	-	-	75,788
Employee benefits	-	58,991	708	-	59,699
Total deferred tax assets	**-**	**134,779**	708	-	**135,487**
Deferred tax liabilities					
Reserve for replacement of furniture, fixtures and equipment	(2,569)	108,315	-	(316)	105,430
Net deferred tax assets	**(2,569)**	**243,094**	**708**	**(316)**	**240,917**

As of March 31, 2022, deferred income tax assets have not been recognized on accumulated tax loss carry-forward amounting to Rp4,283,197,032 (US$298,460) as management believes that it is not probable that the Company will have sufficient future taxable profits against which these items can be utilized.

d. On March 30, 2017, the Company submitted a list of fixed asset items not yet registered in the Company's tax report up to 2015 to be administered under the tax amnesty program of the tax authority. These assets are in the form of antiques and paintings worth Rp385,000,000. The Company received the approval for tax amnesty program application from the Ministry of Finance in its decision letter dated April 25, 2018. As of March 31, 2022 and 2021, the tax amnesty assets as approved were recorded as a separate line item in the statement of financial position.

The movements of the tax amnesty assets are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Balance as approved by tax authority	385,000,000	385,000,000	28,902	28,902
Accumulated depreciation	(357,133,333)	(280,133,333)	(27,069)	(19,563)
Translation adjustment	-	-	109	(2,143)
Net book value	**27,866,667**	**104,866,667**	**1,942**	**7,196**

11. ACCRUED EXPENSES

The details of accrued expenses due to third parties are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Professional fees	973,916,513	723,519,390	67,873	49,651
Salaries and allowance	589,954,504	540,052,446	41,115	37,061
Utilities	221,223,134	91,558,608	15,417	6,283
Human resources	168,330,802	372,747,351	11,731	25,580
Repairs and maintenance	152,830,821	184,811,186	10,651	12,683
Marketing	60,442,635	203,816,165	4,212	13,987
Others	728,648,288	874,654,182	50,781	60,022
Total	**2,895,346,697**	**2,991,159,328**	**201,780**	**205,268**

12. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2022	2021	2022	2021
Due to related parties				
EIH Holdings Ltd,	36,906,173,692	24,947,818,173	2,572,038	1,712,038
PT Widja Putra Karya	23,045,181	-	1,606	-
Total	**36,929,218,873**	**24,947,818,173**	**2,573,644**	**1,712,038**
Other payables: (Note 10)				
EIH Holdings Ltd,	26,516,468	-	1,848	-

For the years ended March 31, 2022 and 2021, the Company received funds from EIH Holdings, Ltd. to support its operations and for working capital requirements amounting to US$860,000 (Rp12,337,260,000) and US$325,041 (Rp4,736,500,000) respectively.

The Company also received funds and operating expenses support from PT Widja Putra Karya amounting to Rp23,045,182 and Rp1,548,750 for the years ended March 31, 2022 and 2021, respectively.

Salaries and wages of the Company's key management personnel amounted to Rp244,552,110 (US$17,008) and Rp396,947,453 (US$27,251) in 2022 and 2021, respectively (unaudited).

In the normal course of its business, the hotel has entered into transactions with related parties as follows:

Related parties	Nature of relationships	Type of transactions
PT Widja Putra Karya	Entity under common control	Intercompany advances and share in proceeds from sale of vacation packages, operating expenses
EIH Holdings Ltd.	Parent company	Management fee, payable to finance hotel operations, and international sales promotion

13. RESERVE FOR REPLACEMENT OF FURNITURE, FIXTURES AND EQUIPMENT

The movements of this account are as follows:

			Translations into U.S. Dollar ($)	
	Indonesian Rupiah		Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	**2021**	**2022**	**2021**
Balance at beginning of year	7,681,618,077	7,777,372,077	527,149	475,186
Provision during the year (Note 20)	26,516,468	-	1,848	-
Utilization of reserve	(750,432,050)	(95,754,000)	(52,228)	(6,586)
Translation adjustment	-	-	8,122	58,549
Balance at end of year	**6,957,702,495**	**7,681,618,077**	**484,891**	**527,149**

14. OTHER CURRENT FINANCIAL LIABILITIES

This account pertains to guest deposits from customers and travel agents amounting to Rp650,289,368 (US$45,319) and Rp722,420,128 (US$49,576) as of March 31, 2022 and 2021, respectively.

15. LONG-TERM EMPLOYEE BENEFITS LIABILITY

The Company's long-term employee benefits liability consists only of post-employment benefits.

On February 2, 2021, the Government promulgated Government Regulation Number 35 Year 2021 (PP 35/2021) to implement the provisions of Article 81 and Article 185 (b) of Law no. 11/2020 concerning Job Creation (Cipta Kerja), which aims to create the widest possible employment opportunities. PP 35/2021 regulates the work agreement for a certain period (non-permanent employees), outsourcing, working time, rest time and termination of employment, which can affect the minimum benefits that must be provided to employees. The Company has evaluated the impact and has calculated the employee benefits liability as of March 31, 2022 in line with PP35/2021. Management believes that the balance of employee benefits liability is sufficient to cover the minimum benefits required under the Law.

The following tables summarize the components of employee benefit expense recognized in the statement of profit or loss and other comprehensive income and amounts recognized in the statement of financial position as employee benefits liability as of March 31, 2022 and 2021 as determined by KKA Herman Budi Purwanto, an independent actuary, in their reports dated March 31, 2022 and March 31, 2021, respectively.

The principal assumptions used in determining the employee benefits liability as of March 31, 2022 and 2021, are as follows:

Discount rate	: 7.60 % in 2022 and 7.82% in 2021
Annual salary increase	: 8.50% per annum in 2022 and 8.00% per annum 2021
Mortality	: TMI IV in 2022 and 2021
Retirement age	: 58 years old in 2022 and 57 years old in 2021
Disability rates	: 10% of TMI IV in 2022 and 2021

a. The employee benefits expense recognized in the statement of profit or loss and other comprehensive income consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Past service cost	-	(1,302,441,500)	-	(89,380)
Current service cost	244,256,892	236,578,132	19,406	16,235
Interest cost	317,588,741	326,004,708	25,232	22,372
Employee benefit expense	**561,845,633**	**(739,858,659)**	**44,638**	**(50,773)**

b. Details of employee benefits liability are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Present value of defined benefits obligation	**4,374,828,445**	**4,343,771,288**	**304,887**	**298,090**

c. Movements in employee benefits liability are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Beginning balance	4,343,771,288	5,036,745,145	298,090	307,738
Provision during the year	561,845,633	(739,858,659)	44,638	(50,773)
Payment during the year	(282,534,198)	-	(19,720)	-
Actuarial loss (gain) due from:				
Experience adjustment	(556,290,561)	(422,868,392)	(38,769)	(25,837)
Changes in financial assumption	308,036,283	(44,927,059)	21,468	(2,745)
Change in demographic assumption	-	514,680,253	-	42,097
Translation adjustment	-	-	(820)	27,610
Ending balance	**4,374,828,445**	**4,343,771,288**	**304,887**	**298,090**

d. The expected total undiscounted pension benefit payments in Indonesian rupiah for the subsequent years are as follows:

Within the next 12 months (the next annual reporting year)	:	-
Between 1 and 2 years	:	445,459,841
Between 2 and 3 years	:	98,568,362
Between 3 and 4 years	:	-
Between 4 and 5 years	:	763,823,136
Beyond 5 years	:	38,959,692,891

The average duration of the long-term employee benefits liability is 16.30 years.

e. The effect of a one-percentage point change in discount rate and salary increase rate on long-term employee benefits liability for the year ended March 31, 2022 is shown below:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Discount Rate	Salary Rate	Discount Rate	Salary Rate
Increase by 1%	(370,527,910)	415,563,834	(25,823)	28,961
Decrease by 1%	426,783,003	(367,952,070)	29,743	(25,643)

16. CAPITAL STOCK

The shares ownership details as of March 31, 2022 and 2021 are as follows:

Series A

Stockholders	Number of Shares Issued and Fully Paid	Percentage of Ownership	Amount	Translations into U.S. Dollar - Unaudited (Note 2n)
EIH Holdings Ltd.	73,789	57.03	13,282,020,000	6,530,000
EIH International Ltd.	33,900	26.20	6,102,000,000	3,000,000
PT Waka Gae Selaras	21,696	16.77	3,905,280,000	1,920,000
Total	**129,385**	**100.00**	**23,289,300,000**	**11,450,000**
Series B				
EIH Holdings Ltd.	461,359	100.00	346,019,250,000	26,016,500
Total	**461,359**	**100.00**	**346,019,250,000**	**26,016,500**

Summary

	Share series	Number of Shares Issued and Fully paid	Percentage of Ownership	Amount	Translations into U.S. Dollar - Unaudited (Note 2n)
EIH Holdings Ltd.	Series A	73,789	12.49	13,282,020,000	6,530,000
EIH International Ltd.	Series A	33,900	5.74	6,102,000,000	3,000,000
PT Waka Gae Selaras	Series A	21,696	3.67	3,905,280,000	1,920,000
EIH Holdings Ltd.	Series B	461,359	78.10	346,019,250,000	26,016,500
Total		**590,744**	**100.00**	**369,308,550,000**	**37,466,500**

On September 7, 2019, the shareholders approved the transfer of 8,757 series A shares in the Company from PT Waka Gae Selaras (WGS) to EIH Holdings, Ltd., (EIHH) and the transfer of 46,135 series B shares in the Company from EIHH to PT WGS. As of report date, the transfer has not yet been executed.

17. DEPARTMENTAL REVENUES

The details of departmental revenues are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Room department				
Pavillion	378,901,736	-	26,421	-
Villa	363,862,691	-	25,372	-
Sub-total	742,764,427	-	51,793	-
Food and beverages department				
Food	130,182,604	-	9,092	-
Beverages	8,579,818	-	599	-
Sub-total	138,762,422		9,691	
Other operating departments		-		-
Health spa	1,740,000	-	121	-
Laundry	417,083	-	29	-
Sub-total	2,157,083	-	150	-
Others	198,348	-	14	-
Total	**883,882,280**		**61,648**	

18. COST OF REVENUES

The details of cost of revenues are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Food and beverage	46,569,269	-	3,250	-
Other operating departments	48,428	-	4	-
Payroll and related expenses:				
Salaries and wages	1,757,989,480	1,864,732,010	122,476	128,467
Employee benefits	1,229,278,503	327,603,768	85,642	22,708
Other expenses:				
Security	386,298,313	349,641,340	26,912	24,152
Cleaning and guest supplies	70,343,832	15,000,287	4,903	1,031
Telephone and communication	52,053,508	55,541,733	3,628	3,824
Health club	34,557,810	34,152,937	2,410	2,376
Linens and uniforms	33,757,576	3,455,504	2,353	239
Kitchen fuel	28,033,171	59,508,706	1,954	4,110
Welcome drinks, fruit baskets, and amenities	23,186,959	-	1,616	-
Loss and damages	10,970,971	1,818,783	765	126
Decoration	8,702,000	38,000	606	3
Cable television and music	7,550,000	-	526	-
Transportation and travel	4,078,430	1,938,000	284	134
Travel agents	-	-	-	-
Others	152,993,627	111,696,740	10,666	7,713
Total	**3,846,411,877**	**2,825,127,808**	**267,995**	**194,883**

19. GENERAL AND ADMINISTRATIVE EXPENSES

The details of hotel operating expenses are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Salaries and wages	1,027,242,237	1,012,858,020	71,559	70,150
Employee benefits	433,734,167	223,719,096	30,214	18,854
Consultant and audit fees	461,364,249	184,104,695	32,139	12,751
Insurance	192,665,373	188,674,993	13,421	13,068
Transportation and travel	82,939,950	53,875,852	5,778	3,731
Telephone and communication	70,520,176	82,833,977	4,913	5,728
Licenses and taxes	28,000,000	-	1,951	-
Bank charges	17,190,842	36,553,288	1,198	2,491
Printing and stationery	10,097,442	7,496,780	703	519
Commission on credit cards	-	957,349	142	57
Others	241,976,470	164,830,964	16,714	8,167
Total	**2,565,730,906**	**1,995,905,014**	**178,732**	**135,516**

20. PROPERTY OPERATIONS, MAINTENANCE AND ENERGY EXPENSES

The details of property operations, maintenance and energy expenses are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Repairs and maintenance	1,157,953,562	697,095,239	80,672	48,150
Electricity	649,341,262	418,919,170	45,253	28,910
Supplies	462,795,559	113,400,000	32,244	7,844
Salaries and wages	383,618,101	278,875,562	26,727	19,313
Fuel	139,194,210	43,418,162	9,700	2,997
Water	127,128,109	106,373,600	8,860	7,341
Provision for replacement of furniture fixtures and equipment (Note 13)	26,516,468	-	1,848	-
Others	42,970,693	11,814,692	2,993	817
Total	**2,989,517,964**	**1,669,896,425**	**208,297**	**115,372**

21. MARKETING EXPENSES

The details of marketing expenses are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2022	2021	2022	2021
Advertising and promotion	177,911,681	198,956,274	12,379	13,909
Sales promotion expenses (Note 25)	26,516,468	-	1,848	-
Others	143,751,253	168,812,062	10,003	11,802
Total	**348,179,402**	**367,768,336**	**24,230**	**25,711**

22. OTHER INCOME

In the last quarter of 2020, the Central Government identified hotels and restaurants to receive tourism grants through the Decree (SK) of the Regent of Badung number 67/054/HK/2020 according to the technical instructions from the Tourism Ministry, the amount of which will be calculated by the government based on the tax contribution subject to certain ceiling. In December 2020, the Company received cash grant from the government amounting to Rp298,686,685 (US$21,109) for operating expenditures. The Company has fully utilized the grant and has no excess grant to be returned to the government. Remaining amount pertains to interest from bank related to the cash grant.

23. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

TThe Company has various financial assets such as cash on hand and in banks, other current and non-current financial assets which arise directly from the Company's operations.

The Company's principal financial liabilities consist of trade payables, other payables, accrued expenses, due to related parties and other current financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations.

The carrying values of the Company's financial assets and liabilities approximate their fair values as of March 31, 2022 and 2021.

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 to 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.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Current financial assets and liabilities:

- Current financial instruments with remaining maturities of one year or less (cash on hand and in banks, other current financial assets, trade payables, other payables, accrued expenses, due to related parties, and other current financial liabilities)

  The carrying values of the Company's current financial assets and liabilities approximate their fair values due to the short-term nature of these financial assets and liabilities.

Non-current financial asset:

- Long-term financial assets (other non-current financial assets)

  The fair values of other non-current financial assets are assumed to be the same as the cash amount that will be received due to the fact that the maturity of such financial assets is not stated in related contract and the management is not yet able to determine when the financial assets will be realized.

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk Management

The main risks arising from the Company's financial instruments are foreign exchange rate risk, credit risk and liquidity risk. The Company's Board of Directors reviews and approves the policies for managing these risks which are summarized below.

a. Foreign Exchange Rate Risk

Foreign exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to exchange rate fluctuations results primarily from its U.S. dollar-denominated cash in banks, trade receivables, other payables and loan payable.

The Company's policies are to minimize the risk arising from the foreign exchange rate by monitoring its fluctuations and maintaining an adequate level of cash in banks and long-term bank loan in U.S. dollar. To the extent the Indonesian rupiah depreciates further from the exchange rates in effect at March 31, 2022, the Company's loan payable increases in Indonesian rupiah terms. However, the increase in this obligation will be offset in part by the increase in the value of its U.S. dollar-denominated cash in banks.

	Amount in Foreign Currency		Rupiah Equivalent
Assets			
Cash on hand and in banks	US$	46,498	667,197,537
Liabilities			
Due to related parties	US$	2,572,038	36,906,173,692
Net Liabilities			**(36,238,976,155)**

b. Credit Risk

Credit risk arises when one party to a financial asset or liability fails to discharge an obligation and causes the Company to incur a financial loss. The Company manages and controls this credit risk by setting limits on the amount of risk it is willing to accept for individual customers and by monitoring exposures in relation to such limits. The maximum exposure of the financial instruments to credit risk is equal to the carrying values as disclosed in Note 23.

With respect to credit risk arising from financial assets, primarily cash, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets.

The table below shows the maximum exposure to credit risk for the Company's financial assets without taking into account any collateral and other credit enhancements:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	2022	**2021**	**2022**	**2021**
Current Financial Assets				
Cash in banks	1,125,795,658	1,059,240,376	78,458	72,690
Other current financial assets	14,901,618	28,873,592	1,038	1,981
Total Financial Assets	**1,140,697,276**	**1,088,113,968**	**79,496**	**74,671**

c. Liquidity Risk

Liquidity risk is defined as the risk when the cash flow position of the Company indicates that the short-term revenues are not enough to cover its short-term expenditures. The Company's liquidity risk mainly arises from the repayment of its payable to EIH as of March 31, 2022 and 2021 which was due within a year. As of March 31, 2022, the Company's current liabilities exceed its current assets by Rp52,594,542,021 (see item "d" section below).

d. Capital Management

The primary objective of the Company's capital management is to ensure that it maintains healthy cash flows in order to support its business. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return on capital or issue new shares.

The Company reported net loss of Rp16,362,305,082 (US$1,120,342) for the year ended March 31, 2022 resulting in deficit and equity of Rp366,587,384,369 (US$31,141,482) and Rp2,358,132,594 (US$164,343) respectively. The Company's total current liabilities exceeded its total current assets by Rp44,674,039,889 (US$3,113,388) as of March 31, 2022.

The outbreak of COVID-19 pandemic had severely impacted the travel and hospitality sectors worldwide including the Indonesian tourism sector in the last two years. The losses incurred by the Company were mainly due to hotel closure starting March 31, 2020 because of the pandemic.

The Oberoi, Lombok resumed hotel operations on 18th March, 2022 after the international borders were re-opened by Indonesian government. The hotel has been receiving group bookings from domestic business in March'22 connected with Mandalika 2022 MotoGP race. The hotel will continue to focus on catering to the domestic market through local marketing agencies. Complete lifting of international airline travel restrictions are expected in a phased manner during the year with business conditions gradually improving from July 2022 onwards.

During the period when the hotel was closed, the Company had undertaken several cost-cutting measures including human resources shifting, contracts assessments, utilities and housekeeping reduction, suspension of services not required, suspension of sales representation and sales travel. The business conditions will be monitored carefully and appropriate cost rationalization measures will continue throughout the year.

In addition, EIH International, Ltd., the Company's ultimate parent company, and along with EIH Holdings, Ltd, which owns a combined 96.33% shareholdings in the Company, have provided a written confirmation on its intention and ability to provide financial support if and when required by the Company to allow it to continue as a going concern entity.

As of the completion date of the financial statements, the probability of the success of the Company's continuing efforts will still be affected by some uncontrollable factors including uncertainty in the extent and duration of the impact of COVID-19.

The financial statements have been prepared assuming that the Company will continue as a going concern entity. The financial statements did not include any adjustment that might result from these uncertainties.

25. SIGNIFICANT AGREEMENT

The Company entered into a Hotel Operation Agreement with EIH Management Services B.V. (the Operator) to manage and operate the Hotel effective December 31, 1998. On July 24, 2000, the Company signed a Renewal Agreement whereby the original term was extended until April 14, 2034 with operator having automatic rights of approval for another 20 years. The assignment of EIH Management Services B.V as the hotel operator was also transferred to EIH Holdings Ltd. with all terms and conditions retained.

The Operator has automatic and irrevocable options to extend the Agreement for another 20 years. Under the agreement, the Hotel Operator is entitled to a fee of 12.5% of the total gross operating profit. Also, under the agreement, the Hotel Operator is entitled to pay out of the gross operating revenue and as part of gross operating expenses, an amount equal to 3% of the Hotel gross operating revenue for marketing and sales promotion expenses. Any loss incurred by the Hotel in any financial year shall be borne exclusively by the Company.

26. RECENT DEVELOPMENTS AFFECTING ACCOUNTING STANDARDS

The accounting standards that have been issued up to the date of issuance of the Company's financial statements, but not yet effective are disclosed below. The management intends to adopt the standards that are considered relevant to the Company when they become effective. The Company is presently evaluating and has not yet determined the effects of these accounting standards on the financial statements.

- **Effective beginning on or after April 1, 2022**

a. Amendments to PSAK 22: Business Combinations - Reference to Conceptual Frameworks

These amendments clarify the interactions between PSAK 22, PSAK 57, ISAK 30 and the Conceptual Framework of Financial Reporting.

In general, the amendments to PSAK 22:

- Add a description regarding "liabilities and contingent liabilities within the scope of PSAK 57 or ISAK 30".
- Clarifying the contingent liabilities recognized at the acquisition date.
- Adds definition of a contingent asset and its accounting treatment.

These amendments will become effective on April 1, 2022 with earlier application permitted and are not expected to have any impact to the financial reporting of the Company upon first-time adoption.

b. Amendments to PSAK 57: Provisions, Contingent Liabilities, and Contingent Assets - Onerous Contract Fulfillment Costs

These amendments provide that costs to fulfill an onerous contract consist of costs that are directly related to the contract, which consist of:

1. incremental costs to fulfill the contract, and
2. allocation of other costs that are directly related to fulfilling the contract.

Amendments to PSAK 57 are effective on April 1, 2022 with earlier application permitted and are not expected to have any impact to the financial reporting of the Company upon first-time adoption.

c 2020 Annual Improvements – PSAK 71: Financial Instruments

The amendment clarifies the fees that an entity includes when assessing whether the modified terms of a financial liability required derecognition of the original financial liability and recognition of a new financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendment is effective for annual reporting periods beginning on or after April 1, 2022 with earlier adoption permitted but not expected to have any impact to the financial reporting of the Company upon first-time adoption.

d. 2020 Annual Improvements - PSAK 73: Leases

The amendment to Illustrative Example 13 accompanying PSAK 73 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

The amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after April 1, 2022 with earlier adoption permitted but not expected to have any impact to the financial reporting of the Company upon first-time adoption.

e. Amendments to PSAK 16: Fixed Assets - Proceeds before Intended Use

The amendments prohibit entities to deduct from the cost of an item of fixed assets, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in the profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2023 and shall be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the financial reporting of the Company.

f. Amendments to PSAK 1: Presentation of Financial Statements – Classification of a Liability as current or non-current

The amendments specify the requirements for classifying liabilities as current or non-current and clarify:

- what is meant by a right to defer settlement,
- the right to defer must exist at the end of the reporting period,
- classification is not affected by the likelihood that an entity will exercise its deferral right, and
- only if an embedded derivative in a convertible liability is an equity instrument would the terms and conditions of a liability will not impact its classification.

The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and shall be applied retrospectively. The amendments are not expected to have a material impact on the financial reporting of the Company.

g. Amendment of PSAK 1: Presentation of financial statement - Disclosure of accounting policies

This amendment provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendment aims to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendment is effective on or after 1 January 2023 with earlier application permitted. The Company is currently assessing the impact of the amendment to determine the impact they will have on the Company's accounting policy disclosures.

h. Amendment of PSAK 25: Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates

The amendment introduces a definition of 'accounting estimates' and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendment is effective on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted. The Company is currently assessing the impact of the amendment to determine the impact they will have on the Company's financial reporting.

i. **Amendment of PSAK 46: Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction**

This amendment proposes that entities recognize deferred tax assets and liabilities at the time of initial recognition, for example from a lease transaction, to eliminate differences in current practice for such transactions and similar transactions.

The amendment is effective for annual reporting periods beginning on or after January 1, 2023 with early adoption permitted. The Company is currently assessing the impact of the amendment to determine the impact they will have on the Company's financial reporting.

j. **PSAK 74: Insurance Contracts**

A comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, upon its effective date, PSAK 74 will replace PSAK 62: Insurance Contracts. PSAK 74 applies to all types of insurance contracts, life, non-life, direct insurance and re-insurance, regardless of the entities issuing them, as well as to certain guarantees and financial instruments with discretionary participation features, while a few scope exceptions will apply. The overall objective of PSAK 74 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers.

PSAK 74 is effective for reporting periods beginning on or after April 1, 2025, with comparative figures required. Early application is permitted, provided the entity also applies PSAK 71 and PSAK 72 on or before the date of initial application of PSAK 74. This standard is not expected to have any impact to the financial reporting of the Company upon first-time adoption.

27. EVENTS AFTER REPORTING PERIOD

In accordance with Tax Regulations Harmonization Law, the general VAT rate changed from 10% to 11% effective on April 1, 2022. Subsequently, this shall increase to 12% effective on January 1, 2025.

28. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The reconciliation of liabilities arising from financing activities for the years ended March 31, 2022 and 2021 are as follows:

	Year Ended March 31, 2022				
	Beginning Balance	**Cash flows**	**Foreign Exchange**	**Others**	**Ending Balance**
Due to related parties	**24,947,818,173**	**12,360,305,182**	**(378,904,482)**	**-**	**36,929,218,873**

	Year Ended March 31, 2021				
	Beginning Balance	**Cash flows**	**Foreign Exchange**	**Others**	**Ending Balance**
Due to related parties	**30,816,108,440**	**(2,872,992,003)**	**(2,995,298,264)**	**-**	**24,947,818,173**

PT ASTINA GRAHA UBUD

BOARD

Drs. Ec. I Wayan Pasek
Mr. Tjokorda Raka Kerthayasa
Mr. Deepak Madhok

AUDITORS

Ernst & Young
Ernst & Young Building
121, King William Street
Adelaide SA 5000
Australia

REGISTERED OFFICE

Dsn/Br. Jambangan,
Singekerta,
Ubud - Gianyar
Indonesia

Directors' Report

DIRECTORS

The Directors present their report on the Company for the year ended 31 March 2022.

The names of the Company's Directors in office during the year and until the date of this report are as follows.

Drs. Ec. I Wayan Pasek
Mr. Tjokorda Raka Kerthayasa
Mr. Deepak Madhok

The Directors were in office for the entire year unless otherwise stated.

PRINCIPAL ACTIVITIES

The Company's principal activity during the year was investment.

OPERATING AND FINANCIAL REVIEW

The net profit of the Company for the year was $Nil (2021: $Nil) after providing for income tax of $Nil (2021: $Nil).

No significant change in the nature of these activities occurred during the year.

EVENTS AFTER THE BALANCE DATE

No material matters or circumstances have arisen since the end of the year that requires disclosure in the financial statements.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There are no significant changes in state of affairs.

The results of the Company operations during the year have not, in the opinion of the Directors, been affected by any item, transaction or event of a material or unusual nature.

DIVIDENDS

No dividends have been paid, declared, or recommended during the preceding year ended 31 March 2022.

SHARE OPTIONS

No options over issued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the date of this report.

AUDITORS INDEPENDENCE

A copy of the auditor's independence declaration is attached to this financial report.

Signed in accordance with a resolution of the Director:

22 April, 2022

Deepak Madhok

Independent Auditor's Report

To the Members of
PT Astina Graha Ubud

Opinion

We have audited the financial report of PT Astina Graha Ubud (the Company), which comprises the statement of financial position as at 31 March 2022, the statement of comprehensive income, statement of changes in equity for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Company as at 31 March 2022, and its financial performance for the year then ended in accordance with International Accounting Standards to the extent described in Note 2 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 to the financial report which describes the basis of accounting. The financial report is prepared to assist the directors of PT Astina Graha Ubud to meet their financial reporting requirements. As a result the financial report may not be suitable for another purpose. Our report is intended solely for the members of PT Astina Graha Ubud and should not be distributed to parties other than the members

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with International Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the International Auditing Standards 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 this financial report.

As part of an audit in accordance with the International Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 report 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 report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Ernst & Young

Adelaide
22 April, 2022

Statement of Comprehensive Income

For the year ended 31 March, 2022

Expressed in United States Dollars ($)

	Note	Year ended 31 March, 2022	Year ended 31 March, 2021
Turnover	3	-	-
Profit before taxation	4	-	-
Taxation expense	5	-	-
Profit after Taxation		-	-
Other Comprehensive Income		-	-
Total Comprehensive Income		-	-

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 March, 2022

Expressed in United States Dollars ($)

	Note	As at 31 March, 2022	As at 31 March, 2021
Non-Current Assets			
Property, plant and equipment		6,184,948	6,184,948
Total Non-Current Assets		**6,184,948**	**6,184,948**
Current Assets			
Amount due from Related Parties		-	-
Total Current Assets		**-**	**-**
Total Assets		**6,184,948**	**6,184,948**
Current Liabilities		-	-
Amount due to Related Parties		-	-
Total Current Liabilities		**-**	**-**
Non-Current Liabilities			
Amount due to shareholders		3,584,948	3,584,948
Total Non-Current Liabilities		**3,584,948**	**3,584,948**
Total Liabilities		**3,584,948**	**3,584,948**
Net Assets		**2,600,000**	**2,600,000**
Equity:			
Share capital	7	2,600,000	2,600,000
Retained Earnings		-	-
Total Equity		**2,600,000**	**2,600,000**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 31 March, 2022

Expressed in United States Dollars ($)

	Share Capital	Retained Earnings	Total Equity
As at 1 April, 2021	**2,600,000**	-	**2,600,000**
Profit for year	-	-	-
Other comprehensive income	-	-	-
As at 31 March, 2022	**2,600,000**	**-**	**2,600,000**
As at 1 April, 2020	**2,600,000**	**-**	**2,600,000**
Profit for year	-	-	-
Other comprehensive income	-	-	-
As at 31 March, 2021	**2,600,000**	**-**	**2,600,000**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 31 March, 2022

1. Corporate information

The financial report of PT Astina Graha Ubud. (the "Company") for the year ended 31 March 2022 was authorised for issue on 22 April 2022.

PT Astina Graha Ubud. is a company limited by shares and incorporated in Indonesia. The nature of the operations and principal activity of the Company is described in the Directors' report.

2. Significant Accounting Policies

(a) Basis of Preparation

The financial report has been prepared in accordance with the requirements of International Financial Reporting Standards ('IFRS').

The financial report has also been prepared on a historical cost basis.

The financial report is presented in United States Dollars and all values are rounded to the nearest dollars unless otherwise stated.

A statement of cash flows has not been prepared given that there were no cash transactions during the current year.

(b) Compliance with IFRS

The financial report complies with International Financial Reporting Standards as issued by the International Accounting Standards Board with the exception of:

- IAS 24 Related Party disclosures

These disclosures are made by the parent entity.

(c) Changes in accounting policies and disclosures

Accounting standards issued in the current period or those issued but not yet effective have been considered by management and are not expected to have a material impact on the business.

Remaining accounting policies adopted are consistent with those of the previous financial year.

(d) Foreign Currencies Translation

Transactions in foreign currency are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into United States dollars at the exchange rates ruling at the balance date.

Non-monetary items measured at fair value in a foreign currency in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange gains and losses on foreign currency translation are dealt with in the Statement of Comprehensive Income account.

(e) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and which are subject to an insignificant risk of changes in value.

(f) Fixed Assets

Fixed assets are stated at cost less any accumulated impairment losses and depreciation. Depreciation is calculated from when an asset is first held ready for use.

The carrying values of fixed assets are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. The recoverable amount of fixed assets is the higher of fair value less costs to sell and value in use.

An impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

(g) Deferred Taxation

Deferred taxation is calculated under the liability method in respect of the taxation effect arising from all timing differences between profit as computed for taxation purposes and profit as stated in the financial statements which are expected with reasonable probability to crystallise in the foreseeable future.

(h) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(i) Key judgements and estimates

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing

Notes to the Financial Statements

For the year ended 31 March, 2022

a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Following the outbreak of Novel Coronavirus (COVID 19) in FY2020, previous country restrictions have ceased and it is expected that there will be a return to normal business conditions during FY2023.

3. Turnover

Turnover represents dividends from investments.

4. Profit Before Taxation

Profit before taxation is arrived at after charging and crediting:

After charging:

	Expressed in United States Dollars ($)	
	Year ended 31 March, 2022	**Year ended 31 March, 2021**
Auditors' remuneration	-	-

The audit fee has been borne by a related company.

5. Taxation

(a) No provision has been made for income tax as the Company did not earn income subject to tax.

(b) No provision for deferred taxation has been made as the effect of all timing differences is immaterial.

6. Directors' Remuneration

	Expressed in United States Dollars ($)	
	Year ended 31 March, 2022	**Year ended 31 March, 2021**
Fees	-	-
Other emoluments	-	-

7. Share Capital

	Expressed in United States Dollars ($)	
	As at 31 March, 2022	**As at 31 March, 2021**
Issued and fully paid: Ordinary shares	**2,600,000**	2,600,000

8. Events After Statement of Financial Position Date

No material subsequent events or transactions have been identified.

9. Commitments and Contingencies

There are no outstanding commitments and contingencies at year end.

In the opinion of the Directors:

(a) the statement of comprehensive income and statement of changes in equity is drawn up so as to give a true and fair view of the results of the Company for the year ended 31 March 2022;

(b) the statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Company at 31 March 2022; and

(c) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

This statement has been made in accordance with a resolution of Directors.

22 April, 2022

Deepak Madhok

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